



### **Centennial Invest AS 2023**

In 2023, Centennial Invest AS has invested in listed equities mainly on the Oslo Stock Exchange, but there has also been invested in equities in the Nordic countries, Europe, Hong Kong and in the US.

The average invested capital in 2023 has been NOK 85m, with a profit of NOK 17.39m or 20.4% return on invested capital with the following distribution as of 30.12.2023.

Realized gains NOK 8,578m.

Dividends received NOK 8,681m.

Option premiums received NOK 3,128m.

Unrealized profit -2,997m

Centennial Invest AS has a conservative and fundamental approach as an investment philosophy, and in 2023 the portfolio has therefore been dominated by value-based market-leading companies with a solid balance sheet and high dividend capacity in banking, oil/gas, and shipping. Companies with binary outcome spaces, betting on one or a few products are avoided.

In addition, there has been extensive use of option strategies with focus on covered calls to reduce risk and generate additional returns on owned shares.

The banking crisis in the US and Europe in March 2023 led to the collapse of two major US- and one leading European bank and was taken over by larger banks with government help. This led to a great deal of uncertainty in the capital markets, and with Centennial Invest AS's cautious investment strategy in uncertain markets, the portfolio was reduced sharply for a period towards the summer.

Despite rising inflation, and central banks' interest rate grip, stock markets have been surprisingly strong in 2023. The NASDAQ index in the US was in a class of its own, rising 44%. In Europe, the indices rose around 20%, and the Oslo Stock Exchange ended up 9.89%.

Centennial Invest AS delivered a return significantly above the Oslo Stock Exchange's return, despite a cautious and conservative approach when selecting shares.