

Annual Report 2019 *) for RASMUSSENGRUPPEN AS

*) This is a translation of the valid annual report for the Rasmussen Group, and has been prepared for information purpose only.

RASMUSSENGRUPPEN AS is the ultimate parent company in the Rasmussen Group. An overview of the companies included in the Group corporate structure is presented in the company accounts.

The Group's business is organized into three business segments; financial investments, shipping/offshore and real estate.

The parent company, RASMUSSENGRUPPEN AS, conducts its operations from Kristiansand and Oslo. The company's registered office is located in Kristiansand.

RESULTS AND COMMENTS ON THE ANNUAL REPORT

In 2019, the Rasmussen Group's profit before tax amounted to NOK 2,319 million (2018: NOK 344 million). The total profit for 2019 amounted to NOK 2,264 million (NOK 316 million).

The Group's total equity amounted to NOK 15,342 million as of 31 December 2019 (NOK 13,221 million). The Group's book equity ratio equalled 86.6% as of 31 December 2019 (89.3%). All liabilities in the Group to credit institutions are related to real estate operations in AVANTOR AS and its subsidiaries.

In 2019, the parent company RASMUSSENGRUPPEN AS recorded a profit before tax (including group contribution from AVANTOR AS) of NOK 2,193 million (NOK 775 million). The total profit amounted to NOK 2,148 million (NOK 781 million).

The parent company RASMUSSENGRUPPEN AS' total equity amounted to NOK 14,302 million as of 31 December 2019 (NOK 12,296 million).

BUSINESS SEGMENTS

Financial investments

The Rasmussen Group's financial investments are operated by the parent company RASMUSSENGRUPPEN AS and its wholly-owned subsidiaries PORTIA AS, VIOLA AS and CRESSIDA AS. The equity investment in Shearwater GeoServices Holding AS, which is part of the investment portfolio, is dealt with separately under shipping/offshore.

The Group invests globally but has throughout 2019 had a primary focus on certain major investments in Norway. The investment decisions are based upon company analysis conducted by internal resources.

In 2019, the Group recorded a loss before tax on financial investment activities (including investments in equity funds) of NOK 542 million (loss of NOK 806 million). The main positive profit contributors were Vaccibody AS with NOK 150 million and Victory Arcadia Fund with NOK 21 million. The negative profit contributors were mainly ICE Group ASA with NOK 391 million, Net1 International Holding AS with NOK 315 million and B2Holding ASA with NOK 85 million.

As of 31 December 2019, the Group's book value of financial investments, excluding Shearwater (incl. lending), amounted to NOK 4,390 million (NOK 5,185 million) and was distributed as follows:

	2019		2018	
Listed shares in Norway	NOK	1,037 million	NOK	1,814 million
Listed shares in the U.S.	"	183 million	"	39 million
Listed shares in other countries	"	71 million	"	142 million
Unlisted shares (incl. value of conversion rights).....	"	1,131 million	"	693 million
Equity funds	"	1,244 million	"	1,863 million
Lending	"	724 million	"	634 million
Book value	NOK	4,390 million	NOK	5,185 million

As of 31 December 2019, the Group's largest individual investments were NOK 885 million in ICE Group ASA (incl. lending), NOK 633 million in Kolonial.no AS (incl. convertible loan), NOK 484 million in B2Holding ASA and NOK 303 million in Nordic Aquafarms AS.

The net divestment in the business segment amounted to NOK 257 million in 2019. The main divestment was NOK 829 million from the disposal of ARBEA Fund. The main investments were NOK 192 million in ICE Group ASA, NOK 153 million in Net1 International Holding AS and NOK 102 million in Volkswagen AG.

As of 31 December 2019, the main risk factors for financial investments were a highly priced stock market, a high investment and debt level in China, declining global growth, oil-price developments and political uncertainty. The company-specific risk related to individual shares has been reduced through a diversified investment portfolio. In 2020, the Corona-virus and the following severe restrictions to limit the contagion have led to a significant drop in economic activity on a global level, and with that, a severe drop in the stock market. There is significant uncertainty linked to how soon the restrictions can be lifted and how long time it will take for the economic activity to return to the same level as prior to the crisis.

Shipping/offshore

RASMUSSENGRUPPEN AS and GC Rieber Shipping ASA established in 2016 the Norwegian seismic company Shearwater GeoServices Holding AS. In November 2018, Shearwater acquired Schlumberger's offshore-related seismic activities, including 10 seismic vessels with streamer equipment and streamer technology. As of 31 December 2019, RASMUSSENGRUPPEN AS holds a 63.9% ownership in the company (Rieber 19.6% and Schlumberger 15.0%).

In June 2019, Shearwater, CGG SAS and Eidesvik Offshore ASA announced an agreement for Shearwater to acquire 7 seismic vessels owned jointly by CGG and Eidesvik through the company Global Seismic Shipping AS («GSS»), together with sufficient streamer equipment to equip 5 seismic vessels. In addition, CGG committed to lease a minimum of 2 seismic vessels each year for 5 years to its multiclient-operation. Both CGG and Shearwater have proprietary streamer technology and the companies announced that this technology will be put into a new company held by Shearwater with 40% and CGG with 60%. The acquisition was partly financed through a takeover of debt in GSS, and partly through a contribution in kind against CGG and Eidesvik. The agreement was completed on 8 January 2020, and RASMUSSENGRUPPEN's ownership was reduced to 61.5% (Rieber 18.9%, Schlumberger 14.4% and Eidesvik 3.8%). Today, Shearwater holds a total of 21 seismic vessels, and is clearly the world's largest seismic company measured in number of vessels.

A shareholder agreement exists between the three main shareholders, and consequently, RASMUSSENGRUPPEN AS has a non-controlling interest in Shearwater.

Bergen-based Shearwater is a global supplier of marine geophysical services, mainly comprising the collection and processing of seismic data for oil/gas and multiclient companies. As of 31 December 2019, Shearwater had 708 employees, of which 368 were working offshore. Employees working onshore are located in Norway (at the head office in Bergen and a development department in Asker), the UK, the U.S., Malaysia and Singapore.

The seismic market has improved through 2019 and the beginning of 2020. The oil companies saw an increase in activity, and the rates in the signed contracts have increased in comparison to 2017 and 2018. The increasing activity in the market and the acquisition in November 2018 led to a significant activity increase and order backlog for Shearwater.

The main risk factor for Shearwater is the oil price development. The significant fall in the oil price, as a result of the measures taken against the Corona-virus, have already led to a significant reduction in planned investments made by the oil companies for 2020. This also affects investments in seismic and there is expected a significant fall in Shearwater's activities going forward. It is likely that a rise in the oil price up to USD 50-60 per barrel is needed to bring the activity in the seismic market back to 2019 level.

As of 31 December 2019, the Group's book value of shipping/offshore assets was NOK 6,070 million (NOK 3,358 million) and consisted of the shares in Shearwater, recorded in accordance with an internal valuation based on discounted future EBITDA as the market prospects appeared at year end.

In 2019, the Group recorded a profit before tax from its shipping/offshore operations of NOK 2,662 million (NOK 378 million).

Real estate

The real estate and property development business is mainly operated through RASMUSSENGRUPPEN AS' wholly-owned subsidiary AVANTOR AS, which has its registered office in Nydalen in Oslo, where the Avantor Group also conducts its operations.

As of 31 December 2019, the Avantor Group's property portfolio amounted to approximately 240,000 square metres of GFA. The non-leased commercial space value was 3.5%, and the average remaining lease period was 5.7 years. The client portfolio is of high quality with lessees spread across several industries.

The development portfolio includes a regulated development potential of approximately 80,000 square metres GFA in Nydalen. Moreover, the Group has two development sites in Tønsberg, one of which has ongoing residential construction and one which is unregulated, and one regulated site in Kristiansand. The Masterplan, Nydalen+, developed by the Group a few years back, still forms the basis. In initiated new regulation projects, a particular focus is put on sustainable urban development. For two of the projects, a cooperation agreement between the Group and FutureBuilt has been signed.

The Avantor Group has constructed, owned and operated Nydalen Energi AS. The plant supplies heating and cooling to buildings totalling approximately 320,000 square metres south in Nydalen. The operations of the Avantor Group are primarily to develop and hold property, and consequently the Avantor Group decided to sell Nydalen Energi AS in the fall of 2019. The sale was completed in February 2020 with a significant profit for the Group.

Avantor operates its own property portfolio in Nydalen. The company also manages public and private infrastructure on behalf of Nydalen Gårdeierforening.

Through determined and systematic work, Avantor has not only participated in creating a new city district, but also a brand. Nydalen has become an attractive area for business and residency, as well as a city centre for the district of Nordre Aker, which has approximately 52,000 inhabitants.

At the end of 2019, the Avantor Group had total assets of NOK 4,468 million (NOK 4,585 million). The book value of equity amounted to NOK 2,193 million (NOK 2,166 million) following a group contribution of NOK 165 million in 2019 paid in 2020 to RASMUSSENGRUPPEN AS. Total interest-bearing debt amounted to NOK 1,833 million (NOK 891 million) after dividends of NOK 1,200 million were paid to RASMUSSENGRUPPEN AS in 2019. As of 31 December 2019, the Avantor Group had available liquidity of NOK 447 million through a credit agreement and an unused credit facility. In addition the Avantor Group has significant values in non-pledged properties. The capital situation makes the Avantor Group well prepared for further development in Nydalen and in new areas.

In 2019, The Rasmussen Group recorded a profit before tax from its real estate and property development operations of NOK 200 million (NOK 773 million). The Rasmussen Group's total book value of real estate and properties totalled NOK 4,746 million (NOK 4,882 million) including developments in progress for sale.

The real estate business is exposed to market risk, rental risk, project risk, financial risk, regulatory risk and accident risk, and procedures for handling these risks have been established. Details on the risks

related to construction activities in connection with real estate and property business, such as demolition and excavation work, handling of possibly contaminated masses and major terrain work, are given in the AVANTOR AS' annual report. Most of the Avantor Group's debt is interest rate hedged.

Cash at bank

The Rasmussen Group's total cash at bank was NOK 2,256 million as of 31 December 2019 (NOK 1,295 million). The cash at bank gives the Group considerable leverage to make new investments.

RISKS

Commercial activities involve a trade-off between expected return and risk. It is therefore not an aim for the Group to minimize its overall risk. However, the Group sees the importance of conscious risk management and has established procedures for handling the types of risks to which it is exposed in order to ensure that the Group's overall risk is proportionate to the Group's risk-bearing capacity. Of importance to the Group in this context is to ensure diversification in its investments.

Currency exposure is not desired and the Group therefore usually hedges against exchange rate fluctuations. Securities acquired in currencies other than NOK will generally be hedged.

EMPLOYEES

The Group has 50 employees. Of the Group's employees 14 are women and 37 are men. At the turn of the year, RASMUSSENGRUPPEN AS had 5 employees (male). The company buys certain administrative services from POLYSERVICES AS.

The wage differences that exist are based on responsibility, competence, thoroughness and effort. When recruiting for vacant positions, the Group is conscious of the fact that there are both male and female candidates qualified for jobs, and equal opportunities are given regardless of ethnic origin and religion.

SUSTAINABILITY, HEALTH, SAFETY, SECURITY, ETC.

RASMUSSENGRUPPEN AS focus on sustainability as one of several factors, as a basis for decision-making related to new investments and when exercising ownership.

In 2019, absence due to illness was insignificant in RASMUSSENGRUPPEN AS. Absence due to illness in the Group in 2019 was 4%. The working environment in the Group is considered to be good. The working environment is characterized by motivated employees with solid performances.

In general, the Rasmussen Group places great emphasis on meeting all public environmental requirements. RASMUSSENGRUPPEN AS' own operations do not affect the external environment.

No particular research and development activities have been initiated.

The financial statements for RASMUSSENGRUPPEN AS and for the Rasmussen Group are prepared under the going-concern assumption – and the conditions for this assumption are met.

Kristiansand, 11 May 2020

SVEIN T. SØNNING
(Chairman of the Board)

DAG RASMUSSEN
(Member of the Board and CEO)

JULIE K.B. RASMUSSEN
(Member of the Board)

PER OTTO RASMUSSEN DAHL
(Member of the Board)

RASMUSSENGRUPPEN AS

Consolidated Statement of Income 2019

		2019 NOK (IFRS)	2018 NOK (IFRS)
<i>OPERATING REVENUES AND OPERATING EXPENSES</i>			
Rental income, real estate		407,894,988	391,462,635
Gains on sale of real estate		199,000	603,378,000
Share dividends from short-term shareholdings		71,427,485	18,328,595
Other operating revenues		66,014,182	65,232,834
Profit from sale of securities	+	111,055,356	64,770,153
Share of profit from associated companies	1	3,680,388	3,038,500
Change in value of shares in Shearwater GeoServices Holding AS	1,2	2,711,797,021	498,988,265
Change in value of other securities	2	+ 583,805,855	+ 1,063,864,982
Payroll expenses, etc.	3	+ 108,447,359	+ 82,172,360
Other operating expenses	3	+ 99,190,738	+ 101,111,298
Ordinary depreciations	4	+ 113,550,952	+ 114,434,023
Impairment real estate	4	0	+ 25,178,000
OPERATING PROFIT		<u>2,244,962,804</u>	<u>258,438,319</u>
<i>FINANCIAL INCOME AND FINANCIAL EXPENSES</i>			
Interest income		90,106,779	70,116,801
Currency exchange gains/losses		22,780,231	33,642,414
Interest expenses and other financial expenses	+	38,937,783	+ 17,808,847
NET FINANCIAL INCOME/EXPENSES		<u>73,949,227</u>	<u>85,950,368</u>
PROFIT BEFORE TAX	5	2,318,912,031	344,388,687
<i>TAX ON PROFIT</i>			
Tax on profit	6	+ 55,346,665	+ 28,214,319
PROFIT BEFORE OTHER COMPREHENSIVE ITEMS		2,263,565,366	316,174,368
Net other comprehensive items		0	0
TOTAL PROFIT FOR THE YEAR		<u>2,263,565,366</u>	<u>316,174,368</u>
Allocated:			
Shareholders in RASMUSSENGRUPPEN AS	7	<u>2,263,565,366</u>	<u>316,174,368</u>

RASMUSSENGRUPPEN AS

Consolidated Balance Sheet as of 31 December 2019

	Note	2019 NOK (IFRS)	2018 NOK (IFRS)
ASSETS			
<i>Fixed assets</i>			
<i>Tangible fixed assets</i>			
Investment properties (incl. land), developments in progress, etc.	4	4,249,176,824	4,406,570,000
Other real estates (incl. land)	4	50,450,402	51,472,539
Other assets	4	16,158,744	14,444,357
		<u>4,315,785,970</u>	<u>4,472,486,896</u>
<i>Financial assets</i>			
Shares in associated companies	1	16,192,180	15,261,790
Other long-term receivables		6,277,200	5,780,200
		<u>22,469,380</u>	<u>21,041,990</u>
<i>Total fixed assets</i>		<u>4,338,255,350</u>	<u>4,493,528,886</u>
<i>Current assets</i>			
<i>Investments</i>			
Investment property/developments in progress for sale	4	446,120,676	423,977,000
Shares in Shearwater GeoServices Holding AS	1,2	6,069,672,207	3,357,875,188
Other short-term shareholdings, etc.	2	3,666,070,079	4,550,242,018
Lending	2	723,800,834	634,293,588
		<u>10,905,663,796</u>	<u>8,966,387,794</u>
Short-term receivables		208,382,877	47,974,939
Cash at bank	9	2,256,440,707	1,294,524,488
<i>Total current assets</i>		<u>13,370,487,380</u>	<u>10,308,887,221</u>
TOTAL ASSETS		<u><u>17,708,742,730</u></u>	<u><u>14,802,416,107</u></u>
EQUITY AND LIABILITIES			
<i>Equity</i>			
Paid-up equity:			
Share capital (95,155,200 shares of NOK 11.50 nominal value)		1,094,284,800	1,094,284,800
Share premium		98,485,632	98,485,632
Retained earnings:			
Other equity		14,148,770,361	12,027,937,796
<i>Total equity</i>	7	<u>15,341,540,793</u>	<u>13,220,708,228</u>
<i>Provisions for liabilities</i>			
Deferred tax	6	232,712,232	181,925,822
<i>Long-term liabilities</i>			
Debt to financial institutions	8	<u>1,700,000,000</u>	<u>800,000,000</u>
<i>Short-term liabilities</i>			
Debt to financial institutions	8	133,382,000	90,523,000
Accounts payable		33,498,545	83,053,568
Tax payable for the fiscal year	6	3,624,848	89,885,351
Unpaid government charges and special taxes		38,477,254	12,225,675
Provisions for dividend payout to shareholders		142,732,800	142,732,800
Other short-term liabilities		82,774,257	181,361,662
<i>Total short-term liabilities</i>		<u>434,489,704</u>	<u>599,782,056</u>
TOTAL EQUITY AND LIABILITIES	9	<u><u>17,708,742,730</u></u>	<u><u>14,802,416,107</u></u>

The notes are included as part of the financial statements.

Kristiansand, 11 May 2020

SVEIN T. SØNNING
(Chairman of the Board)

DAG RASMUSSEN)
(Member of the
Board and CEO)

JULIE K. B. RASMUSSEN
(Member of the Board)

PER OTTO RASMUSSEN DAHL
(Member of the Board)

Notes to the 2019 Group Financial Statements of RASMUSSENGRUPPEN AS:

Accounting principles

Simplified IFRS accounting rules have been applied in accordance with section 3-9 of the Norwegian Accounting Act so that the IFRS principles for recognition and measurement as stipulated by the EU are implemented. The annual report is otherwise prepared in accordance with the Norwegian Accounting Act. The accounting information is in accordance with the Norwegian Accounting Act chapters 6 and 7 and relevant note requirements according to IFRS standards.

Main principles for classification and valuation of balance sheet items

Assets, including financial assets, for permanent ownership or use are classified as fixed assets including receivables due in more than one year. Receivables to be paid within a year and other assets are classified as current assets. Debt due within one year is classified as short-term liabilities. Other liabilities are classified as long-term liabilities.

Tangible assets are valued at acquisition cost plus any capitalized investment/premium and capitalized construction loan interest net of accumulated depreciation.

Investment properties

Investment properties, including investment properties under construction, are assets that are held either to obtain rental income and/or appreciation, and that are not mainly used by the Group companies. Investment properties are accounted for using the acquisition cost model (see above).

Revenue recognition

Rental income is recognized in parallel with the rental period, and sales of services are recognized when the service is provided. Return on investments are recognized in accordance with the development in market value. Dividends are recognized upon receipt.

Provisions

The Group recognizes provisions when there is a legal or self-imposed obligation as a result of past events when it is probable that the liability will be settled, and when the size of the obligation can be estimated with sufficient reliability.

Currency

Income, expenses, investments and sales in foreign currencies are recorded at the current exchange rates.

Monetary assets and securities denominated in foreign currencies are translated at the exchange rate at the balance sheet date.

Investment portfolio

The Group considers itself to be a venture capital organization and values its investment portfolio at fair value.

Principles of consolidation

Accounting items of subsidiaries are fully consolidated. Shares in associated companies not included in the investment portfolio are valued using the equity method.

The cost price of shares in subsidiaries are eliminated using the acquisition method - and overprice/underprice relative to book value is allocated to the assets where the overprice/underprice is identified. Net value added is depreciated over their estimated useful life.

Inter-company transactions, receivables and debt are eliminated.

Receivables

Receivables are recorded at nominal value less any expected losses.

Dividends

Proposed dividends to shareholders are classified as liabilities as of 31 December.

Taxes

Taxes are expensed as they incur.

Tax on profit comprises tax payable and changes in deferred tax. Deferred tax is calculated on the basis of the differences that exist between accounting values and tax values.

Note 1. Shares in associated companies not included in the investment portfolio

	<u>Ownership</u>	<u>Acquisition cost</u>	<u>Share of profits 2019</u>	<u>Book value</u>
Arctic Fund Management AS *)	31.9%	NOK 22,079,292	NOK 3,680,388	NOK 16,192,180

*) Arctic Fund Management, which was a subsidiary of Arctic Asset Management AS, was in 2019 merged into the parent company, which then changed the company name to Arctic Fund Management AS.

Note 2. Securities

Shares in Shearwater GeoServices Holding AS

At the turn of the year, RASMUSSENGRUPPEN AS held a 63.9% ownership in Shearwater GeoServices Holding AS. A shareholder agreement exists between the three main shareholders, and consequently, RASMUSSENGRUPPEN AS has a non-controlling interest in Shearwater. As of 31 December 2019, the shares are recognized in the statement of financial position according to an internal valuation based on discounted future EBITDA as the market prospects appeared at year end. Changes in the EV/EBITDA discount multiple of 0.25 units will result in a change in recognized value of NOK 370 million, while a change in EBITDA of 5% will result in a change in recognized value of NOK 390 million. This years increase in value is due to an increase in activity at the oil companies, and thus an increase in the number of signed contracts together with an increase in rates compared to previous years. The main risk factor for Shearwater is the oil price development. The acquisition cost of the shares amount to NOK 2,900,331,238.

Other short-term shareholdings, etc.

Of the individual companies in which RASMUSSENGRUPPEN AS and subsidiaries have short-term shareholdings the following hold a market value of more than NOK 100,000,000 as of 31 December 2019.

	<u>Number of shares</u>		<u>Book value (market value)</u>
Norwegian listed shares			
B2Holding ASA	49,123,236	NOK	483,986,683
ICE Group ASA	22,329,681	NOK	438,778,231
Volkswagen AG	70,000	NOK	121,687,728
Norwegian shares listed on the NOTC list			
Vaccibody AS	2,790,000	NOK	251,100,000
Norwegian unlisted shares			
Kolonial.no AS (incl. value of conversion rights)	49,549	NOK	407,791,938
Nordic Aquafarms AS	10,091,049	NOK	302,731,470

The book value of the securities listed on the NOTC list is calculated on the basis of market price according to the Norwegian Securities Dealers Association's NOTC-list as of 31 December 2019, where a representative listing is presented. Otherwise based on an internal valuation.

Unlisted Norwegian shares are carried at their fair value where this is estimated using recent transaction or issue price, otherwise based on an internal valuation.

The Rasmussen Group holds a 11.1% ownership in ICE Group ASA, 43.7% in Net1 International Holdings AS, 12.0% in B2Holding ASA, 10.9% in Nekkas ASA (previously TTS Group ASA), 20.1% in Kolonial.no AS, 21.6% in Tienda Group AS, 35.4% in Nordic Aquafarms AS and 12.5% in Torvbygget AS. The companys' other shareholdings in individual companies represent less than a 10% ownership.

RASMUSSENGRUPPEN AS has granted a loan to ICE Group ASA of SEK 340,000,000 with an annual interest rate of 7.9%. The interest has been added to the loan amount. The loan has no specific maturity, but the annual interest rate will be increased to 20% from November 2024.

In addition, RASMUSSENGRUPPEN AS has granted a convertible loan of NOK 200,000,000 to Kolonial.no AS with an annual interest rate of 6.0%. The interest has been added to the loan amount. The estimated value of conversion rights have been recognized as income.

Furthermore, RASMUSSENGRUPPEN AS has granted a short-term loan to Net1 International Holdings AS, which as of 31 December 2019 amounted to NOK 50,000,000 plus interest, with a monthly interest rate of 1.5%. The interest has been added to the loan amount.

RASMUSSENGRUPPEN AS has assets invested in equity funds registered in Ireland, managed by the associated company Arctic Fund Management AS. The assets are recognized at market value as of 31 December 2019 of NOK 212,003,600.

RASMUSSENGRUPPEN AS also has assets invested in equity funds registered in the Cayman Islands, with a market price as of 31 December 2019 of NOK 1,031,862,758.

Note 3. Payroll expenses and other operating expenses

	2019		2018	
Salary to CEO	NOK	4,666,698	NOK	4,007,003
Other salaries *) and Board Members' remuneration	"	50,568,579	"	51,860,537
Bonus for the period 2015-2018 to CEO	"	0	"	9,000,000
Accrued/reversed bonuses for officers of RASMUSSENGRUPPEN AS and POLYSERVICES AS	"	31,364,661	÷ "	1,264,093
Employer's contribution (incl. for Board Members' remuneration)	"	15,181,201	"	11,853,254
Pension costs	"	2,825,715	"	3,495,424
Temporary personnel	"	585,000	"	168,600
Other expenses	"	3,255,505	"	3,051,635
	NOK	103,780,661	NOK	78,165,357

*) incl. bonuses apart from bonuses to officers in
RASMUSSENGRUPPEN AS and POLYSERVICES AS

Total number of full-time employees	50	51
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Auditor's remuneration carried to expense in the Group (incl. subsidiaries) for 2019 amounts to NOK 1,496,380.

In addition, the auditor is paid on an invoice basis for various consultancy services.

Board Members' remuneration for the companies in the Group totalled NOK 1,692,000.

Note 4. Investment properties, other real estate (incl. land), buildings under construction, etc.*Acquisition cost - Book value*

Acquisition cost as of 1 January 2019	NOK	5,870,120,603
Acquisitions	"	254,867,104
Disposals (related to acquisition cost)	÷ "	278,508,000
Acquisition cost as of 31 December 2019	NOK	5,846,479,707
Accumulated depreciations/impairments	÷ "	1,100,731,805
Carrying value as of 31 December 2019	NOK	4,745,747,902
of which reclassified as investment properties/developments in progress for sale	NOK	446,120,676
This year's ordinary depreciations of real estate	NOK	112,630,741
This year's ordinary depreciations of other assets	NOK	920,211

Ordinary depreciations are calculated linearly over the asset's economic life. Buildings are depreciated by between 1 and 2% of the acquisition cost. Technical installations acquired from 2009 and onwards are depreciated by 6.7%. Other assets are depreciated by between 20 and 30%. Land is not depreciated.

Estimated total value in excess of book value as of 31 December 2019 after deduction of deferred tax of 10% is estimated to be approximately NOK 1.7 billion, while the corresponding value as of 31 December 2018 was estimated to be approximately NOK 1.5 billion. The valuation has been conducted by the company itself and is based on discounted future cash flows for all properties. In this connection, the basis is real rental income and realistic estimates for non-leased premises, taken into account the fact that the premises might stay vacant for a period of time. Furthermore, budgeted ownership costs have been deducted for each property. The yields reflect the market yield so that the valuation consequently is based on the discounting of the rental income for one year. The yield is determined for each property where lessee, rental period, location and standard of the property are taken into consideration. The yields applied vary between 5 and 8% and the average yield in the calculation is approximately 7%. A change in yield of 1/2 percentage point results in a change in added value of approximately NOK 400 million.

Note 5. Distribution of profit before tax between business segments

Profit before tax where profit from currency futures together with an estimate of administration costs are allocated to the related business segments, is distributed as follows:

	2019		2018	
Financial investments	÷ NOK	542,455,386	÷ NOK	806,423,087
Real estate	"	199,515,146	"	772,842,509
Shipping/offshore	"	2,661,852,271	"	377,969,265
	NOK	2,318,912,031	NOK	344,388,687

Note 6. Tax on profit - deferred tax

Regarding deferred tax for RASMUSSENGRUPPEN AS and subsidiaries:

	2019		2018	
Net temporary differences	NOK	1,057,782,872	NOK	826,935,554
22% calculated deferred tax	NOK	232,712,232	NOK	181,925,822

Tax on profit is calculated as follows:

Tax payable for the fiscal year	NOK	3,624,848	NOK	89,885,351
Withholding tax on foreign shares within the exemption method	"	425,408	"	0
Changes in deferred tax	"	50,785,379	÷ "	71,489,032
Changes in deferred tax regarding sales in the subsidiary AVANTOR AS	"	0	"	9,818,000
Tax on profit	NOK	54,835,635	NOK	28,214,319

Note 7. Equity

Equity as of 1 January 2019	NOK	13,220,708,228
Profit for the year attributable to shareholders of RASMUSSENGRUPPEN AS	"	2,263,565,366
Provision for payment of dividends to shareholders	÷ "	142,732,800
Equity as of 31 December 2019	NOK	<u>15,341,540,793</u>

Note 8. Debt to financial institutions as of 31 December 2019

		<u>2019</u>		<u>2018</u>
Avantor Group	NOK	1,833,382,000	NOK	890,523,000
<i>Book value of pledged assets:</i>				
Avantor Group	NOK	2,356,000,000	NOK	2,385,000,000

At the turn of the year, AVANTOR AS had 3 bank loan facilities, a bullet loan of NOK 800 million, a credit facility of NOK 980 million where the withdrawal amounts to NOK 900 million and a credit agreement linked to a cash-pool account of NOK 500 million. Withdrawals on the credit agreement linked to the cash-pool account, NOK 133.4 million, are classified as short-term liabilities, while other loans are classified as long-term liabilities.

Note 9. RASMUSSENGRUPPEN AS has provided a counter guarantee in favour of GC Rieber Shipping ASA related to guarantees in favour of Shearwater GeoServices Holding AS' creditors for a total of 63.9% of USD 109,250,000.

AVANTOR AS has guarantee liabilities to certain of its subsidiaries and charges on some of the properties of subsidiaries in AVANTOR AS and on shares in certain subsidiaries of AVANTOR AS.

Note 10. Events after the reporting period

After the reporting period, the organization has had unrealised losses on financial assets recognized at fair value, primarily as a result of the outbreak and spread of Covid-19. Apart from this, there are no events after the reporting period which affects the organization to a significant degree.

2019 Consolidated Cash-flow Statement for RASMUSSENGRUPPEN AS:

		2019		2018
		NOK		NOK
<i>CASH FLOWS FROM GROUP OPERATING ACTIVITIES</i>				
Profit before tax		2,318,912,031		344,388,687
Gains on sales of real estate	÷	199,000	÷	603,378,000
Ordinary depreciations		113,550,952		114,434,023
Impairment of real estate		0		25,178,000
Interest received		53,047,418		37,330,557
Interest paid	÷	38,937,783	÷	17,808,847
Cash-flow adjustments regarding securities	÷	2,127,991,166		564,876,717
Cash-flow adjustments regarding associated companies	÷	3,680,388	÷	3,038,500
Taxes paid for the preceding year	÷	89,885,351	÷	70,555,181
Changes in accounts receivable and short-term liabilities	÷	358,044,087		15,379,678
NET CASH FLOW FROM GROUP OPERATING ACTIVITIES	÷	<u>133,227,374</u>		<u>406,807,134</u>
<i>CASH FLOWS FROM INVESTMENT ACTIVITIES</i>				
Investments (net) in associated companies		2,750,000		2,500,000
Sale of real estate (sales totals)		278,508,000		932,767,000
Net sales/investments in short-term shareholdings, etc.		300,366,084	÷	1,720,238,569
Investments in real estate	÷	231,027,208	÷	260,510,110
Investments in other tangible fixed assets (net)	÷	2,634,598	÷	325,474
Investments in lending	÷	52,944,885	÷	0
NET CASH FLOW FROM INVESTMENT ACTIVITIES	÷	<u>295,017,393</u>	÷	<u>1,045,807,153</u>
<i>CASH FLOWS FROM FINANCING ACTIVITIES</i>				
Dividend payments	÷	142,732,800	÷	133,217,280
Uptake/repayment debt to financial institutions		942,859,000	÷	905,525,000
NET CASH FLOW FROM FINANCING ACTIVITIES		<u>800,126,200</u>	÷	<u>1,038,742,280</u>
Net change in cash and cash equivalents throughout the year		961,916,219	÷	1,677,742,299
Cash at bank as of 1 January		1,294,524,488		2,972,266,787
CASH AT BANK AS OF 31 DECEMBER		<u>2,256,440,707</u>		<u>1,294,524,488</u>