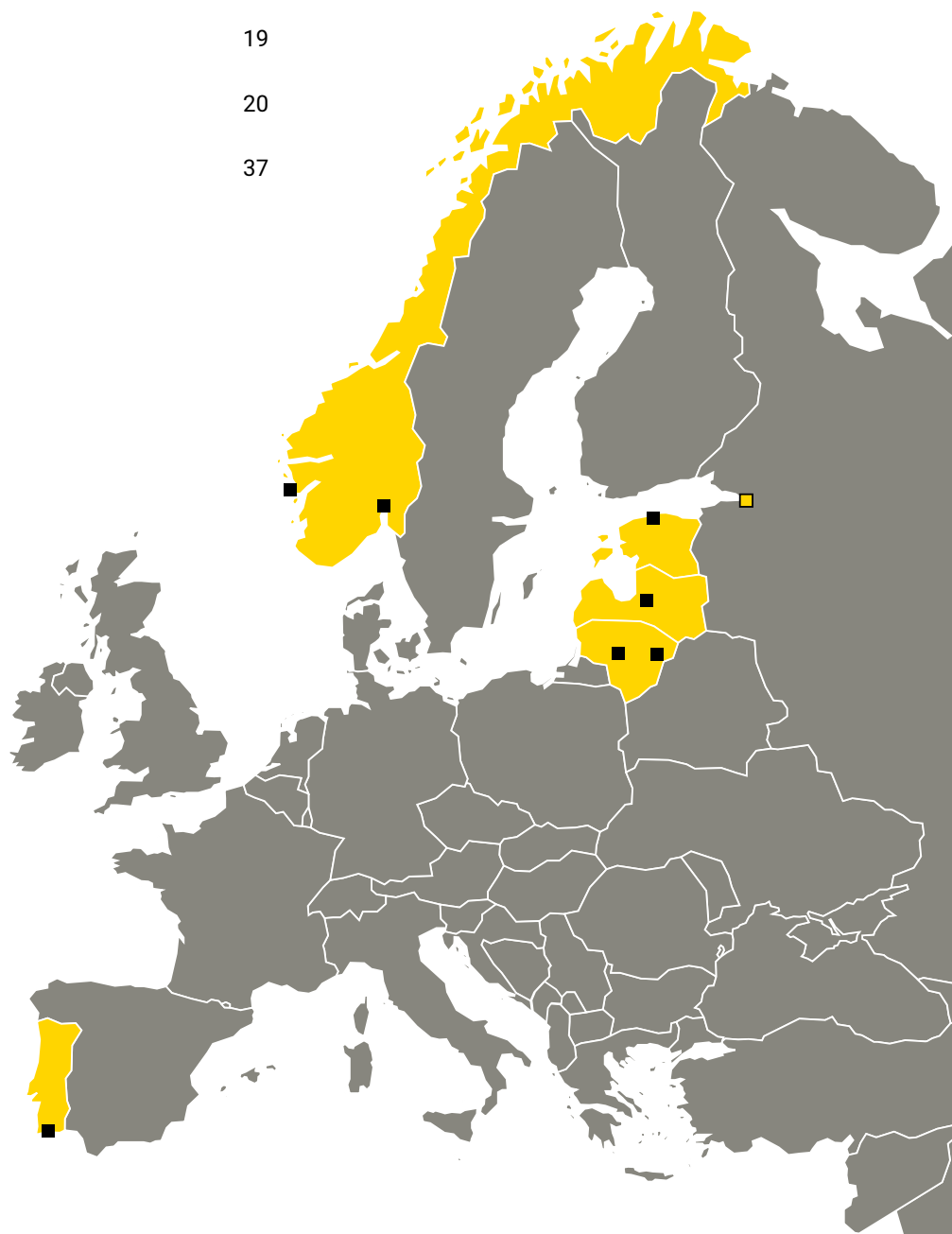




Annual report 2023

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LIST OF PROPERTIES

(Square meters)		No of rooms	In operation	Under construction	Development possibilities	Total SQM
Hotels	Hotels					
	Comfort Hotel Bergen Airport	304	15 477			15 477
	Radisson Blu Hotel Latvija, Riga	571	43 902			43 902
	Radisson Blu Elizabete Hotel, Riga	228	13 076		4 400	17 476
	Radisson Blu Hotel Lietuva, Vilnius	456	40 157			40 157
	Radisson Kaunas, Kaunas	206	13 018			13 018
	Radisson Blu Olümpia, Tallinn	390	30 854		7 000	37 854
	Park Inn by Radisson Central Tallinn	245	9 888			9 888
	Radisson Sonya Hotel, St. Petersburg	173	7 810			7 810
TOTAL HOTELS		2 573	174 182	-	11 400	185 582
Linstow Baltic	Shopping/Urban development					
	Ülemiste, Tallinn		125 000		50 000	175 000
	Origo, Riga		75 000			75 000
	Riga Retail Park				150 000	150 000
	Alfa Home Center, Riga				50 000	50 000
	Buone Block 1, Riga				18 000	18 000
	Sporta 2, Riga				60 000	60 000
	Satekles Business Centre, Riga			13 658		13 658
	Tobre 2				27 000	27 000
	Other					
	Elisabetes 75		4 400			4 400
	Bisumuizās Nami, Riga				100 000	100 000
	Jekaba Arcade, Riga		8 600			8 600
TOTAL LINSTOW BALTICS			213 000	13 658	455 000	681 658
Norway	Offices/Urban development					
	Damsgårdsveien 161-171, Bergen		15 858		27 000	42 858
	Quarteret, Oslo (100%)		13 457	1 766		15 223
	Brubakkveien 16, Oslo		4 000		55 000	59 000
	Veterinærhøgskolen, Oslo		30 672		25 000	55 672
	Oslo S. Utvikling AS (50%)		3 500	10 000	37 000	50 500
	Bergen Lufthavn Utvikling AS (50%)		7 263		94 460	101 723
	Agnes Utvikling AS, Stavern (50%)		2 481		38 179	40 660
	Galleri Oslo Invest (33,33%)		1 617		1 288	2 905
	Furuset Utvikling AS, Oslo (33,3%)		19 333		25 000	44 333
	Health					
	Romerike Helsebygg, Lillestrøm		31 009		25 000	56 009
	Helsehusene Fredrikstad AS (40,23%)		12 804			12 804
	Residential					
	Oslo S. Utvikling AS (50%)			18 000	13 000	31 000
	Agnes Utvikling AS (50%)			961	17 451	18 412
	Parking					
	Grønland Torg Parkering, Oslo		17 223			17 223
	Galleriet Parkering, Oslo		14 969		21 000	35 969
	Residential					
	Citadellet, Nesodden				25 000	25 000
TOTAL NORWAY			174 186	30 727	404 378	609 291
TOTAL LINSTOW GROUP		2 573	561 368	44 385	870 778	1 476 531

The board of directors' annual report 2023





Linstow AS – Annual Report 2023

At Linstow we are committed to creating places where people want to live, work and meet. Our ambition is to contribute to an excellent quality of life – and a good society. The company owns, develops and manages properties within different segments in both Norway and abroad. The company is wholly owned by Awilhelmsen AS, a family-owned investment company, operating within the following business areas: industrial investments, real estate and financial asset management.

Linstow AS and its subsidiaries (hereinafter referred to as Linstow or the Group) play a key role in Norway in several major development projects and own and manage office, healthcare, hotel and parking properties. A considerable proportion of the company's activities take place abroad.

In the Baltics, Linstow is a significant player in the hotel and shopping centre market, in addition to being an active urban developer in the capital cities. The Group owns a total of six hotels and two centrally located shopping centres in the largest cities in the Baltic countries.



Market development

Hotel business area

Linstow owns six hotels in the Baltics, with a total of 2,096 rooms, in Tallinn, Riga, Vilnius and Kaunas. The occupancy rate in the Baltics was 63% in 2023 (2022: 52%) and income measured in euros increased by 34% compared with the previous year. The hotels are based on international travel and tourism to a great extent. Unlike many other European markets, the hotel market in the Baltics did not quickly recover following the pandemic. Nevertheless, in 2023, individual visitors, including both tourists and business travellers, returned to pre-pandemic levels. Demand from the group segment has not yet returned to previous levels. Tourism to the Baltics is still affected by the ongoing war in Ukraine, but not to the same extent as when the war first started. The hotels are operated by Radisson Hospitality AB under the brand names of Radisson Blu, Radisson and Park Inn by Radisson.

In Norway, Linstow owns Comfort Hotel Bergen Airport, which is leased and operated by Nordic Choice Hotels.

Linstow Baltic business area

Linstow Baltic has developed and manages two major shopping centres in the Baltics, a leading centre in Tallinn,

Estonia, and an urban office and shopping centre linked to the Central Railway Station in Riga, Latvia. The company also has a portfolio of development projects for, among other things, offices in Riga, one of which is currently under construction.

Despite challenging macro conditions with low economic growth, high inflation and weakened consumer sentiment, earnings and performance from properties have experienced positive developments throughout 2023.

The shopping centres achieved a combined revenue of EUR 357 million in 2023. This corresponds to an annual growth of 6.3%. Rental income totalled EUR 28.9 million. This corresponds to annual growth of 12.2%, while EBITDA was EUR 23.4 million, corresponding to annual growth of 17%. Ülemiste in Tallinn continues to maintain its position in the market and has almost no vacancies. At Origo in Riga, all office space is leased out, while there is still some vacant space in the retail part.

Linstow Baltic has worked actively to further develop its project portfolio. In 2023, the main focus was on continuing the Satekles Business Centre (SBC) project, which will house the new headquarter of SEB in Latvia. The project totals 13,600 square metres and will be completed in 2025. Zoning has also been initiated for a neighbouring plot to SBC, where



around 25,000 square metres can be developed, consisting primarily of office space. The Sporta 2 project in Riga is in an early phase and comprises the development of a neighbourhood spanning 60,000 square metres of offices, residential, culture, retail and hospitality. The further development of the Ülemiste shopping centre in Tallinn, which is situated next to the new Rail Baltica railway station, is also under way.

Norway business area

Engagement in urban development projects is a key aspect of Linstow's strategy. Linstow is working on the development of office, commercial and residential projects in Oslo through Oslo S. Utvikling AS (OSU), Qvarteret Holding AS (Qvarteret) and Linstow Adamstuen AS (Adamstuen).

OSU is a key player in Norway's largest urban development project. OSU has an ambitious vision of transforming Bjørvika from being a traffic intersection and container port to the most attractive residential and commercial neighbourhood in Norway. This vision is well on the way to being achieved and, in 2024, the focus will be on the development of the Vannkunsten Syd and Mariakvartalet residential projects.

In 2022, Linstow bought large parts of the old veterinary college at Adamstuen. Here, we want to create an open and accessible place of great value for those who will live and work here, for the neighbouring area and for the city's population. In 2023, agreements were entered into with cafes, a grocery store, artists, a fitness center and other exciting tenants. The health-promoting dimension is another priority, alongside sustainable solutions in urban development.

Qvarteret is an incredibly exciting office and urban development project situated next to Sentralen, Christiania Torg, Stortinget and Akershus fortress. By opening up the facades towards Akersgata, Tollbugata and Nedre Vollgate, the stage is set for a vibrant and inclusive urban street level that can be enjoyed by both tenants and local residents.

Bergen Lufthavn Utvikling AS (BLU) (50% owned by Linstow) is a long-term cooperation project with Flesland Holding AS for the development of Bergen Business Park. Bergen Business Park is an innovative new business park at Bergen Airport Flesland, Western Norway's largest transport hub.

The Group also owns one third of Furuset Utvikling AS. This company has a large property portfolio centrally located at Furuset in the Alna neighbourhood in Oslo. The portfolio includes approximately 58,000 square metres of office, commercial and logistics property. In addition, several sites are included, and the portfolio's total long-term residential and commercial development potential, in addition to the current area, totals around 75,000 square metres.

Linstow owns 50% of Agnes Utvikling AS. The company owns properties and plots of land in an area of around 62.5 acres in Stavern in the Municipality of Larvik. A completely new neighbourhood with around 600 homes and 60,000-80,000 square metres of commercial space will be developed here. The first residential projects for which Linstow was a co-owner consisted of 16 apartments and was completed and handed over to satisfied buyers in September 2023. The next residential project, in which Larvik Boligbyggelag is a partner, consists of 41 apartments and is under construction.



Galleri Oslo is a large commercial building with a unique location in Oslo City Centre, close to Oslo Central Station. In collaboration with the other owners, Entra and Viken Pensjonskasse, Linstow is working to transform the property. In the work on the new zoning plan, the planning programme has been circulated for consultation and submitted to the City of Oslo for their further consideration. The City of Oslo has set the condition for further processing that a solution is found for the ramping-down of the Nyland Bridge and the bus terminal. The Norwegian Public Roads Administration and relevant municipal agencies participate in finding solutions to this.

In addition to the aforementioned projects, Linstow owns a property portfolio in Norway totalling 100,000 square metres, with focus on good technical operation of the properties and excellent service for our tenants. The portfolio consists primarily of the properties Romerike Helsebygg, Damsgårdveien 161-171, Comfort Hotel Bergen Airport, Brubakkveien 16 and the multi-storey car parks Galleriet and Grønland Torg in Oslo.

Health

Health is a long-term, high-priority focus area for Linstow. Our ambition is to contribute to better public health and improved quality of life. We develop and manage health centers assembling both public and private health-related

services for the benefit of users. In addition, we use our expertise in public health when developing communities. Linstow owns Romerike Helsebygg at Lillestrøm and is the largest owner (40%) of Helsehusene in Fredrikstad. Romerike Helsebygg is undergoing a joint zoning process with Viken County Municipality and the healthcare building is planned to be expanded from 31,000 square metres to 56,000 square metres. The zoning was initially considered in 2023 and clarifications relating to public transport are currently under way ahead of the second consideration, which is due to take place towards the end of 2024.

In 2023, the second phase of the “Building Health” research and innovation project was initiated. During this phase, our partner SINTEF collected data and insights through four separate case studies and also initiated substantial analysis work on the results. In collaboration with SINTEF, we will also establish Linstow Learning Lab in 2024. The Learning Lab will be a dynamic learning and development arena, in which we will challenge the “traditional” approach to property development. By applying research-based knowledge and what we learn through practical work and testing in projects, we can continuously improve and adapt our methods and solutions to achieve sustainable solutions for health-promoting urban development.



SATEKLES BUSINESS CENTRE, RIGA

Through more comprehensive planning of construction and the local environment, where knowledge of what can improve public health standards for residents is integrated into the development process, Linstow will contribute to a better society in the long term. The aim of the initiative is for Linstow to take a central position in the market as a professional property developer offering new solutions and health concepts that the society needs. The “Building Health” project will continue until 2026 and is funded by the Research Council of Norway.

In June 2023, Linstow acquired Runnivegen 15 and 19 at Årnes in the Municipality of Nes. The properties were purchased from the local authority subject to a clause that safeguards the local authority's need for supported living accommodation. It has been agreed that the local authority will buy back 30 supported living homes for people with dementia. The anticipated handover of the homes is scheduled for the second half of 2026. In 2023, we have collaborated with the local authority and other stakeholders.

Health, safety and the environment

Linstow AS had 30 employees at year-end 2023, equivalent to 28.6 FTEs in 2023. The Group had 876 employees in total at year-end 2023 (2022: 899), equivalent to around 796 FTEs (2022: 717), excluding affiliated companies. In 2023, the rate of absence due to illness at Linstow AS was 2.1% (2022: 2.1%). The company has a good working environment.

One occupational accident resulting in absence occurred at Linstow's construction sites in 2023. In addition, three hotel employees were also involved in incidents that resulted in absence. On 30 March 2023, an old, vacant property collapsed in connection with a renovation project in Riga. The project had been handed over to the contractor and the incident did not result in any personal injuries. Linstow has taken the necessary steps to reduce risk and continue the project, while awaiting final conclusions concerning the cause of the incident. Linstow takes the safety of society in general and our employees very seriously.



Women make up 30% of Linstow AS' employees. The company's owners and the Board of Directors wish to ensure equal rights and opportunities for all employees and see the benefit of an even distribution between the genders, also at management level. The Board of Directors' goal is to eliminate all forms of discrimination related to gender or any other factors. Linstow will ensure good working conditions in all countries in which the Group operates. The Board of Directors of Linstow AS consists of five men, while Linstow's management team consists of one woman and five men.

Board liability insurance

Linstow has taken out Board and management liability insurance for Linstow's Board of Directors and CEO. The insurance also covers senior executives and Board members of companies of which the ownership interest exceeds 50%. The insurance covers the insured's legal liability for any economic loss that the insured may incur by virtue of their role.

Preventing economic crime and corruption

Linstow has zero tolerance for corruption and is making an active effort to prevent financial irregularities. Linstow does not accept or make use of facilitation payments.

Sustainability reporting

Linstow's activities affect the external environment when waste from the demolition and renovation of old buildings, construction of new properties, and operation of the company's properties. In every area of its activities, Linstow has a strong focus on complying with all public requirements and recommendations relating to the environment. Our projects have clear goals regarding energy consumption, pollution, use and reuse of materials, and the indoor climate, and also the effective use of space, which generally extend beyond the requirements set by public authorities. Linstow requires its contractors to adhere to a comprehensive programme for sorting at source of all building demolition waste.



VETERINÆRHØGSKOLEN, ADAMSTUEN OSLO

Linstow is an advocate of sustainable social development and promotes long-term quality and environmental work in all our activities. We do so through:

- BREEAM certification of all wholly owned construction projects
- We have started a process of BREEAM In-Use certification of wholly owned properties
- Following the Property Sector's Roadmap Towards 2050
- Measuring our GHG footprint and working systematically with reduction measures

Further descriptions of Linstow's sustainability work are available on our website, linstow.no.

Environmental certification

Linstow uses the BREEAM/BREEAM-NOR manual for environmental certification for all of our new buildings under construction. The criteria in the BREEAM Manual are generally stricter than the minimum standards in building regulations and other regulatory provisions. The criteria and performance

levels represent good or best practice within sustainable design and procurement.

The Property Sector's Roadmap towards 2050

To further strengthen our commitment to sustainability, Linstow is affiliated with the "Property Sector's Roadmap Towards 2050". This entails, among other things, that Linstow's wholly owned companies in Norway have achieved Eco-Lighthouse certification. Eco-Lighthouse is associated with EMAS – The EU Eco-Management and Audit Scheme – so that this environmental certification is also applicable internationally, in relation to our activities outside Norway. In addition to environmental certification of the organisation, signing the Roadmap means that Linstow is committed to following a further 19 immediate measures related to project implementation and property management. Examples of measures are: planning for reuse, using roof surfaces (green, water, solar cells), fossil-free heating and fossil-free construction sites, etc.



GHG reporting

We have also implemented “Greenhouse Gas” reporting and now measure the GHG footprint of all of Linstow’s properties. Throughout 2023, we worked to identify initiatives that can help reduce the GHG footprint. Linstow has set the baseline year at 2010, with the goal of reducing our GHG footprint by 60% towards 2030. For the figures to be as comparable as possible in a portfolio with purchase, sale and development, the GHG footprint is measured per square metre.

The Norwegian Transparency Act

An updated report pursuant to the Transparency Act will be available on Linstow’s website, [Linstow.no](https://linstow.no) before 30 June 2024.

Report on the annual financial statements

(2022 figures in parenthesis)

Pursuant to Section 3-3a of the Norwegian Accounting Act, we confirm that the financial statements have been prepared on the basis of the going concern assumption. The annual report includes statements about future operations that are

associated with risks and uncertainties. These statements about the future reflect the current view on future conditions and are by nature subject to risks and uncertainties because they are tied to events and depend on conditions that will occur in the future. For many reasons, the actual results may diverge significantly from the expectations expressed in the statements concerning the future outlook.

For Linstow, 2023 has been characterised by strong growth in revenues, while higher base lending rates have resulted in increased interest costs and pressure on the market value of the property portfolio.

In 2023, the Group had rental income of NOK 508 million (432 million). Revenue from hotels and other operations was NOK 1,018 million (749 million). In 2023, gains from the sale of properties totalled NOK 164 million (2 million). There was no project revenue in 2023 (zero).

Operating costs amounted to NOK 1,492 million (1,206 million). Payroll and administration costs totalled NOK 791 million (661 million). Net impairment of fixed assets amounted to NOK 240 million (166 million). Net impairment is calculated per property and is based on the average of two valuations made by independent appraisers. Net impairment is predominantly linked to Norwegian properties and is due to increased yield. There were no project costs in 2023 (zero).



There was no loss on the sale of property in 2023 (4 million). Depreciation amounted to NOK 293 million (245 million).

Net financial items amounted to NOK -292 million (NOK -174 million). In 2023, the result attributable to associated companies was NOK -52 million (-80 million), of which NOK -52 million (-23 million) concerned the result attributable to BLU.

The Group's result before tax was NOK -95 million (NOK -197 million). The net result after tax was NOK -67 million (NOK -179 million).

Linstow AS' profit after tax was NOK 359 million (71 million) and includes sales gains of NOK 328 million (zero), dividends from subsidiaries and affiliated companies of NOK 563 million (275 million), net change in financial instruments of NOK -5 million (15 million) and net exchange rate gains of NOK -40 million (-43 million).

Investments

The Group's investments in 2023 totalled NOK 810 million (1,529 million). Investments in Tollbugaten 32/Akersgata

amounted to NOK 534 million. Investments in hotels amounted to NOK 57 million, while investments in the Baltics amounted to NOK 123 million.

In September 2023, the Dunas Douradas Beach Club (DDBC) holiday resort in the Algarve, Portugal, was sold.

Equity and cash flow

The Group's recognised equity amounted to NOK 2,685 million (2,542 million). Net cash flow from operations totalled NOK 263 million (299 million). At year-end 2023, total bank deposits and cash equivalents amounted to NOK 1,366 million (937 million).

Financing and liquidity

At year-end 2023, the Group had non-current liabilities amounting to NOK 6,916 million (6,092 million), including NOK 448 million of bank loans which mature in 2024. The loan-to-asset-value ratio for loans maturing in 2024 is low and the Group has entered into dialogue with the existing banks



concerning an extension to the loans. The Group's solvency and liquidity are good. The book equity ratio was 27% (28%) at the close of 2023. The Group's property portfolio is valued annually by two independent appraisers. The valuations indicate that the market value of the Group's property portfolio is significantly higher than the carrying amount.

Risk

Financial risk

Linstow is exposed to currency fluctuations, as the Group's activities abroad are primarily in euro-area countries. To reduce currency risk, all external loans are raised in the same currency as the associated assets and revenue.

Linstow is also exposed to a refinancing risk and the risk of changes in the interest rate level. The Group seeks to reduce these risks by entering into fixed-interest-rate swap agreements with varying terms and by entering into long-term loan agreements with a diversified maturity structure. Linstow is also exposed to changes in properties' market values. Market values are highly dependent on earnings, interest rate levels and the attractiveness of the properties.

The risk that counterparties do not have the financial ability to fulfil their obligations is considered to be low for all business areas. The risk of loss is considered to be greatest

within the shopping centre activities. The Group follows up tenants proactively and seeks to identify and resolve any payment challenges as early as possible. The Board of Directors assesses the liquidity of the Group to be very good.

Project risk

Contracts for the Group's projects have been entered into with large, well-established contractors. Standard performance bonds have been provided for these projects. The projects are carried out as turnkey contracts.

Other risk

The financial results of our hotel activities are highly dependent on the occupancy rate and the room prices that can be obtained in the market. This applies particularly to the hotels in the Baltic countries, where there is no minimum rent level in the agreement with the hotel operator, Radisson Hospitality. For the shopping centre activities, the number of visiting customers and the centre's revenue are the primary factors determining the rent that can be charged.

Outlook

In 2024, Linstow purchased the office buildings Expo and Midt in Bergen from Bergen Lufthavn Utvikling AS. Linstow AS owns 50% of the shares in Bergen Lufthavn Utvikling.



SATEKLES BUSINESS CENTRE, RIGA

For Linstow, 2023 was an eventful year. Continued interest rate increases have resulted in reduced property values and increased interest costs. At the same time, revenue has substantially increased, especially from the hotel portfolio, where revenues are now higher than in 2019/before COVID. The transaction market has also woken up and the distance between buyers and sellers has decreased significantly throughout the year.

Developments in the property market in 2024 will largely depend on general economic developments and interest rate developments in particular. Linstow's focus on sustainable urban development is strong and, with a healthy balance

sheet and long-term ownership, the company is well-positioned for further growth.

The Board of Directors' proposal for allocation of the profit for the year

Linstow AS' profit after tax amounted to NOK 359,3 million. The Board of Directors proposes that this amount, together with the NOK 390,0 million received in group contributions after tax, be allocated as follows: NOK 500 million in dividends and NOK 249,3 million credited to the company's equity.

Board of Directors of Linstow AS
Oslo, 24. April 2024


Sigurd E. Thorvildsen
Chair of the Board


Henrik Fougner
Board Member


Knut I. Nossen
Board Member


Arve Ree
Board Member


Ole Christian Hvidsten
Board Member


Knut Løken
CEO

Income Statement



Linstow AS				Linstow Group	
2023	2022	(NOK 1 000)	Notes	2023	2022
		OPERATING INCOME			
		Rental income, properties		508 022	432 119
328 438		Profit from sale of fixed assets	1	164 489	1 740
34 172	26 388	Hotel revenues and other operating income	2	1 017 927	748 767
362 610	26 388	Total operating income		1 690 438	1 182 626
		OPERATING EXPENSES			
-75 422	-90 521	Wages, salaries, employer's national insurance contributions and pension costs	3	-356 240	-305 135
-30 903	-22 405	Other administrative expenses	2	-435 180	-356 165
		Cost of materials		-72 290	-52 281
	-85	Operating costs for properties and bad debts		-96 243	-77 044
-372 711	-60 047	Impairment and reversal of fixed assets	1,5	-239 969	-165 731
-527	-187	Amortisation	4	-292 548	-244 921
-479 562	-173 246	Total operating expenses		-1 492 470	-1 205 738
-116 953	-146 858	Operating profit		197 969	-23 113
		FINANCIAL ITEMS			
563 451	274 628	Profit/loss from Group companies and associates	5	-51 991	-80 236
75 418	46 511	Finance income	6	68 201	34 752
-196 820	-131 710	Finance expenses	6	-308 705	-128 157
442 049	189 430	Net financial items		-292 495	-173 641
325 096	189 430	Profit before tax		-94 526	-196 754
34 218	28 545	Tax	7	27 976	17 281
359 315	71 117	Profit for the year before minority interests		-66 550	-179 472
		Minority interests		13 661	5
359 315	71 117	Profit for the year after minority interests		-52 889	-179 467
		APPROPRIATIONS			
-249 315	-49 117	Transferred to/from other equity			
-500 000	-100 000	Accrued dividend			
390 000	78 000	Group contribution received after tax			
-359 315	-71 117	Total appropriations	8		

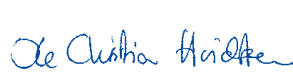
Linstow AS				Linstow Group	
2023	2022	(NOK 1 000)	Notes	2023	2022
ASSETS					
Fixed assets					
Intangible assets					
35 055	29 501	Deferred tax assets	7	64 499	3 520
Tangible fixed assets					
1 500	1 500	Real property	4	6 651 214	6 408 761
		Projects in progress	4	160 829	60 305
2 874	568	Machinery, fixtures/fittings and vehicles	4	147 063	110 951
Financial assets					
5 060 164	5 002 437	Shares in subsidiaries	5		
157 664	216 694	Receivables from Group companies			
1 238 504	1 300 977	Shares in associates	5	1 158 386	1 175 923
83 508	106 608	Receivables from associates		149 934	106 608
4 396	1 805	Other shares	5	4 409	1 818
39	39	Other long-term receivables	9	45 779	41 391
6 583 703	6 660 130	Total fixed assets		8 382 112	7 909 278
Current assets					
16 213	6 802	Current receivables	9	97 120	129 626
500 000	100 000	Receivables from Group companies		500 000	100 000
		Projects for sale	5	100 758	45 487
877 600	463 976	Bank deposits, Group account	12	1 365 524	936 648
1 393 813	570 777	Total current assets		2 063 402	1 211 762
7 977 516	7 230 907	Total assets		10 445 514	9 121 039
EQUITY AND LIABILITIES					
Equity					
822 864	822 864	Share capital (1,264,000 shares of NOK 651)		822 864	822 864
894 944	894 944	Share premium reserve		894 944	894 944
1 243 833	853 833	Other paid-in capital		1 243 833	853 833
960 622	1 101 307	Retained earnings		-421 926	-33 138
		Minority interests		34 819	3 995
3 922 264	3 672 949	Total equity	8	2 574 535	2 542 498
Long-term liabilities					
Provisions for liabilities					
		Deferred tax	7	136 570	162 185
44 670	39 773	Other commitments	10	208 297	130 992
Other non-current liabilities					
1 182 110	963 935	Liabilities to Group companies			
2 204 000	2 398 600	Secured debt	10	6 571 569	5 799 302
3 430 780	3 402 308	Total long-term liabilities		6 916 435	6 092 478
Current liabilities					
624 473	155 650	Current liabilities	11	954 544	486 063
624 473	155 650	Total current liabilities		954 544	486 063
7 977 516	7 230 907	Total equity and liabilities		10 445 514	9 121 039

Oslo, 24. April 2024


Sigurd E. Thorvildsen
Chair of the Board

Henrik Fougner
Board Member

Knut I. Nossen
Board Member

Arve Ree
Board Member

Ole Christian Hvidsten
Board Member

Knut Løken
CEO

CASH FLOW STATEMENT

(NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Profit before tax	325 096	42 573	-94 526	-196 754
- Tax payable	-3 868	-2 825	-96 477	-30 995
- Profit/loss on sale of fixed assets	-328 438		-164 489	2 722
- Profit/loss from associates			51 991	80 236
+ Loss on sale of fixed assets				4 461
+ Amortisation	527	187	292 548	244 921
+ Impairment/reversal of fixed assets	372 711	60 047	239 969	165 731
+/- Change in accounts receivable	-9 137	828	647	-4 374
+/- Change in accounts payable	-345	1 096	6 859	29 715
+/- Change in interest	-429	95	22 042	8 157
+/- Change in other accruals	-8 145	6 350	4 926	-4 363
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	347 971	108 351	263 489	299 457
+ Sale of tangible assets and projects			251 797	20 090
- Investment in tangible assets and projects	-2 833	-108	-810 276	-1 529 035
+ Payments from investments in shares	530 789		36 598	142 801
- Investment in shares	-487 479	-1 461 646	-3 075	-19 066
+/- Changes in other receivables/intra-Group balances	214 880	76 223	-66 713	4 188
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	255 357	-1 385 531	-591 670	-1 381 022
+/- Change in external long-term liabilities	-189 704	965 536	797 758	1 038 941
+/- Exchange rate differences			-229 168	-166 782
- Equity transactions and loans to parent company		500 000		500 000
+ Change in minority on issue			188 466	4 000
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	-189 704	1 465 536	757 057	1 376 159
NET CHANGE IN CASH & CASH EQUIVALENTS DURING THE YEAR (A+B+C)	413 625	188 356	428 876	294 594
Cash & cash equivalents 1 January (*)	463 976	275 620	936 648	642 054
Cash & cash equivalents 31 December (*)	877 600	463 976	1 365 524	936 648

(*) Cash and cash equivalents are largely related to the Group account and thus represent a receivable with the parent company under the Group banking scheme.

Accounting principles and notes



ACCOUNTING PRINCIPLES

General

The annual financial statements have been prepared in accordance with current legislation and generally accepted accounting principles. Accounting standards for "other" enterprises have been used.

Consolidation and equity investments

Shares and participating interests in subsidiaries are eliminated in accordance with the purchase method. This means that the cost price of the shares and interests is set off against the subsidiaries' equity as at the date of acquisition. Any added/negative values of individual properties arising from this process are depreciated using the same principles as for the properties themselves. Profit/loss from the purchase/sale of subsidiaries and associates is included from/to the date of acquisition/disposal. For gradual investment in/acquisition of subsidiaries, values at the date of consolidation are generally used. The minority interests' share of income and equity is shown as a separate line on the income statement and balance sheet. Internal receivables, liabilities and profit/loss items are eliminated in the consolidated accounts.

In the parent company accounts, the cost method is used for all companies, regardless of structure and ownership share. Group contributions and dividend received which lie inside and outside the subsidiaries' accrued earnings in the ownership period are respectively recognised in the parent company's income statement and recognised directly in the balance sheet as an investment. Group contributions from the parent company to a subsidiary are considered as investments in subsidiaries and are capitalised as part of the cost of the shares. Group companies are fully consolidated in the accounts, while associates are accounted for using the equity method. More information can be found in Note 4 where shares and ownership interests are specified.

Translation of foreign companies

In the consolidated accounts, the accounts of foreign subsidiaries and associates are aligned with the Group's accounting principles as far as possible. When these companies' accounts are translated from local currencies to Norwegian kroner (NOK), balance sheet items are translated using the exchange rate prevailing at the balance sheet date, while income statement items are translated using the average rate for each quarter. The difference arising when the company's opening equity is translated based on this method is recognised as a correction to the Group's equity.

Financial instruments

The Group hedges the majority of its variable interest rates by entering into forward rate agreements. The agreements are valued at fair value by external parties. Current payments are presented as interest cost. The effect of value changes is recognised in profit/loss. Unrealised gains are not recognised. See below for further details, as well as Note 6.

Revenue recognition

Transactions are recognised at the value of the compensation at the time of delivery. Income is recognised when it is accrued, i.e. when the service is provided. Income is presented after deduction of VAT, rebates and discounts. Costs are compared with accrued revenues.

Redemption amounts from leases are recognised as income when the premises are leased and the rent covers costs. If the premises remain leased continuously, the income is accrued over the original lease term. If costs are partially covered, the buyout revenues are recognised as income proportionately.

Gains/losses/impairment losses on fixed assets

Profit/loss and impairment losses on fixed assets are classified as ordinary operating income/expenses in the income statement.

Maintenance and improvements

Ongoing maintenance costs to keep the properties in the best state of repair during the Group's ownership are included in operating expenses. Alterations for specific tenants and general work on the buildings which increase their rental value are depreciated over their expected useful life. The cost is included in amortisation. Rehabilitation expenditure raising the property standard from best state of repair during the Group's ownership and increasing future rental income is capitalised and depreciated with the building over its normal amortisation period.

Current/fixed assets

Current/long-term liabilities

Items are classified as fixed assets/long-term liabilities if they are intended for long-term ownership or use or their settlement date is after the end of the next accounting period. The first year's instalments for long-term liabilities are accounted for as long-term liabilities. Other items are classified as current assets/current liabilities. Current assets are recognised in the balance sheet at the lower of cost and fair value. See separate note on the valuation of fixed assets.

The Group account arrangement is classified as a bank deposit.

Projects for sale

Projects defined as being for sale are treated in accordance with Norwegian accounting standard NRS 2, construction contracts. Linstow utilises current revenue recognition based on expected final result. Revenue is recognised in step with the performance of the work, based on the stage of completion of the contract and sale. The result for the period is the expected final result multiplied by the stage of completion of the contract and sale. Projects expected to make a loss are recognised as an expense. Accrued costs at the reporting date comprise recognised costs allowing for any invoicing lag. Income comprises accrued costs plus the project margin. Income is not recognised until a substantial part of the project has been sold and the construction is well in progress, making it possible to give a reliable estimate of profit. If in doubt, the project is without profit. The same principle is applied, where natural, in the parent company accounts.

Fixed assets

Fixed assets are recognised at cost less accumulated depreciation and impairment losses. Leased assets which qualify as finance leases are capitalised and depreciated with other fixed assets. In general, fixed assets are written down if their fair value as defined in the Norwegian Accounting Act is lower than their carrying amount. If the recoverable amount of an asset is lower than the carrying value, the asset will be written down to the recoverable amount. Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Fixed assets for which a decision to sell has been made are not reclassified as a rule, and the estimated sales value is used as the fair value.

At some of the Group's properties, new rental projects are subject to project design/construction. The cost of these projects, including interest on capital expenditure, is capitalised until the projects are completed/have full rental coverage. Interest on capital expenditure on projects acquired through the purchase of companies is capitalised.

For projects where a decision has been taken to delay/halt the construction process, the interest on capital expenditure is expensed as it arises. Development projects and major conversions are transferred to properties and depreciated from the time the premises have been put into use.

Pensions

Pension costs are accounted for in accordance with NRS 6. Gross earned pension liabilities, less pension funds, are booked as a liability at the start of the year based on actuarial calculations. Changes in the underlying economic and actuarial assumptions are systematically distributed over the remaining service period. Linstow also has unfunded pension liabilities, and their present value is entered on the balance sheet in the same way. The pension cost for the year is included in wages, salaries, etc. in the income statement, and comprises the current service cost, plus interest on pension liabilities less the return on pension funds. For unfunded pension liabilities the pension cost for the year is mainly interest on the accrued liabilities. Estimate discrepancies are accrued. When non-amortised estimate variances exceed 10% of the higher of obligations including employer's national insurance contributions and pension fund assets, the excess amount is amortised over the average remaining earning period.

Deferred tax

Deferred tax is calculated on the basis of the temporary differences that exist at the end of the financial year between accounting and taxable values. Temporary differences which reverse or may reverse in the same period are offset.

Deferred tax is generally recognised at nominal value using the enacted tax rate on the balance sheet date. Deferred tax on value added arising from acquisitions is valued at the present value, due to the long reversal time. Deferred tax liabilities and assets abroad are not offset against deferred tax benefits in Norway. In accordance with the exemption model, tax on temporary differences in share values is not recorded. Deferred tax assets/liabilities are classified as fixed assets and provision for liabilities, respectively. Change in deferred tax for the year is entered as a tax expense in the income statement.

OTHER

Financial market risk

The Group's risk can be related to interest rate risk, currency risk and other risk. See the Board of Directors' Annual Report for further comments.

Interest rate risk

See also Note 10, where the repayment schedule for long-term liabilities is described. The principals for the mortgage debt owed by the Group and the dates of margin adjustment thereof are listed below. The average interest rates presented in the table are equivalent to the sum of the margin and reference interest rate as at 31 December 2023 for each individual loan.

(NOK 1 000)

Year	Subtotal	Average interest rate	Percentage of portfolio	Accumulated percentage
1 year	1 188 487	6,2 %	18 %	18 %
2 years	298 170	5,3 %	5 %	23 %
3 years	1 463 000	7,1 %	22 %	45 %
4 years	2 092 092	5,8 %	32 %	77 %
5 years	1 529 820	6,2 %	23 %	100 %
Total	6 571 569	6,3 %		

In order to reduce interest rate risk, the Group has entered into fixed interest rate swap agreements. Below, the redemption structure for fixed interest rate swap agreements in the Group is presented.

(NOK 1 000)

Year	Amount	Fixed rate (average)	Share-holding %	Accumulated percentage
1 year				
2 years	300 000	0,7 %	9 %	9 %
3 years	2 054 683	0,3 %	65 %	74 %
4 years	312 405	3,2 %	10 %	84 %
5 years	512 405	3,5 %	16 %	100 %
Total	3 179 493	1,1 %		

Currency risk

The Group uses Norwegian kroner (NOK) as its base and presentation currency, but through its activities outside Norway is also exposed to fluctuations in other countries' currencies, mainly euro. The Group has currency risks related to both recognised monetary items and shares in foreign companies. Investments in foreign companies are made in a long-term perspective and do not have currency hedging. Monetary items are exchanged continuously to the currency that best corresponds to the Group's future liquidity requirements.

Exchange gains of TNOK 18,263 on Linstow's international investments were carried to Group equity in 2023.

Exchange rates used at 31 December were:

	2023	2022
1 USD = NOK	10,1724	9,8573
1 EUR = NOK	11,2405	10,5138
1 RUB = NOK	0,1133	0,1330

Large individual transactions

In April, Linstow sold all of its shares in Tollbugaten 32 to Quarteret Holding AS, in which Linstow has an ownership share of 60%. The same company purchased Linstow's shares in KS Tollbugaten 32, which in turn purchased the property Akersgata 13 for NOK 487 million. Towards the end of 2023, the subsidiary Dunas Portugal sold most of its operating activities and apartments. A subsidiary in Latvia has sold a larger plot of land outside the centre of Riga. The sales in Portugal and Latvia resulted in greater profits, cf. also segment note under hotels and the Baltics.

NOTE 1 PROFIT AND LOSS ON SALE OF FIXED ASSETS, IMPAIRMENT AND REVERSALS**Profit from sale of fixed assets**

(NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Profit from sale of properties			164 473	1 588
Profit from sale of fixtures, fittings and vehicles			16	152
Total	0	0	164 489	1 740

Loss on sale of fixed assets

(NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Loss on sale of properties/projects				-4 461
Total	0	0	0	-4 461

Impairment of fixed assets and reversals

(NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Impairment/reversal of projects			-18 018	-12 549
Impairment/reversal of shares	-306 285	-60 047	-247	-62
Impairment/reversal of other assets	-66 426			-4 249
Impairment/reversal of properties			-221 917	-148 872
Total	-372 711	-60 047	-240 182	-165 731

Impairment/reversal are shown as net values in the Group above. Reference is made to the segment information in Note 15 for further specification. In addition to the above, a reversal of impairments for projects for sale has been made in the consolidated figures.

NOTE 2 HOTEL REVENUES AND OTHER OPERATING INCOME - OTHER ADMINISTRATIVE EXPENSES**Hotel revenues and other operating income**

This includes income from the Group's international hotel operations, with the main items being restaurant and room revenues. The group also receives fees for the management of properties in Portugal and Norway. See also the distribution of Group income by segment.

Other administrative expenses

International operations also include costs related to the operation of the Group's hotels. Costs such as maintenance, marketing and cleaning are therefore included.

NOTE 3 WAGES, SALARIES, EMPLOYER'S NATIONAL INSURANCE CONTRIBUTIONS AND PENSION COSTS**Wages, salaries and employer's national insurance contributions**

(NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Wages/salaries and pensions	-64 970	-79 670	-314 193	-268 516
Public duties payable	-10 452	-10 852	-52 039	-44 334
Other			9 992	7 715
Total	-75 422	-90 521	-356 240	-305 135

Pension expense

	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Net pension expense				
Current service cost	-6 178	-6 854	-6 178	-6 854
Cost of interest on pension liabilities	-3 683	-2 293	-3 683	-2 293
Return on plan assets	3 542	2 166	3 542	2 166
Accrued employer contributions	-888	-982	-888	-982
Administration	-1 253	-1 079	-1 253	-1 079
Recognised actuarial gains/losses	-972	-1 040	-972	-1 040
Net pension expense	-9 432	-10 082	-9 432	-10 082
Net pension expense, inclusive of defined contribution pensions	-11 439	-11 730	-11 439	-11 730

Pension liabilities - funded pension plans

Calculated pension liabilities	97 973	90 903	97 973	90 903
Plan assets	-80 568	-71 616	-80 568	-71 616
Employer contributions	2 454	2 719	2 454	2 719
Unrecognised changes in plan	-18 149	-15 545	-18 149	-15 545
Net pension liabilities	1 710	6 462	1 710	6 462

Pension liabilities - unfunded pension plans

Calculated pension liabilities	47 256	32 225	47 256	32 225
Employer contributions	6 648	4 528	6 648	4 528
Unrecognised actuarial gains/losses	-17 554	-4 750	-17 554	-4 750
Net pension liabilities	36 350	32 003	36 350	32 003

Composition of pension fund assets	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Shares	3,1 %	4,0 %	3,1 %	5,0 %
Negotiable bonds	5,3 %	6,0 %	5,3 %	6,0 %
HTF bonds	45,9 %	41,0 %	45,9 %	43,0 %
Money market	16,0 %	16,0 %	16,0 %	15,0 %
Property	13,4 %	14,0 %	13,4 %	14,0 %
Loans	14,5 %	18,0 %	14,5 %	16,0 %
Other	1,7 %	1,0 %	1,7 %	1,0 %

Composition of the pension fund assets at 31 December 2022/30 June 2023

Financial assumptions:

Expected return on plan assets	4,80 %	4,90 %
Discount rate	3,10 %	3,00 %
Annual wage increases	3,50 %	3,50 %
Annual adjustment of G	3,25 %	3,25 %

The company's occupational pension scheme fulfils the legal requirements. Linstow AS has a defined benefit pension scheme for around half of its employees in Norway in the form of a collective pension insurance scheme for pay up to 12 G (G = the National Insurance scheme's basic amount). Full pension requires an earning period of 30 years and gives the right to a retirement pension of the difference between 70% of pay and calculated National Insurance benefits. This scheme fulfils the requirements of the Occupational Pensions Act. The company's defined-benefit pension scheme was closed as of 1 January 2012. People employed after this date have a fixed-contribution pension scheme. In 2024, 15 persons are connected to this scheme.

Linstow AS also has obligations related to salaries above 12 G. Pension liabilities related to salaries above 12 G are financed via the company's operations. Subsidiaries outside Norway only have pension schemes for their employees to a limited degree. Such schemes are mainly defined contribution.

Number of employees

The number of employees in the Group at year-end 2023 was 876 (around 796 FTEs), compared with 899 (around 717 FTEs) in the Group in the previous year, excluding associated companies. The parent company employed 28.6 FTEs in 2023, compared to 27.8 FTEs in 2022. There were 30 employees at the end of 2023, compared with 28 for the previous year.

Remuneration of key management personnel - auditor's fees

Auditor's fees (NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Auditor's fees (including share of VAT)	-627	-602	-4 700	-3 634
Attestation and other fees - audit (incl. VAT)	0	-106	-486	-359
Total	-627	-708	-5 186	-3 993

Remuneration of key management personnel and/or the Board of Directors

(NOK 1 000)	Linstow AS	
	2023	2022
Salary of Managing Director	-4 975	-4 865
Bonus scheme paid to Managing Director	-2 408	-3 852
Bonus scheme provision for the Managing Director	2 901	-18
Pension Managing Director	-1 603	-1 520
Total	-6 085	-10 254

The benefits mentioned above apply to the former CEO. There are no agreements for the Board or Managing Director with regard to special compensation on termination of employment.

There is a bonus scheme for the company's Managing Director and other key management personnel based on the growth of the Linstow Group. Payment of the accrued bonus scheme is dependent on future growth for the Group. Payment is based on value-adjusted equity at 31 December 2009 and on future growth in this exceeding the return on five-year government bonds. For the parent company, 29,300 shares have been issued under the scheme and the accounting obligation including employer's national insurance contributions is TNOK 18,310 for 2023 and TNOK 28,892 for 2022. As at 31 December 2012 and for subsequent years, payment is made at 20% of any increase in value, while equivalent new synthetic shares are also awarded. It is a condition for payment and award of shares that the employee remains in the position. A net total of TNOK 227, including employer's national insurance contributions, was expensed for the scheme in 2023, compared with TNOK 16,692 for the previous year. The bonus scheme is valued in accordance with NRS 15A.

NOTE 4 FIXED ASSETS

Fixed assets - Linstow AS

(NOK 1 000)	Machinery, fixtures and vehicles	Land	Total
Cost, 1 January	1 675	1 500	3 175
Additions	2 833		2 833
Cost, 31 December	4 508	1 500	6 008
Accumulated depreciation 1 January	-1 108		-1 108
Depreciation for the year	-527		-527
Accumulated depreciation 31 December	-1 634	0	-1 634
Carrying amount, 31 December	2 873	1 500	4 373
Depreciation rates	20-30%		0%

Fixed assets - Linstow Group

(NOK 1 000)	Machinery, fixtures and vehicles	Properties	Land	Projects in progress	Total
Cost, 1 January	508 726	8 622 762	2 009 635	73 253	11 214 376
Transfers	5 955	36 672	0	-42 627	0
Exchange differences	31 717	394 686	78 831	799	506 033
Additions	58 546	349 040	191 007	159 761	758 355
Disposals	-44 166	-84 672	-36 704		-165 542
Cost, 31 December	560 778	9 318 488	2 242 768	191 186	12 313 221
Accumulated depreciation 1 January	-397 775	-3 570 626	-653 011	-12 948	-4 634 360
Depreciation for the year	-31 698	-260 850			-292 548
Impairment/reversal for the year		5 058	-226 975	-18 018	-239 935
Exchange differences	-24 434	-201 738	-39 811	610	-265 374
Disposals	40 192	35 516	2 393		78 100
Accumulated depreciation 31 December	-413 715	-3 992 640	-917 403	-30 357	-5 354 116
Carrying amount, 31 December	147 063	5 325 848	1 325 365	160 829	6 959 105

Of which interest on capital expenditure in 2023 recognised in the balance sheet 454

Depreciation rates 20-30% 1-8% 0% 0%

Projects for sale

(NOK 1,000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Cost, 1 January			45 488	42 817
Write-down/reversal			213	416
Exchange differences			3 135	2 255
Additions			51 922	
Carrying amount, 31 December	0	0	100 758	45 488

NOTE 5 RESULTS AND INVESTMENTS IN ASSOCIATES - INVESTMENTS IN GROUP COMPANIES

Profit/loss from associated companies can be found below under shares in associated companies.
The parent company's profit represents Group contributions received and dividend from subsidiaries.

Shares in subsidiaries

Company (NOK 1 000)	Registered office	Linstow AS Number of shares	Linstow AS shares/votes %	Carrying amount
Linstow Adamstuen AS	Oslo	1 000	100,0 %	1 248 137
Linstow SIA	Riga	63 649 114	100,0 %	483 867
Romerike Helsebygg AS	Oslo	157 874	100,0 %	395 822
Flesland 110/15 and 22 AS	Oslo	3 000 000	100,0 %	373 036
Viesnica Latvija SIA	Riga	18 212 759	100,0 %	333 461
Damsgårdsveien 161-171 AS	Oslo	40 000	100,0 %	249 476
Qvarteret Holding AS	Oslo	600	60,0 %	249 173
Olümpia Holding Nederland B.V.	Amsterdam	40 100	100,0 %	183 191
Galleriet Parkering AS	Oslo	25 658	100,0 %	149 744
Sporta 2 SIA	Riga	13 650 000	100,0 %	135 293
Grønland Torg Parkering AS	Oslo	30 751	100,0 %	115 707
Saliena Retail Park SIA	Riga	3 666 456	100,0 %	107 834
Liteiny 5 LLC	St. Petersburg	1	100,0 %	100 619
Hotel Neris UAB	Kaunas	1 000 000	100,0 %	99 944
Dunas Portugal – Sociedade de Gestão, SA	Loulé	50 000	100,0 %	97 573
Viesbutis "Lietuva" UAB	Vilnius	845 612	100,0 %	96 848
Brubakkveien 16 AS	Oslo	10 000	100,0 %	93 548
Satekles Business Center SIA	Riga	16 700 000	100,0 %	92 776
Brivibas 382 SIA	Riga	12 945 823	100,0 %	85 231
Elizabetes Centrs SIA	Riga	66 099	100,0 %	63 539
Central Hotel OÜ	Tallinn	1	100,0 %	59 814
Satekles Business Center 2 SIA	Riga	4 600 000	100,0 %	54 037
Runnivegen 15 and 19 AS	Oslo	1 000	100,0 %	40 000
Jekaba Arcade SIA	Riga	121 249	100,0 %	33 153
Attistibas E75 SIA	Riga	5 075 000	100,0 %	32 135
Bisumuizās Nami SIA	Riga	19 191 600	100,0 %	31 392
Buone SIA	Riga	2 800 000	100,0 %	24 618
A/S Storetvedt Utbyggingsselskap	Oslo	25 000	100,0 %	15 527
Linstow Baltic SIA	Riga	1 100 000	100,0 %	10 789
Linstow Eiendom AS	Oslo	1 000	100,0 %	1 832
Ülemiste Holding Nederland B.V.	Amsterdam	40 100	100,0 %	2 191
Central Holding Nederland B.V.	Amsterdam	40 100	100,0 %	167
Reval Hotel Management OÜ	Tallinn	1	100,0 %	19
Linstow Airport Bratislava s.r.o. (*)	Bratislava	1	100,0 %	0
Evastuen AS (**)	Oslo	510	51,0 %	0
Total				5 060 490

(*) The company was deleted at the start of January 2024

(**) Linstow has a purchase obligation for the remaining 49% of the company and the company is fully consolidated.
The purchase obligation was exercised at the start of January 2024.

Shares and interests in associated companies

Company (NOK 1 000)	Registered office	Linstow Group Number of shares	Linstow Group Shares/votes %	Linstow AS Carrying amount
Oslo S. Utvikling AS	Oslo	4 500	50,0 %	722 599
Furuset Utvikling AS	Oslo	100	33,3 %	191 067
Helsehusene Fredrikstad AS	Oslo	491 389	40,2 %	116 947
Agnes Utvikling AS	Larvik	566 896	50,0 %	107 881
Galleri Oslo Invest AS	Oslo	10 000	33,3 %	100 010
Bergen Lufthavn Utvikling AS	Oslo	1 200	50,0 %	
Total				1 238 504

Company (NOK 1 000)	Linstow Group Carrying amount 2021	Linstow Group Profit/loss	Linstow Group Assets and other	Linstow Group Carrying amount 2023
Oslo S. Utvikling AS	671 597	-7 348		664 249
Furuset Utvikling AS	189 252	-4 700	-7 000	177 552
Helsehusene Fredrikstad AS	121 432	9 503	-6 034	124 901
Agnes Utvikling AS	92 893	-5 937	4 354	91 310
Galleri Oslo Invest AS	100 749	-375		100 374
Bergen Lufthavn Utvikling AS		-51 814	51 814	
Agnes Tomt AS (*)		8 680	-8 680	
Total	1 175 924	-51 991	34 454	1 158 386

(*) The company was demerged from Agnes Utvikling AS and later sold.

The equity ratio of the shares in Bergen Lufthavn Utvikling AS is presented as part of the long-term debt in accordance with NRS(F) on investments in associated companies. In the consolidated accounts, the amount was NOK 141,67 million, compared to NOK 89.85 million for the previous year.

Other shares

Company (NOK 1 000)	Registered office	Linstow AS Number of shares	Linstow AS Shares/votes %	Linstow Group Carrying amount
Galleri Oslo Utvikling AS	Oslo	113 512	11,4 %	2 838
Koksa Eiendom AS	Oslo	16 146 670	12,5 %	1 558
Norefjell Golfbane AS	Krødsherad	311	31,2 %	
Total Linstow AS				4 396
Galleriet Drift AS			11,0 %	13
Total Linstow Group				4 409

Shares in companies

Linstow AS directly owns 99% of ANS Linvest 1. Through indirect ownership, Linstow owns 100% of the company.

NOTE 6 FINANCIAL ITEMS**Finance income**

(NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Finance income from Group companies	9 154	10 428		
Finance income from Group account arrangement	22 888	5 955	25 670	6 791
Finance income from associates	9 695	5 836	9 695	5 836
Currency gains	33 286	9 661	26 745	5 995
Adjustment to value of financial instruments		14 603		15 301
Other finance income	395	28	6 092	829
Total	75 418	46 511	68 201	34 752

Finance expense

(NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Finance costs - Group companies	-57 318	-23 540		
Currency losses	-73 181	-52 729	-6 898	-5 948
Adjustment to value of financial instruments	-5 301		-12 013	
Other finance expense	-61 020	-55 441	-289 793	-122 209
Total	-196 820	-131 710	-308 705	-128 157

NOTE 7 TAX EXPENSE**Tax expense for the year consists of:**

(NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Income tax payable		-3 868	-81 655	-31 472
Change in deferred tax	115 555	32 413	219 630	48 753
Total tax expense	115 555	28 545	137 976	17 281

Tax impact of temporary differences:

(NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Current assets			-580	-373
Fixed assets	-465	-599	28 728	71 053
Profit and loss account	2 235	2 794	2 770	3 433
Pensions	-5 482	-8 462	-8 373	-8 462
Other temporary items	-8 373	-6 644	101 547	134 395
Tax loss carryforwards			-21 629	-24 101
Tax loss carryforwards, interest limitation	-22 970	-16 589	-30 393	-17 280
Deferred tax/tax benefit	-35 055	-29 501	72 071	158 665

Tax rate at the end of the year	22 %	22 %		
Of which Norwegian business	-35 055	-29 501	-64 499	-3 520
Of which foreign business			136 570	162 185

Change in deferred tax

Change in deferred tax	5 555	10 413	115 258	27 444
Group contributions, currency gains/losses and other	110 000	22 000	104 372	21 309
Change in deferred tax in income statement	115 555	32 413	219 630	48 753

Explanation of the Group's tax expense

(NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Profit before tax	325 096	42 573	-94 526	-196 754
22% tax	-71 521	-9 366	20 796	43 286

Tax effect of:

Permanent differences and differences in tax rates	105 740	37 911	7 180	-26 004
Calculated tax expense	34 218	28 545	27 976	17 281

Effective tax rate for the Group	-11 %	-67 %	30 %	9 %
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NOTE 8 CHANGES IN EQUITY

Changes in equity - Linstow AS	Paid-in capital		Retained earnings		Total equity
	Share capital	Share premium reserve	Other paid-in capital	Retained equity	
(NOK 1 000)					
Balance, 1 January	822 864	894 944	853 833	1 101 307	3 672 949
Accrued dividend				-500 000	-500 000
Group contribution received after tax			390 000		390 000
Profit for the year				359 315	359 315
Balance sheet as at 31 December	822 864	894 944	1 243 833	960 622	3 922 264

Changes in equity - Linstow Group	Share capital	Share premium reserve	Other paid-in capital	Retained equity	Minority interests	Total equity
(NOK 1 000)						
Balance, 1 January	822 864	894 944	853 833	-33 138	3 995	2 542 498
Equity effects, minorities and other				145 837	44 486	190 323
Accrued dividend				-500 000		-500 000
Group contribution received after tax			390 000			390 000
Translation effects (*)				18 264		18 264
Profit for the year				-52 889	-13 661	-66 550
Balance sheet as at 31 December	822 864	894 944	1 243 833	-421 926	34 819	2 574 535

(*) Accumulated translation effect included in retained earnings 89 147

NOTE 9 OTHER RECEIVABLES**Current receivables**

	Linstow AS		Linstow Group	
	2023	2022	2023	2022
(NOK 1 000)				
Accounts receivable	12 711	3 574	43 058	43 705
Inventories			7 270	9 223
Accruals and other receivables	3 501	3 228	46 791	76 699
Total	16 213	6 802	97 120	129 626

Accounts receivable are measured at their nominal value, less provisions for expected losses.

Long-term receivables

	Linstow AS		Linstow Group	
	2023	2022	2023	2022
(NOK 1 000)				
Advance payments, etc. the Baltics			45 739	41 352
Other receivables	39	39	39	39
Total	39	39	45 779	41 391

NOTE 10 MORTGAGES

Carrying amounts of assets provided as collateral for mortgage liabilities are:

(NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Mortgage liabilities	2 811 200	2 398 600	6 571 569	5 799 302
Carrying amounts of assets pledged as collateral for liabilities:				
Shares (*)	2 988 993	3 051 001		
Real property and projects in progress			6 338 362	5 910 477
Fixtures & fittings			133 706	109 198
Other			55 854	39 974
Total	2 988 993	3 051 001	6 527 922	6 059 649

(*) Linstow AS has taken out several loans secured on property owned by subsidiaries. For two of the loans, shares have also been pledged as security.

All secured debt is deducted in the currency in which the corresponding/mortgaged property has income and costs. Of the total secured debt, translated into NOK 6,571,569, 57% is denominated in EUR and the remainder in NOK. There are requirements concerning the financial ratios for the secured debt. The requirements mainly concern the loan-to-value ratio (LTV), and the debt-service coverage ratio (DSCR), as well as value-adjusted equity and value-adjusted equity ratio. At the end of 2023, the Group was in default on an LTV requirement in a loan agreement. This default can be repaired through a smaller repayment of the principal. For further comments, reference is made to the Annual Report and the description of the future outlook.

Guarantees for parent company

Linstow AS is wholly owned by Møllegaarden AS. Møllegaarden AS is wholly owned by AS Investa, and the latter is wholly owned by Awilhelmsen AS. Møllegaarden AS has provided 1st priority collateral in all of its shares in Linstow AS as security for a syndicated loan raised by Awilhelmsen AS. The guarantee has an upper limit of NOK 2.2 billion.

Repayment schedule for secured debt and credit facilities

Long-term liabilities due within:	Linstow AS		Linstow Group	
	2023	2022	2023	2022
1 year			447 487	894 514
2 years		1 498 600	298 170	1 938 252
3 years	2 204 000	900 000	2 204 000	1 190 166
4 years			2 092 092	
5 years	607 200		1 529 820	1 776 369
Total	2 811 200	2 398 600	6 571 569	5 799 302

Other liabilities/Other long-term liabilities (NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Plan liabilities (see Note 3)	38 060	38 465	38 060	38 465
Other liabilities and provisions	6 610	1 308	170 236	92 527
Total	44 670	39 773	208 297	130 992

Other debt in the Group principally represents negative equity in the associated company Bergen Lufthavn Utvikling AS.

NOTE 11 CURRENT INTEREST-FREE LIABILITIES

(NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Trade payables	2 547	2 892	96 516	89 657
Accrued interest	2 508	2 938	40 095	18 054
Income tax payable	81 336	3 868	95 903	29 389
Dividends	500 000	100 000	500 000	100 000
Advances from tenants and customers			83 860	80 222
Public duties payable, holiday pay etc.	9 645	7 880	40 093	37 520
Other accruals	28 436	38 073	98 076	131 221
Total	624 473	155 650	954 544	486 063

NOTE 12 BANK DEPOSITS, GROUP ACCOUNT

(NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Cash and bank deposits	2 698	5 163	436 530	401 514
Group account	874 902	458 812	928 993	535 134
Total	877 600	463 976	1 365 524	936 648

Linstow AS and some of its subsidiaries form a Group banking system with Awilhelmsengruppen. The balance in the Group banking system thus represents a receivable from the parent company of the Group. Only an insignificant amount of bank deposits in the Group are related to frozen tax deductions.

NOTE 13 GUARANTEE LIABILITIES AND OTHER COMMITMENTS

(NOK 1 000)	Linstow AS		Linstow Group	
	2023	2022	2023	2022
Guarantee commitments	1 064 976	1 012 783		

The guarantee commitment for the parent company is related to loans raised by foreign subsidiaries and loans raised by partly-owned Norwegian companies. Linstow AS has issued a guarantee to Swedbank Latvia concerning the cost overrun associated with the construction of an office building in Riga. The client is a wholly owned, Latvian subsidiary and the total project cost is EUR 36 million.

NOTE 14 SHAREHOLDER INFORMATION**Shareholders at 31 December 2022**

	Number of shares	Nominal	Shareholding %
Møllegaarden AS	1 264 000	651	100,0%

All the company's shares carry one vote.

Related parties

Linstow AS also contributes to the management of wholly and partly owned companies in Norway and abroad. Loans and interest have been given to and received from wholly and partly owned companies. Fees are paid at market prices. Linstow AS transactions with related parties can be grouped as follows:

2023 (NOK 1 000)	Shareholders	Group companies	Associates	Total
Fee income		22 976	8 195	31 171
Administrative costs		-5 234		-5 234
Finance income		9 154	9 695	18 849
Finance income Group banking system		22 888		22 888
Finance expenses		-57 318		-57 318
Intra-Group contributions	500 000	36 789		536 789
Dividends	-500 000			-500 000
Issue	0			0
Total	0	29 257	17 890	47 146

Lending	500 000	157 664	83 508	741 172
Borrowing	500 000	1 182 110		1 682 110
Group account		928 993		928 993

2022 (NOK 1 000)	Shareholders	Group companies	Associates	Total
Fee income	1 631	9 838	12 074	23 542
Administrative costs		-1 880		-1 880
Finance income		10 428	5 836	16 264
Finance income Group banking system		5 955		5 955
Finance expenses	-550	-22 990		-23 540
Intra-Group contributions	78 000	37 666		115 666
Dividends	-100 000		125 000	25 000
Issue	500 000			500 000
Total	479 081	39 018	142 909	661 008

Lending	100 000	216 694	106 608	423 303
Borrowing	100 000	963 935		1 063 935
Group account		535 134		535 134

NOTE 15 SEGMENT INFORMATION LINSTOW AS GROUP**Income statement 1 January - 31 December**

(NOK 1 000)	Hotels		The Baltics		Norway		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
OPERATING INCOME								
Rental income, properties	35 671	34 143	341 117	271 608	131 235	126 368	508 022	432 119
Profit from sale of fixed assets	99 900	20	64 507	2 917	83	-1 198	164 490	1 739
Hotel revenues and other operating income	985 805	720 329	8 128	7 363	23 994	21 075	1 017 927	748 767
Total operating income	1 121 376	754 492	413 751	281 889	155 311	146 244	1 690 438	1 182 625
OPERATING EXPENSES								
Wages, salaries, employer's national insurance contributions and pension costs	-244 205	-181 767	-36 614	-32 824	-75 420	-90 544	-356 240	-305 135
Other administrative expenses	-384 972	-314 665	-12 938	-16 256	-37 270	-25 244	-435 180	-356 165
Cost of materials	-72 290	-52 281					-72 290	-52 281
Operating costs for properties and bad debts	-3 395	-2 506	-48 087	-44 069	-44 760	-30 468	-96 243	-77 044
Impairment of fixed assets	-1 396	-36 569	-46 326	-44 249	-192 247	-84 914	-239 969	-165 731
Amortisation	-126 724	-122 995	-82 784	-73 060	-83 040	-48 866	-292 548	-244 921
Total operating expenses	-832 983	-715 243	-226 749	-210 459	-432 738	-280 036	-1 492 470	-1 205 738
Operating profit	288 394	39 249	187 002	71 430	-277 427	-133 792	197 968	-23 113
FINANCIAL ITEMS								
Profit/loss from Group companies and associates					-51 992	-80 236	-51 992	-80 236
Finance income	1 850	809	3 955	104	35 651	12 542	41 456	13 455
Finance expenses	-85 697	-31 194	-113 613	-35 551	-90 483	-55 464	-289 793	-122 209
Net financial instruments			-6 712	698	-5 301	14 603	-12 013	15 301
Net currency gains/losses	-497	-347	414	132	19 931	263	19 847	47
Net financial items	-84 344	-30 732	-115 956	-34 617	-92 194	-108 293	-292 495	-173 641
Profit before tax	204 049	8 518	71 045	36 813	-369 621	-242 084	-94 526	-196 754
Investments, not incl. associates	56 998	47 058	122 928	54 242	630 350	1 427 734	810 276	1 529 035
Sale of fixed assets and projects, not incl. associates	161 774	16 770	89 939	3 320	84		251 797	20 090

Balance sheet at 31 December

(NOK 1 000)	Hotels		The Baltics		Norway		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
ASSETS								
Intangible assets					64 499	3 519	64 499	3 519
Real property	1 796 491	1 861 369	2 230 785	2 161 698	2 623 938	2 385 694	6 651 214	6 408 761
Projects in progress	6 447	11 151	76 774	34 738	77 608	14 415	160 829	60 305
Machinery, fixtures/fittings and vehicles	114 395	88 063	28 385	20 557	4 283	2 331	147 063	110 951
Other shares					4 409	1 818	4 409	1 818
Receivables from Group companies and associates					149 934	106 609	149 934	106 609
Interests in associates					1 158 386	1 175 923	1 158 386	1 175 923
Other long-term receivables	429	635	45 311	40 717	39	39	45 779	41 391
Total fixed assets	1 917 762	1 961 219	2 381 254	2 257 710	4 083 096	3 690 349	8 382 112	7 909 277
Current receivables	26 137	45 003	32 393	43 075	538 589	141 548	597 120	229 626
Projects for sale	18 450	17 257	30 386	28 230	51 922		100 759	45 487
Bank deposits, Group account	216 713	259 619	183 325	134 013	965 486	543 016	1 365 524	936 648
Total current assets	261 300	321 880	246 105	205 318	1 555 997	684 564	2 063 403	1 211 762
Total assets	2 179 062	2 283 099	2 627 359	2 463 028	5 639 093	4 374 913	10 445 514	9 121 039
EQUITY AND LIABILITIES								
Share capital (1,264,000 shares of NOK 651)					822 864	822 864	822 864	822 864
Other equity	296 235	435 650	317 622	428 515	1 102 995	851 474	1 716 852	1 715 638
Minority interests					34 819	3 995	34 819	3 995
Total equity	296 235	435 650	317 622	428 515	1 960 678	1 678 333	2 574 535	2 542 497
Deferred tax	101 837	100 229	34 733	77 243		-15 287	136 570	162 184
Secured debt	1 634 050	1 590 440	2 126 318	1 810 261	2 811 200	2 398 600	6 571 569	5 799 302
Other non-current liabilities		1 009	6 960	356	201 337	129 626	208 297	130 992
Total long-term liabilities	1 735 887	1 691 678	2 168 011	1 887 860	3 012 537	2 512 939	6 916 435	6 092 477
Other current liabilities	146 940	155 771	141 726	146 652	665 878	183 640	954 544	486 064
Total current liabilities	146 940	155 771	141 726	146 652	665 878	183 640	954 544	486 064
Total equity and liabilities	2 179 062	2 283 099	2 627 359	2 463 028	5 639 093	4 374 913	10 445 514	9 121 039

Segment information is subject to a greater degree of uncertainty than non-segment data.

Auditor's Report 2023





Statsautoriserte revisorer
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Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Linstow AS

Opinion

We have audited the financial statements of Linstow AS (the Company), which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company and the Group comprise the balance sheet as at 31 December 2023, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company and the Group as at 31 December 2023 and their financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

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

Other information

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

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

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

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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



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

Oslo, 24. April 2024
ERNST & YOUNG AS

Finn Ole Edstrøm
State Authorised Public Accountant (Norway)

(This translation from Norwegian has been prepared for information purposes only.)