

Third quarter 2023

Interim report



FRIGAARD
Property Group

CEO STATEMENT

The Construction Segment

New orders for the Construction segment were 614 MNOK, up from 140 MNOK in the third quarter of 2022. Out of the 614 MNOK, 585 MNOK relates to two large orders, one commercial and one residential.

As of Q3 the order backlog is at 1 242.4 MNOK. Out of the 1 242 MNOK, 365.4 MNOK is planned to be delivered in 2023 and 877 MNOK is planned for 2024 and onwards. Included in the backlog is the value of work for our own property development projects of 90.6 MNOK.

The revenue in the segment increased from 340 MNOK in Q3 last year to 503 MNOK in Q3 in 2023. The increase is partly due to recognition of income from the work related to our own development project Tribunen phase 3 and Fagerlia phase 1. As the project were finalized in Q3 and the majority of properties were handed over to the end customers, income that previously has been eliminated was recognized.

The Adjusted EBITDA in the quarter ended at 28 MNOK, compared to last year 18 MNOK. As for revenue, the EBITDA includes profit related to residential property handed over to customers by the group in Q3, that has been eliminated from the group accounts in earlier periods.

The property development segment

Units in production decreased from 119 as of Q2 (including 9 land plots) to 38 units as of Q3, as the projects Tribunen in Moss and Fagerlia phase 1 in Fredrikstad were finalized.

The remaining projects in production is scheduled to be finalized in December (Fagerlia 2 and Høgglia). The final and last part of the Fagerlia project (Fagerlia 3), is partly built (concrete and infrastructure), but the sales rate is not yet sufficient for a full start up, thus the finalization date is not set. 6 out of 30 apartments was sold in Fagerlia 3 as of Q3 2023, and 9 were sold as of the date of this report.

We sold 5 units in the third quarter and a total of 17 units during all three quarters of 2023.

The revenue in the segment ended at 313 MNOK for the quarter, compared to 0.4 MNOK the third quarter last year. The revenue relates to the handover of residential property from the project Tribunen 3 and Fagerlia phase 1. The EBITDA in the segment was 13.1 MNOK compared to -1.8 MNOK the third quarter in 2022. The EBITDA before deducting 13.0 MNOK of calculated internal interest on equity used in the project was 26.1 MNOK.

Other projects consist of:

- The third stage of Fagerlia in Fredrikstad, which is in the market for sale.
- Solbyen and Tindlund Terrasse (50% ownership), in Sarpsborg, zoning is expected to be finally approved in Q4.
- Hans Nilsen Hauges vei in Fredrikstad, which is in a zoning phase.
- Åsenveien Park in Ski, where timing is about to be developed further.

Our preliminary estimates of these projects are that they may be around 30k BRAS and represent revenue of 2.1-2.2 BNOK.

Balance Sheet and cash flow

Cash balances decreased from 182 MNOK in Q2 to 150 MNOK in Q3 2023. The change is mainly due to cash inflow from hand over of Tribunen 3, payment of interest and down-payment of construction loans and plot loan.

The cash flow from operations was positive with 135 MNOK, mainly related to the handover of Tribunen 3 and Fagerlia 1 and changes in other working capital items.

Net interest bearing debt excluding construction loans were 206 MNOK at the end of September, compared to 176 MNOK the previous quarter. The leverage ratio is 2.8 compared to 2.7 as of Q2.

Going forward

The effect of a slower economy following higher interest rates has gradually faced us and we are operating in a more challenging environment than previous periods. This is met by even higher focus on efficiency and optimizing solutions for our customers, and pro-active sales work in general.

Fortunately, we still have a high order backlog and record high tender activity in our construction segment. Sales of residential properties are slow, but we still sell. And we are about to finalize the last two projects in our development portfolio, which are in production. Following this, we can gradually develop our land bank and be ready for the market when the demand increases.

In the meantime, to secure our operations and liquidity, we prepare to adjust our cost base during Q4.



Simon Martinsen, CEO, Sarpsborg, 14th of November 2023

HIGHLIGHTS

Third quarter 2023

- ✓ Revenue increased with 67.1 % to MNOK 568.9 (MNOK 340.3)
- ✓ Operational cashflow of MNOK 135.0 (MNOK -63.4).
- ✓ Order intake of MNOK 614.3 (MNOK 140.2), of which internal toward Frigaard Bolig MNOK 22.4 (MNOK 0.2)
- ✓ Order backlog of MNOK 1 242.4 (MNOK 1 698.6) whereof MNOK 90.6 is towards Frigaard Bolig (MNOK 391.5)
- ✓ Adjusted EBITDA* of MNOK 30.5 (MNOK 11.0), up 177%.
- ✓ EBITDA increased with 22.0% to MNOK 12.3 (MNOK 10.0)

January-September 2023


- ✓ Revenue increased by 41.7% to MNOK 1 580.3 (MNOK 1 115.6)
- ✓ Operational cashflow of MNOK 135.0 (MNOK -63.4)
- ✓ Order intake of MNOK 946.4 (MNOK 1 373.2), of which internal toward Frigaard Bolig MNOK 30.8 (MNOK 307.6)
- ✓ EBITDA of MNOK 56.1 (MNOK 50.8)
- ✓ Adjusted EBITDA* of MNOK 74.4 (MNOK 57.2)

Outlook 2023

- ✓ Secured new order intake of 585 MNOK in July 2023.
- ✓ Solid backlog of 1 242.4 MNOK in the Construction Segment.
- ✓ 38 residential property units/plots in production, scheduled for delivery in 2023.

*The reported EBITDA of 30,5 MNOK in the quarter is adjusted with MNOK 18,3 of non-recurring items. The non-recurring items relates in full to the Construction segment, the adjusted EBITDA in this segment is MNOK 28,2. The losses are realized following:
i) An unfavorable judgment in a lawsuit. The underlying dispute related to a combined residential and commercial construction project signed in 2019 and finalized in 2021. Parts of the judgment are appealed. ii) A settlement in a dispute that were scheduled for court in December. The dispute related to a steel construction project signed in 2020 and finalized in 2021. The cash consequences of the lawsuit and the settlement are positive due to receipt of a cash settlement and refund of VAT.

SUMMARY OF 3rd QUARTER OF 2023

				
Key figures (NOK million)	3Q 23	3Q 22	30.09.2023	30.09.2022
Revenues Property development	313.4	0.4	592.6	19.9
Revenues Construction	503.0	339.7	1 386.6	1 095.1
Revenues Other	0.3	0.2	1.0	0.6
Elimination of internal income	-247.8	-	-399.9	-
Total revenues and other income	568.9	340.3	1 580.3	1 115.6
EBITDA Property development	13.1	-1.8	17.7	-4.4
EBITDA Construction	9.9	16.6	63.7	73.7
EBITDA Other	-3.3	-4.8	-10.3	-18.5
Elimination of internal cost	-7.5	-	-15.0	-
Total EBITDA	12.3	10.0	56.1	50.8
Adjusted EBITDA¹⁾	30.5	11.0	74.4	57.2
Earnings before financial items and tax (EBIT)	10.2	8.0	50.0	44.5
Net profit for the period	-11.8	3.6	13.7	34.8
EBITDA margin	2.2%	3.0%	3.6%	4.6%
Adjusted EBITDA margin ¹⁾	5.4%	3.2%	4.7%	5.1%
Operating profit margin	1.8%	2.3%	3.2%	4.0%
Profit margin	0.6%	1.1%	2.3%	2.7%
Cash flow from operating activities	135.0	-63.4	-207.4	-270.8
Net interest-bearing debt (NIBD)	390.4	385.3	390.4	385.3
Net interest-bearing debt excluding construction loan	206.2	208.7	206.2	208.7
Equity ratio	23.2%	21.5 %	23.2%	21.5 %
Order backlog	1 242.4	1 698.6	1 242.4	1 698.6
of which toward Frigaard Bolig	90.6	391.5	90.6	391.5
Order input	614.3	140.3	946.4	1 373.2
of which toward Frigaard Bolig	22.4	0.2	30.8	307.6

- 1) The reported EBITDA of 30,5 MNOK in the quarter is adjusted with MNOK 18,3 of non-recurring items. The non-recurring items relates in full to the Construction segment, the adjusted EBITDA in this segment is MNOK 28,2. The losses are realized following: i) An unfavorable judgment in a lawsuit. The underlying dispute related to a combined residential and commercial construction project signed in 2019 and finalized in 2021. Parts of the judgment are appealed. ii) A settlement in a dispute that were scheduled for court in December. The dispute related to a steel construction project signed in 2020 and finalized in 2021. The cash consequences of the lawsuit and the settlement are positive due to receipt of a cash settlement and refund of VAT.

FINANCIAL REVIEW

Income statement and order intake

Frigaard Property Group reported revenues of MNOK 568.9 (MNOK 340.3) and EBITDA of MNOK 12.3 (MNOK 10.0) for the quarter.

Total order intake in the third quarter was MNOK 614.3 (MNOK 140.3). Order backlog at the end of the quarter is MNOK 1 242.4 (MNOK 1 698.6).

Cash flow

Cash flow from operations this quarter amounted to MNOK 135.0 (MNOK -63.4). The Cash and cash equivalents as of 30th of September 2023 amounts to MNOK 150.3 (MNOK 151.3). The liquidity situation of the Group is solid as of the end of the third quarter.

Balance sheet

The Group had an equity of MNOK 288.9 (MNOK 274.2) per 30th of September 2023, corresponding to an equity ratio of 23.2 percent.

Net interest-bearing debt was MNOK 390.4 (MNOK 385.3). Net interest-bearing debt after adjustment for leasing liability, were MNOK 384.6 (MNOK 374.3). Net

interest-bearing debt after adjustment for construction loan was MNOK 206.2 (MNOK 208.7).

FPG announced September 13, a process where the parent company Frigaard AS initiated a process to potentially raise a MNOK 550 senior secured floating rate bond, that would partially be employed towards the outstanding FPG bond. This process is ongoing and FPG is evaluating this and other options to re-finance its bond in due time before the due date in February 2024.

Segments

Frigaard Property Group consists of two segments, Construction and Property development.

Construction reported revenues of MNOK 503.0 (MNOK 339.7) and Adjusted EBITDA of MNOK 28.2 (MNOK 17.6) in the quarter. Property development reported revenues of MNOK 313.4 (MNOK 0.4) and EBITDA of MNOK 13.1 (MNOK -1.8).

BUSINESS AREAS

Construction

NOK million	3Q 23	3Q 22	30.09.2023	30.09.2022
Revenues and other income	503.0	339.7	1 386.6	1 095.1
EBITDA	9.9	16.6	63.7	73.7
Adjusted EBITDA	28.2	17.6	81.9	80.1
EBIT	0.7	14.9	43.6	68.4
EBITDA margin	2.0 %	4.9%	4.6 %	6.7 %
Adjusted EBITDA margin	5.6 %	5.2%	5.9 %	7.3 %
Operating profit margin	0.1 %	4.4%	3.1 %	6.2 %
Order backlog	1 242.4	1 698.6	1 242.4	1 698.6
<i>of which toward Frigaard Bolig</i>	90.6	391.5	90.6	391.5

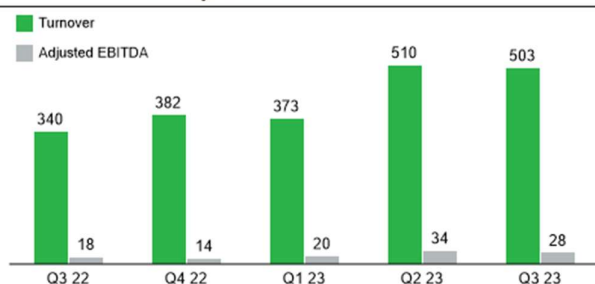
The business area construction consists of three business units, Alento AS, Frigaard Entreprenør AS and Metacon AS. Alento AS and Frigaard Entreprenør are turn-key contractors that execute the development and construction of commercial buildings and residential properties. Metacon is a supplier of structural steel and steel buildings.

Reported revenues were MNOK 503.0 (MNOK 339.7) for the third quarter. This corresponds to an increase of 48.1 percent compared to the same quarter last year. Adjusted EBITDA for the construction segment this quarter was MNOK 28.2 (MNOK 17.6).

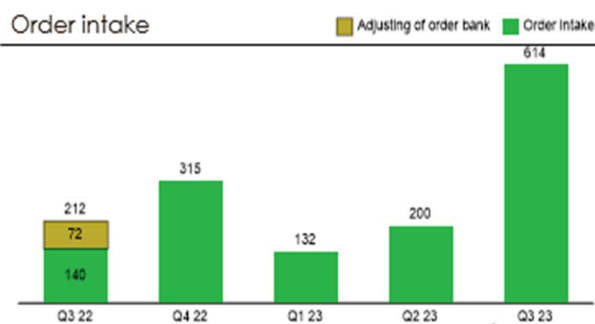
Both Alento and Frigaard Entreprenør delivers well this quarter (when including the effect caused by the hand-over of internal projects). A significant part of Frigaard Entreprenør's income was related to internal residential development projects. Whereas revenue and EBITDA from the internal project Tribunen phase 3 in Moss and Fagerlia phase 1 in Fredrikstad, are shown in the segment this quarter, at the time of handover to the customer.

During the quarter we added new contracts of MNOK 614.3 (MNOK 140.2). Backlog at the end of the quarter is MNOK 1 242.4 (1 698.6). Internal order backlog represents Metacon's backlog on internal projects within the Property Development segment where construction has commenced based on sales and regulatory processes. See separate section for the Property Development segment for further details.

Revenues and Adjusted EBITDA*



Order intake



Note: *Adjusted EBITDA due to non-recurring items from loss in a lawsuit and one settlement in a completed construction project (Q3 2022: MNOK 1 related to a strategic review of Alento).
Adjustment of Order intake of MNOK 72 in Q3 2022 is related to delayed project, thus reported order intake for the quarter is MNOK 140.

Property development

NOK million	3Q 23	3Q 22	30.09.2023	30.09.2022
Revenues and other income	313.4	0.4	592.6	19.9
EBITDA	13.1	-1.8	17.7	-4.4
EBIT	13.1	-1.8	17.6	-4.5
EBITDA margin	4.2 %	-406.9 %	3.0 %	-22.1 %
Operating profit margin	4.2 %	-413.8 %	3.0 %	-22.6 %
No. of units under construction	38	182	38	182
No. of units sold	5	14	17	83
No. of units in land bank	118	270	118	270

The business area Property development develops residential units and commercial buildings within the inter-city triangle. The Group, recognises revenue when the control of the property has been transferred to the customer.

Revenues in the quarter amounted to MNOK 313.4, compared to MNOK 0.4 in the same period last year. EBITA amounted to MNOK 13.1 (MNOK -1.8). The year-to-date revenue mainly stems from the handover of apartments from the third phase of Tribunen, located in Moss, and Fagerlia phase 1 in Fredrikstad. The projects totaled 81 apartments whereof 69 were sold and 61 were handed over to customers as of Q3 2023.

All property development projects in production have been granted a construction loan at the date of this report. It is expected that the projects will be ready for handover according to the timeline shown in the table below. During the quarter a total of 5 apartments were sold, compared to 14 units in Q3 2022. Sales will naturally fluctuate from quarter to quarter depending on the maturity of the projects.

Our ongoing projects are illustrated in the table below. All of the projects are in production with the exception of the third phase of Fagerlia. For this phase we have secured financing for the concrete works and production will start when the project has realized sufficient sales to be granted construction loans.

Projects	Scheduled sale start	Scheduled start of building	Ready for hand over	No. of units	BRAs*	No. of units sold
Tribunen phase 1, Moss	Q2 2019	Q2 2020	Q4 2021	69	4 713	69
Tribunen phase 2, Moss	Q4 2021	Q2 2022	Q2 2023	55	4 374	54
Tribunen phase 3, Moss	Q1 2022	Q3 2022	Q3 2023	50	3 665	47
Fagerlia phase 1, Fredrikstad	Q2 2021	Q4 2021	Q3 2023	31	2 966	22
Fagerlia phase 3, Fredrikstad	Q2 2022	Q1 2024	Q1 2025	30	2 797	6
Fagerlia phase 2, Fredrikstad	Q3 2021	Q4 2022	Q4 2023	8	1 400	6
Høgliveien, Mysen	Q4 2021	Q3 2022	Q4 2023	30	2 438	20
Høgliveien plots, Mysen	Q4 2021	Q2 2022	Q2 2023	9	4 986	5
Dronningensgate Atrium, Sarpsborg	Q1 2022	Q2 2022	Q2 2023	16	1 111	12

*BRAs is the usable area in a home.

All of the portfolio shown above are in production (except for Fagerlia III) and scheduled for delivery in 2023. The deliveries during the year will improve our profits and further sales has the potential to significantly improve cash flow.

Additional development projects includes the following projects

Solbyen (Sarpsborg); a 40–50-unit project in the city of Sarpsborg, following public proceedings and market situation the project may be launched in the market in mid of 2024. The estimated BRAS is 2900.

Tindlund (Sarpsborg); Around 100 units, following public proceedings and the market situation the project may be launched in the market H2 2024 (ownership 50%).

Åsenveien Park (Ski): Potentially a 12500-14000k BRAS project in the Ski city centre, progress dependent upon public proceedings.

Lundebakken Utvikling (Fredrikstad): Potentially a 3-4k BRAS project alongside Glomma in Fredrikstad, detailed regulation process is started in 2023.

Other information

HSE

Health, Safety and Environment is a core focus area for Frigaard Property Group. Our ambition is zero injuries. The group is constantly working to make sure everybody that works for- and with us gets home safely to their families everyday. During first half of 2023 we are happy to once again report that we had no injuries to our workers, which is on the same level as Q3 last year.

Outlook

The effect of a slower economy following higher interest rates has gradually faced us and we are operating in a more challenging environment than previous periods. This is met by even higher focus on efficiency and optimizing solutions for our customers, and pro-active sales work in general.

Fortunately, we still have a high order backlog and record high tender activity in our construction segment. Sales of residential properties are slow, but steady. And we are about to finalize the last two projects in our development portfolio, which are in production. Following this, we can gradually develop our land bank and be ready for the market when the demand increases.

In the meantime, to secure our operations and liquidity, we prepare to adjust our cost base during Q4.

INCOME STATEMENT

All amounts in NOK thousand	Note	3Q 2023	Q3 2022	30.09.2023	30.09.2022	31.12.2022
Revenue from contracts with customers	5	568 540	340 123	1 579 335	1 113 741	1 495 828
Other operating revenue		336	218	1 011	1 856	4 916
Total operating revenue	6	568 876	340 341	1 580 346	1 115 597	1 500 744
Materials, subcontractors and consumables		491 472	285 942	1 352 337	920 898	1 238 980
Salaries and personnel expense		40 852	34 855	123 796	111 347	155 425
Other operating expense		24 300	9 500	48 081	32 574	44 208
Operating profit (loss) before depreciation, amortisation and impairment losses (EBITDA)	5	12 252	10 044	56 132	50 778	62 131
Depreciation and amortisation expense		2 017	2 076	6 131	6 259	8 462
Operating profit (EBIT)	5	10 235	7 968	50 001	44 519	53 669
Net financial costs		6 633	3 320	13 537	9 671	16 502
Profit before income tax		3 602	4 648	36 464	34 848	37 167
Income taxes		15 440	1 041	22 734	7 685	8 999
Net profit (loss) for the period		-11 838	3 607	13 730	27 163	28 168

STATEMENT OF COMPREHENSIVE INCOME

	3Q 2023	Q3 2022	30.09.2023	30.09.2022	31.12.2022
Other comprehensive income					
<i>Items which may be reclassified to profit and loss in subsequent periods</i>					
Exchange differences on translation of foreign subsidiaries	-	-	-	-	-
Total comprehensive income for the year	-11 838	3 607	13 730	27 163	28 168

STATEMENT OF FINANCIAL POSITION

ASSETS	30.09.2023	30.09.2022	31.12.2022
All amounts in NOK thousand			
Non-current assets			
Other intangible assets	182	109	244
Goodwill	284 019	284 019	284 019
Buildings and land	2 858	3 393	3 275
Machinery and equipment	4 801	4 535	4 713
Right-of-use assets	5 505	10 653	9 776
Investment in associated companies and joint ventures	3 750	-	3 750
Other long term receivables	2 033	-	-
TOTAL NON-CURRENT ASSETS	303 148	302 709	305 777
Current assets			
Inventories and development properties	489 035	513 439	661 653
Trade receivables	120 541	143 545	172 917
Contract assets	136 587	125 078	59 977
Other short-term receivables	43 634	38 401	1 403
Cash and cash equivalents	150 290	151 349	237 750
TOTAL CURRENT ASSETS	940 087	971 812	1 133 700
TOTAL ASSETS	1 243 235	1 274 521	1 439 477

STATEMENT OF FINANCIAL POSITION

EQUITY AND LIABILITIES	30.09.2023	30.09.2022	31.12.2022
All amounts in NOK thousand			
Equity			
Share capital	467	467	467
Share premium reserve	167 396	167 396	167 396
Total paid-in capital	167 863	167 863	167 863
Retained earnings	121 085	106 348	107 353
Total retained earnings	121 085	106 348	107 353
TOTAL EQUITY	288 948	274 211	275 216
Non-current liabilities			
Deferred tax	54 067	30 019	31 319
Bond loan	-	297 660	298 129
Liabilities to financial institutions	12 400	37 427	12 600
Construction loan	-	20 619	-
Leasing liabilities	1 079	5 222	3 898
Other non-current liabilities	3 750	6 275	3 750
TOTAL NON-CURRENT LIABILITIES	71 296	397 222	349 696
Current liabilities			
Short term financial liabilities	38 761	14 000	38 830
Short term construction loan	184 192	155 932	278 448
Bond loan current	299 537	-	-
Lease liabilities	4 730	5 752	6 140
Trade account payables	135 293	89 246	197 989
Public duties payable	20 737	18 949	30 854
Contract liabilities	54 952	146 059	116 867
Other short-term liabilities	144 789	173 150	145 437
TOTAL CURRENT LIABILITIES	882 991	603 088	814 565
TOTAL LIABILITIES	954 287	1 000 310	1 164 261
TOTAL EQUITY AND LIABILITIES	1 243 235	1 274 521	1 439 477

STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the parent company			Total equity
	Share capital	Share premium reserve	Other Equity	
			Retained earnings	
Equity as at 01.01.2022	467	167 396	79 187	247 050
Comprehensive income				
Profit for the period			27 163	27 163
Other comprehensive income				-
Equity at 30.09.2022	467	167 396	106 350	274 211
Comprehensive income				
Profit for the period Q3-Q4 2022			1 005	1 005
Other comprehensive income				-
Equity as at 31.12.2022	467	167 396	107 355	275 216
Equity as at 01.01.2023	467	167 396	107 355	275 216
Comprehensive income				
Profit for the period			13 730	13 730
Other comprehensive income			-	-
Equity as at 30.09.2023	467	167 396	121 085	288 948

STATEMENT OF CASHFLOW

All amounts in NOK thousand	3Q 2023	Q3 2022	30.09.2023	30.09.2022	31.12.2022
Cash flow from operations					
Profit before income taxes	3 602	4 648	36 464	34 848	37 167
Taxes paid in the period	-	-	-	-	-
Gain/loss from sale of fixed assets	-	-	-	-1 408	-1 408
Adjustment for gains on disposal of shares in subsidiaries	-	-	-	-	-2 817
Depreciation and impairment of fixed assets	2 017	2 076	6 131	6 259	8 462
Change in inventory	144 960	-70 694	172 618	-178 680	-326 894
Change in trade receivables	18 104	5 763	-44 288	-103 264	-108 455
Change in trade account payables	-35 307	-35 801	-62 696	-132 997	-24 254
Change in other provisions	1 659	30 615	-55 699	104 405	134 120
Net cash flow from operations	135 035	-63 393	52 530	-270 837	-284 079
Cash flow from investments					
Proceeds from sale of fixed assets	-	-	-	2 000	2 000
Purchase of fixed assets and other intangible assets	-1 200	-583	-1 546	-1 352	-2 048
Proceeds from sale of other investments and sale of subsidiaries	-	-	-	-	33 551
Other investment	-	-	-	60 091	26 645
Net cash flow from investments	-1 200	-583	-1 546	60 739	60 148
Cash flow from financing					
Proceeds from long term loans	-	12 570	-	12 570	12 600
Repayment of long term loans	-	-28	-	-87	-114
Proceeds from construction loans	155 864	70 211	324 249	171 662	273 559
Repayment of construction loans	-297 378	-	-418 505	-	-
Repayment of short term loans	-22 075	-	-39 948	-27 396	-27 396
Repayment of lease liabilities	-1 579	-1 592	-4 240	-4 470	-6 136
Net cash flow from financing	-165 168	81 161	-138 444	152 279	252 513
Net change in cash and cash equivalents	-31 333	17 185	-87 460	-57 819	28 582
Cash and cash equivalents at the beginning of the period	181 623	134 164	237 750	209 168	209 168
Cash and cash equivalents at the end of the period	150 290	151 349	150 290	151 349	237 750

NOTES

NOTE 1. GENERAL INFORMATION

Frigaard Property Group AS is a Norwegian building- and construction group with its main office located in Sarpsborg. The Group is operating in Norway.

The head office is located at Sandesundsveien 2, 1724 Sarpsborg.

This summary of financial information for third quarter of 2023 has not been audited.

NOTE 2. BASIS OF PREPERATION

Frigaard Property Group AS' consolidated financial statements are prepared in accordance with IAS 34 Interim accounts. The summary of the financial information presented in the quarterly accounts is intended to be read in conjunction with annual report for 2022, which have been prepared in accordance with the international Financial Reporting Standards (IFRS).

NOTE 3. CHANGES IN GROUP STRUCTURE

Subsidiaries

Group Companies	Location	Ownership
Frigaard Property Group AS (parent company)	Sarpsborg	100 %
Frigaard Entreprenør AS	Sarpsborg	100 %
Alento AS	Drammen	100 %
Sub-group Metacon:		
Metacon AS (parent company in sub-group)	Sarpsborg	100 %
Metacon Sverige AB	Tranås, Sverige	100 %

Sub-group Frigaard Bolig:		
Frigaard Bolig AS (parent company in sub-group)	Sarpsborg	100 %
Høgliveien 30 AS	Sarpsborg	100 %
Fagerliveien Utvikling AS	Sarpsborg	100 %
Ryggeveien 33 AS	Sarpsborg	100 %
Solbyen Utvikling AS	Sarpsborg	100 %
Dronningensgate Atrium AS	Sarpsborg	100 %
Åsenveien Park AS	Sarpsborg	100 %
Høgliveien Næring AS	Sarpsborg	100 %
Tindlund Terrasse AS	Sarpsborg	50 %
Lundebakken Utvikling AS	Sarpsborg	100 %

Metacon Sverige AB was established during the third quarter.

NOTE 4. ACCOUNTING POLICIES

The accounting policies applied to the accounts are consistent with those described in the annual report for 2022.

New and amended accounting standards

Frigaard Property Group AS has not implemented new or changed standards in 2023 with material effect on the Group's financial position and results.

Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated, and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and management judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

NOTE 5. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Frigaard Property Group AS has defined its two segments as:

- Property development
- Construction

	3Q		First three quarters		Full year
	2023	2022	2023	2022	2022
All amounts in NOK thousand					
Income statement					
Property development	313 356	435	592 634	19 887	23 033
Construction	502 994	339 688	1 386 627	1 095 068	1 476 829
Other	336	218	1 011	642	882
Eliminations	-247 810	-	-399 926	-	-
Total operating revenue	568 876	340 341	1 580 346	1 115 597	1 500 744
Property development	13 120	-1 770	17 737	-4 393	-2 035
Construction	9 897	16 638	63 664	73 710	87 219
Other	-3 251	-4 824	-10 306	-18 539	-23 053
Eliminations	-7 514	-	-14 963	-	-
EBITDA	12 252	10 044	56 132	50 778	62 131
Property development	13 075	-1 800	17 602	-4 485	-2 187
Construction	714	14 876	43 611	68 426	80 143
Other	-3 554	-5 108	-11 212	-19 422	-24 287
Eliminations	-	-	-	-	-
EBIT	10 235	7 968	50 001	44 519	53 669

Segment information is presented in the accordance with Frigaard Property Group's accounting policies in accordance with IFRS. Revenue from Property development from project for own account is recognised upon handover as regulated in IFRS 15. The largest operating segment in the Group relates Construction projects. These are engineering and construction projects delivered to public and private customers based on contractual agreed scope and price.

Segment assets and liabilities is not reported to the chief operating decision maker on a regularly basis.

The group "other" consists of rental income and other operating expense and the holding company Frigaard property Group AS. Eliminations is intra group sales, where Property development is the contracting customer and Construction is the builder.

NOTE 6. INCOME

All amounts in NOK thousand	Segment	3Q		First three quarters		Year
		2023	2022	2023	2022	2022
<i>Revenue from contracts with customers</i>						
Contract revenues from Construction	Construction	502 994	339 688	1 386 627	1 093 854	1 475 612
Sale of development property	Development property	313 065	35	591 733	19 305	19 305
Rental income from Property development	Development property	291	400	901	582	911
<i>Eliminations</i>		-247 810	-	-399 926	-	-
Total revenue from contracts with customers		568 540	340 123	1 579 335	1 113 741	1 495 828
<i>Other operating income</i>						
Gain from sale of fixed assets	Construction	-	-	-	1 214	1 217
Other income from Other	Other	45	218	110	642	882
Sale of shares Property development	Development property	-	-	-	-	2 817
Total other operating income		45	218	110	1 856	4 916
Total operating revenue		568 585	340 341	1 579 445	1 115 597	1 500 744

NOTE 7. FINANCIAL INSTRUMENTS

There were no significant changes during the period related to financial risk and the group's use of financial instruments.

NOTE 8. RELATED PARTY TRANSACTIONS

All transactions with related parties are carried out in accordance with the arm's length principle. Transaction between subsidiaries are eliminated in the consolidated financial statements and do not represent related parties.

NOTE 9. EVENTS AFTER THE REPORTING DATE

No other events have occurred after the balance sheet date which have had a material effect on the submitted accounts.

FINANCIAL CALENDAR

2023 Q4 report: 29th of February 2024
Annual report 2023: 26th of April 2024
2024 Q1 report 2024: 16th of May 2024
2024 Q2 report 2024: 27th of August 2024
2024 Q3 report 2024: 15th of November 2024

ADDITIONAL INFORMATION

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