

Q1 2024
Quarterly report

Elmera Group



Q1 Highlights

- Net revenue adj. was NOK 550m (NOK 534m) and EBIT adj. was NOK 230m (NOK 198m).
LTM Net revenue adj. was NOK 1.749m (NOK 1.748m) and LTM EBIT adj. was NOK 545m (NOK 485m).
- Opex adj. was NOK 320m (NOK 336m) in the quarter, confirming the NOK 100m run-rate reduction and guidance.
- Revision of product strategy in the Consumer and Nordic segments progressing as planned, improving the group's robustness.
- Positive customer growth trend within Consumer and Mobile.
- Dividend of NOK 2.30 per share was distributed 6 May 2024.

Key figures Q1

NOK in thousands	Q1 2024	Q1 2023	Full year 2023
Revenue adjusted	5 073 307	6 887 391	17 322 895
Direct cost of sales adjusted	(4 523 297)	(6 353 834)	(15 589 897)
Net revenue adjusted	550 010	533 557	1 732 998
Personnel and other operating expenses adjusted	(255 303)	(267 619)	(956 388)
Depreciation and amortisation adjusted	(64 888)	(68 127)	(263 439)
Total operating expenses adjusted	(320 191)	(335 746)	(1 219 827)
Operating profit adjusted	229 819	197 811	513 171
Other one- off items	-	(11 898)	(6 434)
Depreciation of acquisitions	(30 187)	(30 456)	(123 080)
Estimate deviations	-	-	(1 924)
Unrealised gains and losses on derivatives	(117 213)	(861 843)	(1 085 244)
Change in provisions for onerous contracts	93 711	838 189	1 048 166
Impairment of intangible assets and cost to obtain contracts	14 269	12 890	14 548
Operating profit (EBIT)	190 399	144 695	359 202

Strong financial results in all segments

In the first quarter of 2024, net revenue adjusted was NOK 550m and EBIT adj. was NOK 230m, an increase from the first quarter of 2023 of NOK 16m and NOK 32m respectively. The group's adjusted operating expenses were reduced by NOK 16m YoY, in line with the targeted cost reduction.

The elspot prices in the quarter were lower than in the first quarter of 2023 and in combination with colder weather compared to last year in both January and February, this led to an increase in electricity consumption in the Consumer segment. The electricity consumption within the Business segment remained stable from last year. Typically, this segment shows less sensitivity to temperature fluctuations compared to the Consumer segment. In the Nordic segment, volume sold decreased from last year, in line with the intended strategic phase-out of legacy fixed price contracts.

As a result of the group's cost efficiency program, adjusted operating profit in the Consumer segment increased from Q1 2023, despite a reduction in net revenue driven by changes in the product mix. The customer growth in the segment is on a positive trend. At quarter-end, the variable contracts constituted 6% of the deliveries in the segment.

In the Business segment, the number of deliveries and profitability were stable from first quarter 2023. Through increased core margin on the group's products, the negative impact on net revenue from lower elspot prices was mitigated.

The repositioning of the Nordic segment continues, with growth in both net revenue and adjusted operating profit in the quarter. The process of migrating the Swedish and Finnish operations into the Elmera IT platform has commenced.

Within the group's New Growth Initiatives, the number of mobile subscribers increased in the quarter, after a period of churn related to the network migration during 2023. The financial performance of the segment was solid, with a significant growth in adjusted operating profit, in line with guidance.

Consumer

Volume sold was 2,973 GWh, an increase of 8% from Q1 2023. The number of electricity deliveries in the Consumer segment was stable in the quarter and on a positive trend compared to previous quarters.

Adjusted net revenue amounted to NOK 265m (NOK 276m), adjusted operating expenses amounted to NOK 157m (NOK 177m) and EBIT adj. amounted to NOK 108m (NOK 100m). The improvement in EBIT adj. was driven by the group's cost efficiency program.

Business

At the end of the quarter, the Business segment comprised 127 thousand electricity deliveries, stable from last quarter. The volume sold in the quarter was 2,383 GWh, in line with Q1 2023.

Adjusted net revenue amounted to NOK 174m (NOK 176m), adjusted operating expenses amounted to NOK 78m (NOK 81m) and EBIT adj. amounted to NOK 96m (NOK 96m).

Nordic

The Nordic segment's customer portfolio decreased by nine thousand deliveries in the quarter, driven by phase-out of non-strategic customers. Volume sold was 517 GWh in the quarter, a decrease of 21% from Q1 2023.

Adjusted net revenue amounted to NOK 65m (NOK 50m), adjusted operating expenses to NOK 50m (NOK 43m) and EBIT adjusted amounted to NOK 15m (NOK 6m). The improvement was primarily driven by changed product mix following the phase-out strategy of legacy fixed price contracts.

New Growth Initiatives

At the end of the quarter, the number of mobile subscribers was 116 thousand, an increase of one thousand from last quarter.

Alliance volume in the quarter was 1,147 GWh, which is a 9% YoY decrease following a temporary decrease in number of Alliance partners.

Adjusted net revenue in the New Growth Initiatives segment amounts to NOK 46m (NOK 31m). Adjusted operating expenses amounted to NOK 35m (NOK 35m) and EBIT adjusted amounted to NOK 11m (NOK -4m). The YoY growth was primarily driven by Mobile.

Financials

Gross revenue amounted to NOK 5,367m (NOK 8,033m), a decrease of 33%, due to electricity price development.

Adjusted net revenue amounted to NOK 550m (NOK 534m), an increase of 3% YoY.

Adjusted operating expenses amounted to NOK 320m (NOK 336m).

Adjusted EBIT amounted to NOK 230m (NOK 198m) an increase of 16% YoY due to the factors described above.

Net financial income amounted to NOK -54m (NOK -27m).

Profit for the period amounted to NOK 108m (NOK 97m) in the quarter due to the factors described above.

Consolidated cash flow

Net cash from operating activities was NOK -588m (NOK -212m). Net cash used in investing activities was NOK -26m (NOK -15m). Net cash from financing activities was NOK 389m (NOK 244m).

Financial position

The total equity as of 31.03.2024 was NOK 1,646m (NOK 1,415m)

The total capital as of 31.03.2024 was NOK 6,918m (NOK 8,771m).

Events after the reporting period

The annual general meeting of Elmera Group ASA was held on 24 April 2024. The proposed dividend of NOK 2.30 per share was approved by the general meeting.

There are no other significant events after the reporting period that have not been reflected in the consolidated financial statements.

Risks and uncertainties

The demand for electricity, electricity prices, customer churn and competition are the main uncertainties in a short-term perspective. The demand for electricity varies with i.a. weather conditions and temperature. Electricity prices are determined by supply and demand through Nordpool, the marketplace for electricity in the Nordics.

The Group is exposed to volume and profile risk on certain fixed price contracts in the Nordic segment. In events where consumption volumes or profile costs deviate significantly from expected levels, this might have a nega-

tive impact on the Group's results. The volume of fixed price contracts with profile risk was significantly reduced as from Q2 2023.

The Group is also exposed to volume and price risk on variable contracts. The sale of these contracts has been stopped in the Consumer segment, and a soft phase-out of the product has been initiated.

The Group's Norwegian brands are certified according to DNV's "Trygg Strømhandel", which will contribute to increased transparency and reduced risk.

Outlook

The Group's forward-looking statements are presented in the quarterly presentation.

Condensed interim financial statements

Condensed consolidated statement of profit or loss

NOK in thousands	Note	Q1 2024	Q1 2023	Full year 2023
Continuing operations				
Revenue	2,3	5 367 283	8 033 341	18 920 598
Direct cost of sales	2,4	(4 840 776)	(7 523 438)	(17 192 526)
Personnel expenses	2	(124 328)	(122 839)	(454 622)
Other operating expenses	2	(130 974)	(156 677)	(542 277)
Depreciation and amortisation	2,7	(95 076)	(98 583)	(386 519)
Impairment of intangible assets and cost to obtain contracts	2,4,7	14 269	12 890	14 548
Operating profit		190 399	144 695	359 202
Income/loss from investments in associates and joint ventures		(603)	1 017	750
Interest income		7 588	8 512	32 069
Interest expense lease liability		(375)	(449)	(1 621)
Interest expense	11	(57 171)	(39 519)	(148 268)
Other financial items, net		(3 146)	3 083	(4 555)
Net financial income/(cost)		(53 707)	(27 355)	(121 625)
Profit/ (loss) before tax		136 692	117 339	237 577
Income tax (expense)/income	5	(28 642)	(20 838)	(41 030)
Profit/ (loss) for the period		108 050	96 502	196 546
Profit/(loss) for the period attributable to:				
Non-controlling interest		2 608	-	4 258
Equity holders of Elmera Group ASA		105 442	96 502	192 288
Basic earnings per share (in NOK)	6	0,97	0,89	1,77
Diluted earnings per share (in NOK)	6	0,95	0,87	1,74

Condensed consolidated statement of comprehensive income

NOK in thousands	Q1 2024	Q1 2023	Full year 2023
Profit/ (loss) for the period	108 050	96 502	196 546
Other comprehensive income/ (loss):			
Items which may be reclassified over profit or loss in subsequent periods:			
Hedging reserves (net of tax, note 10)	(2 165)	56 624	57 270
Currency translation differences	9 213	42 114	42 923
Total	7 049	98 737	100 193
Items that will not be reclassified to profit or loss:			
Actuarial gain/(loss) on pension obligations (net of tax)	5 603	(20 698)	24 504
Total	5 603	(20 698)	24 504
Total other comprehensive income/(loss) for the period, net of tax	12 651	78 039	124 698
Total comprehensive income/ (loss) for the period	120 702	174 541	321 244
Total comprehensive income/(loss) for the period attributable to:			
Non-controlling interest	2 608	-	4 258
Equity holders of Elmera Group ASA	118 093	174 541	316 986

Condensed consolidated statement of financial position

NOK in thousands	Note	31 March 2024	31 March 2023	31 December 2023
Assets:				
Non-current assets				
Deferred tax assets		38 031	37 573	37 466
Right-of-use assets property, plant and equipment		55 828	68 316	57 121
Property, plant and equipment		4 554	7 584	5 315
Goodwill	7	1 444 178	1 440 315	1 439 389
Intangible assets	7	432 167	544 812	454 051
Cost to obtain contracts		270 592	305 303	265 350
Investments in associates and joint ventures		21 380	15 251	21 484
Derivative financial instruments and firm commitments	9,10	792 301	992 526	878 524
Net plan assets of defined benefit pension plans		40 869	-	30 900
Other non-current financial assets		133 300	47 083	133 665
Total non-current assets		3 233 200	3 458 763	3 323 265
Current assets				
Intangible assets		9 782	2 762	3 854
Inventories		132	497	371
Trade receivables	8,13	2 881 732	3 879 133	3 989 741
Derivative financial instruments and firm commitments	9,10	574 520	1 197 091	666 196
Other current assets		104 550	137 944	12 471
Cash and cash equivalents		114 348	94 835	338 746
Total current assets		3 685 064	5 312 262	5 011 380
Total assets		6 918 264	8 771 026	8 334 645
Equity and liabilities:				
Equity				
Share capital		32 690	32 590	32 601
Share premium		993 294	993 294	993 294
Other equity		496 080	389 569	371 839
Non-controlling interests		123 784	-	121 175
Total equity		1 645 848	1 415 454	1 518 911

**Condensed consolidated statement
of financial position**

NOK in thousands	Note	31 March 2024	31 March 2023	31 December 2023
Non-current liabilities				
Net employee defined benefit plan liabilities		67 232	103 321	63 921
Interest-bearing long term debt	11	514 508	606 459	537 617
Deferred tax liabilities		74 993	86 875	82 843
Lease liability - long term		39 963	51 699	40 945
Derivative financial instruments and firm commitments	9,10	819 009	886 683	872 366
Onerous contract provisions	4	-	227 534	68 383
Other provisions for liabilities		122 647	30 810	132 884
Total non-current liabilities		1 638 352	1 993 381	1 798 961
Current liabilities				
Trade and other payables	13	1 664 828	2 427 999	3 246 231
Overdraft facilities	11	411 728	657 095	-
Interest-bearing short term debt	11	368 700	518 700	368 700
Current income tax liabilities		79 669	34 684	82 910
Derivative financial instruments and firm commitments	9,10	594 164	985 109	599 909
Social security and other taxes		130 646	154 447	125 608
Lease liability - short term		18 996	20 158	19 391
Onerous contract provisions	4	922	81 347	24 879
Other current liabilities	12	364 410	482 652	549 145
Total current liabilities		3 634 064	5 362 191	5 016 773
Total liabilities		5 272 416	7 355 572	6 815 734
Total equity and liabilities		6 918 264	8 771 026	8 334 645

The Board of Elmera Group ASA, Bergen, 7 May 2024


Steinar Sonstebj
Chairman


Anne Marit Steen
Board member


Frank Økland
Board member


Magnhild K. B. Uglem
Board member


Heidi Theresa Ose
Board member


Live Bertha Haukvik
Board member


Per Oluf Solbraa
Board member


Stian Madsen
Board member


Rolf Barmen
CEO

Condensed consolidated statement of changes in equity

NOK in thousands

	Issued capital	Treasury shares	Share premium	Hedging reserves	Foreign currency translation reserve	Retained earnings	Attributable to owners of parent	Non-controlling interests	Total
Balance at 1 January 2023	34 306	(1 715)	993 294	(55 137)	(68 531)	337 909	1 240 126	-	1 240 126
Profit/(loss) for the period	-	-	-	-	-	96 502	96 502	-	96 502
Share-based payment	-	-	-	-	-	787	787	-	787
Other comprehensive income/(loss) for the period, net of tax	-	-	-	56 624	42 114	(20 698)	78 040	-	78 040
Total comprehensive income/(loss) for the period incl. share-based payment	-	-	-	56 624	42 114	76 591	175 328	-	175 328
Share capital increase (note 6)	-	-	-	-	-	-	-	-	-
Dividends paid (note 6)	-	-	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-	-	-
Balance at 31 March 2023	34 306	(1 715)	993 294	1 486	(26 417)	414 500	1 415 454	-	1 415 454
Balance at 1 January 2024	34 306	(1 704)	993 294	2 133	(25 608)	395 315	1 397 736	121 175	1 518 911
Profit/(loss) for the period	-	-	-	-	-	105 442	105 442	2 608	108 050
Share-based payment	-	-	-	-	-	483	483	-	483
Other comprehensive income/(loss) for the period, net of tax	-	-	-	(2 165)	9 213	5 603	12 651	-	12 651
Total comprehensive income/(loss) for the period incl. share-based payment	-	-	-	(2 165)	9 213	111 528	118 576	2 608	121 184
Sale of treasury shares	-	89	-	-	-	5 664	5 752	-	5 752
Dividends paid (note 6)	-	-	-	-	-	-	-	-	-
Transactions with owners	-	89	-	-	-	5 664	5 752	-	5 752
Balance at 31 March 2024	34 306	(1 616)	993 294	(32)	(16 394)	512 506	1 522 064	123 784	1 645 848

Condensed consolidated statement of cash flows

NOK in thousands	Note	Q1 2024	Q1 2023	Full year 2023
Operating activities				
Profit/(loss) before tax		136 692	117 339	237 577
<i>Adjustments for:</i>				
Depreciation	7	41 559	43 839	172 280
Depreciation right-of-use assets		4 631	5 276	20 230
Amortisation of cost to obtain contracts		48 885	49 468	194 008
Impairment of intangible assets and cost to obtain contracts	4,7	(14 223)	(12 890)	(14 548)
Interest income		(7 588)	(8 512)	(32 069)
Interest expense lease liability		375	449	1 621
Interest expense		57 171	39 519	148 268
Income/loss from investments in associates and joint ventures		603	(1 017)	(750)
Change in long-term receivables		-	(556)	21 686
Share-based payment expense		483	787	2 828
Change in post-employment liabilities		525	1 182	(11 165)
Payments to obtain a contract		(39 643)	(40 935)	(140 991)
<i>Changes in working capital (non-cash effect):</i>				
Impairment loss recognised in trade receivables	8	6 389	17 324	(10 245)
Provision for onerous contracts	4	(93 711)	(838 189)	(1 048 166)
Change in fair value of derivative financial instruments	4,9,10	117 213	880 078	1 120 697
<i>Changes in working capital:</i>				
Inventories		239	(36)	90
Trade receivables	8	1 101 919	3 677 797	3 596 368
Purchase of el-certificates, GoOs and Climate Quotas		(67 767)	(10 765)	(93 300)
Non-cash effect from cancelling el-certificates, GoOs and Climate Quotas		61 839	8 765	90 209
Other current assets		(91 720)	(71 028)	54 472
Trade and other payables		(1 575 915)	(3 385 206)	(2 571 647)
Other current liabilities	12	(176 949)	(560 902)	(528 744)
Cash generated from operations		(488 991)	(88 214)	1 208 709
Interest paid		(65 349)	(70 492)	(172 046)
Interest received		7 588	8 512	32 069
Income tax paid	5	(41 436)	(61 843)	(50 336)
Net cash from operating activities		(588 188)	(212 037)	1 018 397

**Condensed consolidated statement
of cash flows**

NOK in thousands	Note	Q1 2024	Q1 2023	Full year 2023
Investing activities				
Purchase of property, plant and equipment		(85)	(184)	(627)
Purchase of intangible assets	7	(15 124)	(16 037)	(52 124)
Net cash outflow on investments in associates		(500)	-	(6 500)
Net (outflow)/proceeds from non-current receivables		365	1 758	(3 716)
Net (outflow)/proceeds from other long-term liabilities		(10 575)	(760)	(2 010)
Net cash used in investing activities		(25 919)	(15 223)	(64 977)
Financing activities				
Proceeds from overdraft facilities	11	411 728	122 983	(534 112)
Proceeds from revolving credit facility	11	-	150 000	150 000
Repayment of revolving credit facility	11	-	-	(150 000)
Dividends paid		-	-	(162 951)
Sale of treasury shares		5 752	-	747
Instalments of long term debt	11	(23 425)	(23 425)	(93 700)
Transactions with non-controlling interests		-	-	116 917
Payment of lease liability		(4 755)	(5 312)	(20 606)
Net cash from financing activities		389 300	244 247	(693 705)
Net change in cash and cash equivalents		(224 807)	16 986	259 715
Cash and cash equivalents at start of period		338 746	70 548	70 548
Effects of exchange rate changes on cash and cash equivalents		409	7 300	8 483
Cash and cash equivalents at end of period		114 347	94 835	338 746

Notes to the condensed consolidated financial statements

Note 1	Accounting policies	14
Note 2	Segment information	15
Note 3	Revenue recognition	19
Note 4	Onerous contract provisions	20
Note 5	Income tax	22
Note 6	Earnings per share	22
Note 7	Intangible assets	23
Note 8	Trade receivables	26
Note 9	Derivatives and fair value measurement of financial instruments	27
Note 10	Hedge accounting	30
Note 11	Credit facilities	34
Note 12	Other current liabilities	34
Note 13	Related party transactions	35
Note 14	Events after the reporting period	36

Note 1

Accounting policies

General information

Elmera Group ASA and its subsidiaries (together 'the Group') is a supplier of electrical power in Norway, Sweden and Finland. The Group's core business is concentrated at purchase, sales and portfolio management of electrical power to households, private and public companies, and municipalities. In 2017, the Group also became a provider of mobile phone services to private customers in Norway.

Elmera Group ASA is incorporated and domiciled in Norway. The address of its registered office is Folke Bernadottes Vei 38, 5147 Bergen, Norway.

These interim financial statements, which are unaudited, were approved by the Board of Directors for issue on 7 May 2024.

Basis of preparation

These interim financial statements have been prepared in accordance with International Accounting Standard 34, "Interim financial reporting". These interim financial statements do not provide the same scope of information as the annual financial statements and should therefore be read in conjunction with the annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with IFRS.

Going concern

The Group has adopted the going concern basis in preparing its consolidated financial statements. When assessing this assumption, management has assessed all available information about the future. This comprises information about net cash flows from existing customer contracts and other service contracts, debt service and obligations. After making such assessments, management has a reasonable expectation that the Group has adequate resources to continue its operational existence for the foreseeable future.

Accounting policies

The accounting policies applied in preparing these interim financial statements are consistent with those described in the previous annual report for the financial year 2023.

There are not any new or amended accounting standards or interpretations of which application is mandatory for reporting periods commencing 1 January 2024, that have had a material impact on these interim financial statements.

Use of estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the

application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2023, except for defined benefit obligations. Present value of defined benefit obligations and the fair value of plan assets are at the end of each interim reporting period estimated by extrapolation of the pension expense in the latest annual actuarial valuation, and an estimate of actuarial gains and losses calculated using updated estimates for significant actuarial assumptions. In the annual financial statements however the present value of defined benefit obligations and the fair value of plan assets are estimated based on a complete set of annual actuarial valuations.

Note 2

Segment information

Disaggregation of revenue from contracts with customers

Operating segments are reported in a manner consistent with the internal financial reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Board of Directors examines the Group's performance from a type of services perspective. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

The Group's reportable segments under IFRS 8 - "Operating Segments" are therefore as follows:

- Consumer segment - Sale of electrical power and related services to private consumers in Norway
- Business segment - Sale of electrical power and related services to business consumers in Norway

- Nordic segment - Sale of electrical power and related services to consumers in Finland and Sweden.

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance is focused on the category of customer for each type of activity. No operating segments have been aggregated in arriving at the reportable segments of the Group. The principal categories of customers are direct sales to private consumers, business consumers and alliance partners.

The segment profit measure is adjusted operating profit which is defined as operating profit earned by each segment without the allocation of: acquisition related costs and other one-off items, estimate deviations from previous periods, unrealised gains and losses on derivatives, impairment of intangible assets and cost to obtain contracts, depreciation of acquisitions, and change in provisions for onerous contracts. This is the measure

reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance. The accounting policies of the reportable segments are the same as the Group's accounting policies.

All of the Group's revenue is from external parties and from activities currently carried out in Norway, Sweden and Finland. There are no customers representing more than 10% of revenue.

The tables below is an analysis of the Group's revenue adjusted and operating profit adjusted by reportable segment. New growth initiatives comprise of other business activities (sale of EV chargers, PV panels, mobile services and power sale and related services to Alliance partners) which are not considered separate operating segments. Note 3 (Revenue recognition) shows the breakdown from Revenue adjusted to Total revenue.

Note 2
Segment information

Q1 2024						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	2 548 990	1 961 086	477 423	4 987 499	85 808	5 073 307
Direct cost of sales adjusted	(2 283 557)	(1 787 446)	(412 563)	(4 483 566)	(39 731)	(4 523 297)
Net revenue adjusted	265 433	173 640	64 860	503 933	46 077	550 010
Personnel and other operating expenses adjusted	(119 883)	(70 632)	(31 876)	(222 391)	(32 912)	(255 303)
Depreciation and amortisation adjusted	(37 463)	(6 965)	(18 389)	(62 817)	(2 071)	(64 888)
Total operating expenses adjusted	(157 346)	(77 597)	(50 265)	(285 208)	(34 983)	(320 191)
Operating profit adjusted	108 087	96 043	14 595	218 725	11 094	229 819
Other one-off items						-
Depreciation of acquisitions *						(30 187)
Estimate deviations						-
Unrealised gains and losses on derivatives						(117 213)
Change in provisions for onerous contracts						93 711
Impairment of intangible assets and cost to obtain contracts						14 269
Operating profit (EBIT)						190 399

*Depreciation of acquisitions consists of depreciations of customer portfolios acquired separately and recognised as intangible assets, and depreciations of customer portfolios and other intangible assets recognised as part of a business combination.

NOK in thousands	Q1 2024
TrønderEnergi Marked acquisition	(844)
Oppdal Everk Kraftomsetning acquisition	(241)
Vesterålskraft Strøm acquisition	(226)
Innlandskraft acquisition	(16 727)
Troms Kraft Strøm acquisition	(8 962)
Other customer acquisitions	(3 187)
Depreciation of acquisitions	(30 187)

Note 2
Segment information

Q1 2023						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	3 121 099	3 070 342	599 382	6 790 823	96 568	6 887 391
Direct cost of sales adjusted	(2 844 785)	(2 894 028)	(549 634)	(6 288 447)	(65 387)	(6 353 834)
Net revenue adjusted	276 314	176 314	49 748	502 376	31 181	533 557
Personnel and other operating expenses adjusted	(131 679)	(72 340)	(29 857)	(233 876)	(33 743)	(267 619)
Depreciation and amortisation adjusted	(45 128)	(8 335)	(13 410)	(66 873)	(1 254)	(68 127)
Total operating expenses adjusted	(176 807)	(80 675)	(43 267)	(300 749)	(34 997)	(335 746)
Operating profit adjusted	99 507	95 639	6 481	201 627	(3 816)	197 811
Other one-off items						(11 898)
Depreciation of acquisitions *						(30 456)
Estimate deviations						-
Unrealised gains and losses on derivatives						(861 843)
Change in provisions for onerous contracts						838 189
Impairment of intangible assets and cost to obtain contracts						12 890
Operating profit (EBIT)						144 695

*Depreciation of acquisitions consists of depreciations of customer portfolios acquired separately and recognised as intangible assets, and depreciations of customer portfolios and other intangible assets recognised as part of a business combination.

NOK in thousands	Q1 2023
TrønderEnergi Marked acquisition	(1 232)
Oppdal Everk Kraftomsetning acquisition	(319)
Vesterålskraft Strøm acquisition	(269)
Innlandskraft acquisition	(16 727)
Troms Kraft Strøm acquisition	(8 648)
Other customer acquisitions	(3 261)
Depreciation of acquisitions	(30 456)

Note 2
Segment information

Full year 2023						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	7 409 534	7 706 514	1 873 940	16 989 988	332 907	17 322 895
Direct cost of sales adjusted	(6 588 585)	(7 157 803)	(1 667 498)	(15 413 886)	(176 011)	(15 589 897)
Net revenue adjusted	820 949	548 711	206 442	1 576 102	156 896	1 732 998
Personnel and other operating expenses adjusted	(468 820)	(251 824)	(114 829)	(835 473)	(120 915)	(956 388)
Depreciation and amortisation adjusted	(172 370)	(28 575)	(56 546)	(257 491)	(5 948)	(263 439)
Total operating expenses adjusted	(641 190)	(280 399)	(171 375)	(1 092 964)	(126 863)	(1 219 827)
Operating profit adjusted	179 759	268 312	35 067	483 138	30 033	513 171
Other one-off items						(6 434)
Depreciation of acquisitions *						(123 080)
Estimate deviations						(1 924)
Unrealised gains and losses on derivatives						(1 085 244)
Change in provisions for onerous contracts						1 048 166
Impairment of intangible assets and cost to obtain contracts						14 548
Operating profit (EBIT)						359 202

*Depreciation of acquisitions consists of depreciations of customer portfolios acquired separately and recognised as intangible assets, and depreciations of customer portfolios and other intangible assets recognised as part of a business combination.

NOK in thousands	Full Year 2023
TrønderEnergi Marked acquisition	(4 927)
Oppdal Everk Kraftomsetning acquisition	(1 275)
Vesterålskraft Strøm acquisition	(1 093)
Innlandskraft acquisition	(66 907)
Troms Kraft Strøm acquisition	(35 620)
Other customer acquisitions	(13 258)
Depreciation of acquisitions	(123 080)

Note 3

Revenue recognition

Timing of revenue recognition

Revenue adjusted

Over time:

NOK in thousands	Q1 2024	Q1 2023	Full year 2023
Revenue - Consumer segment	2 538 493	3 098 466	7 340 946
Revenue - Business segment	1 946 032	3 056 480	7 650 047
Revenue - Nordic	475 790	599 382	1 873 940
Revenue - New growth initiatives	83 923	94 066	311 425
Total revenue adjusted recognised over time	5 044 238	6 848 394	17 176 358

At a point in time:

NOK in thousands			
Revenue - Consumer segment	10 497	22 633	68 588
Revenue - Business segment	15 054	13 862	56 467
Revenue - Nordic	1 633	-	-
Revenue - New growth initiatives	1 885	2 502	21 482
Total revenue adjusted recognised at a point in time	29 069	38 997	146 537

Total revenue adjusted	5 073 307	6 887 391	17 322 895
-------------------------------	------------------	------------------	-------------------

Other revenue

Over time:

NOK in thousands			
Estimate deviations	-	-	8 965
Unrealised gains and losses on derivative customer contracts	293 976	1 145 950	1 554 634
Total other revenue recognised over time	293 976	1 145 950	1 563 599

At a point in time:

NOK in thousands			
Other revenue – Nordic Segment*	-	-	34 104
Total other revenue recognised at a point in time	-	-	34 104

Total other revenue	293 976	1 145 950	1 597 703
----------------------------	----------------	------------------	------------------

Total revenue	5 367 283	8 033 341	18 920 598
----------------------	------------------	------------------	-------------------

* Other revenue - Nordic Segment is related to customers in the Nordic segment that have breached their agreement with Nordic Green Energy, where Nordic Green Energy is entitled to a termination fee.

Note 4

Onerous contract provisions

Fixed price customer contracts

The Group has portfolios of fixed price power contracts with end user customers where the volume is not fixed, mainly in the Nordic segment. These customer contracts do not qualify to be recognised as financial instruments. Portfolios of Fixed price customer contracts acquired as part of business combinations are however recognised as intangible assets (refer note 7), and depreciated systematically over the contract lengths using a pattern that reflects how the acquisition value of the contracts is distributed over the remaining length of the contracts (up to five years) (cost model in IAS 38). Fixed price customer contracts, not acquired through a business combination, are not recognised in the statement of financial position, unless the contracts are identified as onerous contracts. Fixed price customer contracts are assessed as onerous contracts if the estimated unavoidable costs of purchasing the estimated power volumes to be delivered on these contracts exceed the fixed price to be received from the costumers.

The price risk related to fixed price customer contracts is hedged with portfolios of electricity derivatives which are recognised as derivative financial instruments and measured at fair value through profit and loss. The hedged forward power prices in the corresponding portfolios of derivative hedge contracts are not taken into consideration when estimating the contracts' unavoidable costs as hedge accounting is not applied.

The Group has recognised the following provisions for onerous contracts:

NOK in thousands	31 March 2024	31 March 2023	31 December 2023
Onerous contract provisions - Non-current	-	227 534	68 383
Onerous contract provisions - Current	922	81 347	24 879
Onerous contract provisions - Total	922	308 881	93 263

When the onerous contracts are intended to be settled within 12 months of the reporting date, the provisions are presented as current.

The difference between the change in onerous contracts provisions in the statement of financial position and the corresponding amount recognised in the statement of profit or loss (see table below) is due to currency translation differences.

Note 4**Onerous contract provisions****Financial statement impact of unrealised gains/losses:**

The Group's portfolios of fixed price customer contracts and the corresponding portfolios of derivative hedge contracts resulted in the following unrealised effects recognised in the statement of profit or loss:

NOK in thousands	31 March 2024	31 March 2023	Full year 2023
Impairment and provisions for onerous contracts:			
Change in provisions for onerous contracts	93 711	838 189	1 048 166
Impairment and reversal of impairment of cost to obtain contracts	14 269	12 890	14 548
Total impairment and provisions for onerous contracts	107 980	851 080	1 062 714
Unrealised gains and losses on derivatives related to fixed price customer contracts	(101 450)	(832 160)	(1 029 437)
Net unrealised gain/loss recognised in statement of profit or loss	6 531	18 919	33 277

Change in provisions for onerous contracts includes both release of provisions for (parts of) contracts which have been delivered in the period, and change in provisions for new and remaining contracts. Forward market prices have decreased during the first quarter of 2024.

The remaining volume of fixed price power contracts has also decreased due to a movement towards spot based products for new customers and existing fixed price customer contracts being delivered. These effects have led to a decrease in provisions for onerous contracts and the unrealised gains on the corresponding portfolios of derivative hedge contracts.

Market conditions in 2022, with high and volatile power prices, lead to high profile costs and expectations of high profile costs going forward. This effect caused negative estimated margins on some fixed price customer contracts, leading to a corresponding impairment of the cost to obtain these contracts. As most of these fixed price contracts with negative estimated margins were delivered in 2023 and the first quarter of 2024, a corresponding reversal of the impairment of cost to obtain contracts has been recognised. The effect in the first quarter of 2024 is a reversal of NOKt 14 269.

The net impact in the statement of profit or loss, which is an unrealised net gain in the first quarter of 2024 of NOKt 6 531 (Full year 2023: NOKt 33 277 net gain) is mainly caused by improved margins in the customer contracts and imbalance between the portfolios of customer contracts, and the corresponding portfolios of derivative hedge contracts. Change in provision for onerous contracts and unrealised gains and losses on derivatives related to fixed price customer contracts are both presented as Direct cost of sales in the statement of profit or loss, while impairment and reversal of impairment of cost to obtain contracts is presented on a separate line.

Note 5 Income tax

NOK in thousands	Q1 2024	Q1 2023	Full year 2023
Profit before tax	136 692	117 339	237 577
Tax expense	(28 642)	(20 838)	(41 030)
Average tax rate	21,0 %	17,8 %	17,3 %
Tax payable	38 498	46 066	82 874
Adjustments to prior years tax payable	-	-	17
Change in deferred tax	(9 856)	(25 228)	(41 860)
Tax expense recognised in statement of profit or loss	28 642	20 838	41 030

Note 6 Earnings per share

Earnings per share is calculated as profit/loss for the period attributable to shareholders divided by the weighted average number of ordinary shares outstanding.

Ordinary shares outstanding

	31 March 2024	31 March 2023	31 December 2023
Total number of ordinary shares in issue	114 351 800	114 351 800	114 351 800
Treasury shares	5 385 190	5 717 590	5 680 189
Total number of ordinary shares outstanding	108 966 610	108 634 210	108 671 611

Basic earnings per share

	Q1 2024	Q1 2023	Full year 2023
Profit/(loss) attributable to shareholders *	105 442	96 502	192 288
Total comprehensive income attributable to equity holders of the company *	118 093	174 541	316 986
Weighted average number of ordinary shares outstanding	108 465 919	108 634 210	108 623 439
Earnings per share in NOK	0,97	0,89	1,77
Total comprehensive income per share in NOK	1,09	1,61	2,92
Share options	2 007 337	1 959 000	1 932 336
Diluted earnings per share in NOK	0,95	0,87	1,74
Dividend per share in NOK	-	-	1,50

*NOK in thousands

Note 7

Intangible assets

Intangible assets

Q1 2024

NOK in thousands	Software and development projects	Construction in progress	Customer portfolios	Fixed price customer contracts*	Other intangible assets	Total non-current intangible assets, excl. goodwill	Goodwill	Total non-current intangible assets
Accumulated cost 1 January 2024	430 845	13 668	815 892	18 443	147 541	1 426 389	1 439 389	2 865 777
Additions - Purchase	1 452	11 972	-	-	-	13 424	-	13 424
Additions - Internally generated	874	826	-	-	-	1 701	-	1 701
Transferred from construction in progress	12 019	(12 019)	-	-	-	-	-	-
Disposals**	-	-	-	(1 545)	-	(1 545)	-	(1 545)
Currency translation differences	87	4	6 170	182	551	6 993	4 789	11 783
Accumulated cost 31 March 2024	445 277	14 452	822 062	17 080	148 092	1 446 961	1 444 179	2 891 139
Accumulated depreciation 1 January 2024	(315 468)	-	(567 037)	(946)	(48 667)	(932 118)	-	(932 118)
Depreciation for the period	(10 547)	-	(28 380)	-	(1 857)	(40 784)	-	(40 784)
Disposals**	-	-	-	18	-	18	-	18
Currency translation differences	(64)	-	(2 971)	(4)	-	(3 039)	-	(3 039)
Accumulated depreciation 31 March 2024	(326 079)	-	(598 388)	(932)	(50 524)	(975 925)	-	(975 923)
Accumulated impairment 1 January 2024	(22 724)	-	-	(17 497)	-	(40 221)	-	(40 221)
Disposals**	-	-	-	1 527	-	1 527	-	1 527
Currency translation differences	-	-	-	(178)	-	(178)	-	(178)
Accumulated impairment 31 March 2024	(22 724)	-	-	(16 148)	-	(38 871)	-	(38 871)
Carrying amount 31 March 2024	96 474	14 452	223 674	-	97 568	432 167	1 444 179	1 876 346

* Refer note 4 for more information regarding fixed price customer contracts.

** Disposals are related to fixed price customer contracts being fully delivered.

Note 7
Intangible assets

Intangible assets

Q1 2023

NOK in thousands	Software and development projects	Construction in progress	Customer portfolios	Fixed price customer contracts*	Other intangible assets	Total non-current intangible assets, excl. goodwill	Goodwill	Total non-current intangible assets
Accumulated cost 1 January 2023	382 472	9 446	799 668	36 676	145 888	1 374 151	1 418 775	2 792 926
Additions - Purchase	2 471	13 313	-	-	-	15 784	-	15 784
Additions - Internally generated	233	21	-	-	-	254	-	254
Transferred from construction in progress	7 113	(7 113)	-	-	-	-	-	-
Disposals**	-	-	-	(9 715)	-	(9 715)	-	(9 715)
Currency translation differences	398	20	17 811	2 698	1 800	38 127	21 539	59 666
Accumulated cost 31 March 2023	392 686	15 688	817 479	29 659	147 689	1 418 600	1 440 315	2 858 915
Accumulated depreciation 1 January 2023	(269 527)	-	(445 660)	(2 085)	(41 240)	(758 512)	-	(758 512)
Depreciation for the period	(12 522)	-	(28 598)	-	(1 857)	(42 977)	-	(42 977)
Disposals**	-	-	-	436	-	436	-	436
Currency translation differences	(25)	-	(6 577)	(158)	-	(10 530)	-	(10 530)
Accumulated depreciation 31 March 2023	(282 075)	-	(480 836)	(1 807)	(43 097)	(811 584)	-	(811 584)
Accumulated impairment 1 January 2023	(22 724)	-	-	(34 591)	-	(57 315)	-	(57 315)
Disposals**	-	-	-	9 279	-	9 279	-	9 279
Currency translation differences	-	-	-	(2 540)	-	(14 170)	-	(14 170)
Accumulated impairment 31 March 2023	(22 724)	-	-	(27 852)	-	(62 205)	-	(62 205)
Carrying amount 31 March 2023	87 888	15 688	336 643	-	104 592	544 812	1 440 315	1 985 127

* Refer note 4 for more information regarding fixed price customer contracts.

** Disposals are related to fixed price customer contracts being fully delivered.

Note 7
Intangible assets

Intangible assets

Full year 2023

NOK in thousands	Software and development projects	Construction in progress	Customer portfolios	Fixed price customer contracts*	Other intangible assets	Total non-current intangible assets excl. Goodwill	Goodwill	Total non-current intangible assets
Accumulated cost 1 January 2023	382 472	9 446	799 668	36 676	145 888	1 374 151	1 418 775	2 792 926
Additions - Purchase	8 174	41 471	274	-	-	49 919	-	49 919
Additions - Internally generated	1 605	601	-	-	-	2 206	-	2 206
Disposals**	-	-	-	(20 830)	-	(20 830)	-	(20 830)
Currency translation differences	612	132	15 950	2 596	1 652	20 943	20 613	41 556
Accumulated cost 31 December 2023	430 845	13 668	815 892	18 443	147 541	1 426 389	1 439 389	2 865 777
Accumulated depreciation 1 January 2023	(269 527)	-	(445 660)	(2 085)	(41 240)	(758 512)	-	(758 512)
Depreciation for the period	(45 560)	-	(115 731)	-	(7 427)	(168 717)	-	(168 717)
Disposals**	-	-	-	1 286	-	1 286	-	1 286
Currency translation differences	(382)	-	(5 646)	(147)	-	(6 175)	-	(6 175)
Accumulated depreciation 31 December 2023	(315 468)	-	(567 037)	(946)	(48 667)	(932 118)	-	(932 118)
Accumulated impairment 1 January 2023	(22 724)	-	-	(34 591)	-	(57 315)	-	(57 315)
Disposals**	-	-	-	19 544	-	19 544	-	19 544
Currency translation differences	-	-	-	(2 450)	-	(2 450)	-	(2 450)
Accumulated impairment 31 December 2023	(22 724)	-	-	(17 497)	-	(40 221)	-	(40 221)
Carrying amount 31 December 2023	92 654	13 668	248 855	-	98 874	454 051	1 439 389	1 893 440

* Refer to note 4 for more information regarding fixed price customer contracts.

*** Disposals are related to fixed price customer contracts being fully delivered.

Note 8

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection of the amounts is expected in one year or less they are classified as current assets. Trade receivables are generally due for settlement within 30 days. No interest is charged on outstanding trade receivables, unless it is past due date.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). For customers in the business segment, the expected credit losses on trade receivables are estimated using a provision matrix by grouping trade receivables based on reference to past default experience for the group of customers. For customers in the private segment, the expected credit losses on trade receivables are estimated by an individual assessment of each specific customer performed by the Group's Debt Collection Service provider.

There have been no changes in the estimation techniques or significant assumptions made during the current reporting period.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over one year past due, whichever occurs earlier. The trade receivables that have been written off are still subject to collection processes.

The following table details the loss allowance provision recognised in trade receivables:

NOK in thousands	31 March 2024	31 March 2023	31 December 2023
Gross nominal amount	1 373 516	1 392 992	1 399 965
Loss allowance provision	(46 379)	(67 485)	(39 947)
Trade receivables, net	1 327 137	1 325 507	1 360 018

The following table shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in IFRS:

NOK in thousands	Q1 2024	Q1 2023	Full year 2023
Loss allowance provision, opening balance	39 947	49 408	49 408
Change in loss allowance recognised in profit or loss for the period	6 391	17 324	(10 245)
Currency translation difference	41	754	784
Loss allowance provision, balance at end of period	46 379	67 485	39 947

During the period, the following gains/(losses) in relation to impaired receivables were recognised as other operating expenses in profit or loss:

NOK in thousands	Q1 2024	Q1 2023	Full year 2023
Receivables written off	16 248	417	53 174
Movement in provision for impairment	6 391	17 324	(10 245)
Received payment on previously written off receivables	(3 090)	(1 872)	(8 316)
Net impairment expense recognised on trade receivables	19 548	15 868	34 613

Note 9

Derivatives and fair value measurement of financial instruments

Derivatives

All financial electricity derivatives are either financial customer contracts, or purchased for the purpose of hedging physical or financial customer contracts. Hence derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. Derivatives are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period. See note 10 for details for financial instruments designated as hedging instruments.

NOK in thousands	31 March 2024	31 March 2023	31 December 2023
Derivative financial assets and firm commitments			
<i>Designated as hedging instruments for accounting purposes</i>			
Electricity derivatives - Hedge contracts	-	-	-
Electricity derivatives - Customer contracts	256 344	-	118 924
<i>Classified as held for trading for accounting purpose</i>			
Electricity derivatives - Hedge contracts	174 200	1 008 536	444 722
Electricity derivatives - Customer contracts	820 182	1 069 110	717 417
Other derivatives	-	122	-
<i>Hedged item in fair value hedge</i>			
Firm commitments	116 095	111 850	263 657
Total derivative financial assets and firm commitments	1 366 821	2 189 618	1 544 720
Derivative financial liabilities			
<i>Designated as hedging instruments for accounting purposes</i>			
Electricity derivatives - Hedge contracts	41	(1 905)	(2 735)
Electricity derivatives - Customer contracts	121 789	111 850	273 933
<i>Classified as held for trading for accounting purpose</i>			
Electricity derivatives - Hedge contracts	541 709	306 556	401 027
Electricity derivatives - Customer contracts	498 984	1 455 292	691 402
Other derivatives	-	-	-
<i>Hedged item in fair value hedge</i>			
Firm commitments	250 650	-	108 648
Total derivative financial liabilities and firm commitments	1 413 173	1 871 792	1 472 275

Note 9**Derivatives and fair value measurement of financial instruments****Fair value measurements of financial instruments**

This note explains the judgements and estimates made in determining the fair value of the financial instruments and firm commitments that are recognised and measured at fair value in the financial statements. The table below provides details for the Group's financial instruments measured at fair value. The Group also has financial instruments which are not measured at fair value in the statement of financial position. For the majority of these instruments, the fair value is not materially different to their carrying amounts, since the interest receivable/payable is either close to current market rates or the instruments are short-term in nature. Significant differences between fair value and carrying amount at 31 March 2024 have not been identified.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows below the table.

**Recurring fair value measurements
At 31 March 2024**

NOK in thousands	Level 1	Level 2	Level 3	Total
Derivative financial assets and firm commitments				
<i>Designated as hedging instruments for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	-	-	-
Electricity derivatives - Customer contracts	-	235 633	20 711	256 344
<i>Classified as held for trading for accounting purpose</i>				
Electricity derivatives - Hedge contracts	-	154 449	19 752	174 200
Electricity derivatives - Customer contracts	-	816 134	4 048	820 182
Other derivatives	-	-	-	-
<i>Hedged item in fair value hedge</i>				
Firm commitments	-	93 210	22 885	116 095
Total financial assets and firm commitments at fair value	-	1 299 426	67 395	1 366 821
Derivative financial liabilities				
<i>Designated as hedging instruments for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	41	-	41
Electricity derivatives - Customer contracts	-	98 429	23 360	121 789
<i>Classified as held for trading for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	537 351	4 359	541 709
Electricity derivatives - Customer contracts	-	479 389	19 595	498 984
Other derivatives	-	-	-	-
<i>Hedged item in fair value hedge</i>				
Firm commitments	-	230 415	20 236	250 650
Total financial liabilities and firm commitments at fair value	-	1 345 623	67 550	1 413 173

Note 9
Derivatives and fair value measurement of financial instruments

There were no transfers between level 1 and 2 for recurring fair value measurements during the period. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs to a fair value valuation are not based on observable market data, the instrument is included in level 3.

Valuation techniques used to determine fair values

Specific valuation techniques used to value derivative financial instruments, in majority electricity derivatives, include present value of future cash flows based on forward power prices from Nasdaq Commodities at the balance sheet date. In the case of material long-term contracts, the cash flows are discounted at a discount rate calculated by using interest rates on Government bonds with matching maturities, added a risk premium of 0,2 percentage points. Valuation method is used for bilateral forward contracts and option contracts associated with purchase and sale of electricity. Key inputs to the valuation are expected power prices (Nordic system price and area prices in the power price areas in Norway, Sweden and Finland), contract prices and discount rates.

Level 3 inputs consists of expected power prices for delivery periods which there is no observable market price:

- Nordic system price for delivery periods beyond the next 10 calendar years,
- Area prices for price areas in Norway for delivery periods beyond the next 3 calendar years,
- Area prices for price areas in Sweden and Finland for delivery periods beyond the next 4 calendar years.

The Group does not hold electricity derivatives with maturities beyond the next 10 calendar years at 31 March 2024, hence all level 3 derivatives are long term area price contracts.

Note 10 Hedge Accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged.

Cash flow hedge

The group designates certain derivatives as hedges of a power price risk associated with the cash flows of highly probable forecast power purchase transactions in the five Norwegian price areas (cash flow hedges).

Fair value hedge

The Group designates certain derivatives as

fair value hedges of power price risk associated with certain firm commitments. The firm commitments which are the hedged items are fixed price power purchase contracts, where the price is fixed for the delivery of a fixed volume in a fixed delivery period in a designated price area. The hedging instruments are fixed price power sales contracts classified as financial electricity derivatives. The objective of the economic hedging arrangements is to hedge the exposure to changes in the fair value of the fixed price purchase contracts.

The hedge ratio is 1:1 as the critical terms of the hedged items and the hedging instruments are identical. The fair value hedges are expected to be highly effective and there was no significant impact on the statement of profit or loss resulting from hedge ineffectiveness

during the quarter.

In a fair value hedge the value change in unrealised gains or losses of the hedging instrument will meet the corresponding change in value of the hedged item and it is presented on the same line item in the statement of profit or loss. Ineffectiveness is recognised in profit or loss. Accumulated unrealised gains or losses on the hedged item are recognised as firm commitments in the line item Derivative financial instruments and firm commitments in the statement of financial position.

The accounting implications of hedge accounting for the period is summarized in the table below.

Cash flow hedges - Change in fair value of hedging instruments where hedge accounting is applied

NOK in thousands	Q1 2024	Q1 2023	Full year 2023
Cash flow hedge of highly probable power purchase:			
Ineffective portion, recognised in P&L, total	-	5	5
Effective portion, recognised in OCI, total	(2 775)	72 594	73 424
Change in fair value, total	(2 775)	72 599	73 429
Effective portion, recognised in OCI, net of tax (22 %)	(2 165)	56 624	57 270

Ineffective portion of changes in fair value of designated hedging instruments are recognised to Direct cost of sales in the Statement of profit or loss. Realised gains and losses on hedging instruments are recognised to Direct cost of sales in the period they are realised.

Note 10
Hedge Accounting

Cash flow hedges - Fair value of hedging instruments where hedge accounting is applied

Cash flow hedge of highly probable power purchase in Norwegian price areas:

NOK in thousands	Fair value of hedge instrument	Effective portion of change in fair value, recognised in OCI	Effective portion of change in fair value, recognised in OCI, net of tax	Ineffectiveness recognised in P&L	Hedged volume, subsequent quarter, in MWh	Hedged volume beyond subsequent quarter, in MWh
31 March 2024						
South Norway (NO1, NO2, NO5)	(414)	(414)	(323)	-	8 489	-
Trondheim (NO3)	343	343	267	-	12 089	-
Tromsø (NO4)	30	30	24	-	1 269	-
31 March 2024 - Total	(41)	(41)	(32)	-	21 847	-
31 March 2023						
South Norway (NO1, NO2, NO5)	1 040	1 040	811	-	13 291	-
Trondheim (NO3)	846	846	660	-	10 927	34
Tromsø (NO4)	19	19	15	-	1 843	55
31 March 2023 - Total	1 905	1 905	1 486	-	26 061	89
31 December 2023						
South Norway (NO1, NO2, NO5)	270	270	211	-	21 641	-
Trondheim (NO3)	2 309	2 309	1 801	-	20 554	-
Tromsø (NO4)	156	156	122	-	2 137	-
31 December 2023 - Total	2 735	2 735	2 133	-	44 332	-

Note 10
Hedge Accounting

Fair value hedges

NOK in thousands	Item in Statement of financial position	Nominal amounts, hedged volume in MWh	Carrying amount at end of period	Accumulated fair value ad- justment of the hedged items at end of period	Changes in fair value used for calculating hedge ineffec- tiveness
Q1 2024					
<i>Hedged items:</i>					
Fixed price purchase contracts (Firm commitments)	Derivative financial instruments and firm commitments (assets)	846 950	116 095	116 095	(147 562)
	Derivative financial instruments and firm commitments (liabilities)	1 495 087	(250 650)	(250 650)	(142 002)
<i>Hedging instruments:</i>					
Fixed price sales contracts (Electricity derivatives)	Derivative financial instruments and firm commitments (assets)	1 453 163	256 344	-	137 420
	Derivative financial instruments and firm commitments (liabilities)	888 874	(121 789)	-	152 144
Q1 2023					
<i>Hedged items:</i>					
Fixed price purchase contracts (Firm commitments)	Derivative financial instruments and firm commitments (assets)	518 108	111 850	111 850	111 850
	Derivative financial instruments and firm commitments (liabilities)	-	-	-	-
<i>Hedging instruments:</i>					
Fixed price sales contracts (Electricity derivatives)	Derivative financial instruments and firm commitments (assets)	-	-	-	-
	Derivative financial instruments and firm commitments (liabilities)	518 108	(111 850)	-	(111 850)
Full year 2023					
<i>Hedged items:</i>					
Fixed price purchase contracts (Firm commitments)	Derivative financial instruments and firm commitments (assets)	1 407 953	263 657	263 657	263 657
	Derivative financial instruments and firm commitments (liabilities)	958 610	(108 648)	(108 648)	(108 648)
<i>Hedging instruments:</i>					
Fixed price sales contracts (Electricity derivatives)	Derivative financial instruments and firm commitments (assets)	942 889	118 924	-	118 924
	Derivative financial instruments and firm commitments (liabilities)	1 423 674	(273 933)	-	(273 933)

Note 10
Hedge Accounting
Fair value hedges - contractual maturities of hedged volumes in hedging instruments

Hedged volumes in MWh	0 - 3 months	3 - 12 months	1 - 5 years	5 + years	Total
31 March 2024					
Fixed price sales contracts (Electricity derivatives)	118 894	563 404	1 618 446	41 294	2 342 037
31 March 2023					
Fixed price sales contracts (Electricity derivatives)	30 021	93 020	342 320	52 747	518 108
31 December 2023					
Fixed price sales contracts (Electricity derivatives)	141 613	484 567	1 591 371	149 010	2 366 561

Note 11 Credit facilities

NOK in thousands	Effective interest rate	31 March 2024	31 March 2023	31 December 2023
Term loan	NIBOR 3 months + 1,75 %	609 050	702 750	632 475
Revolving credit facility	NIBOR 3 months + 1,75 %	275 000	425 000	275 000
Total principal amounts		884 050	1 127 750	907 475

Credit facilities agreement

Elmera Group's facilities agreement with DNB includes the following credit facilities;

- a NOKt 1 000 000 term loan - the acquisition facility
- a NOKt 500 000 revolving credit facility
- a NOKt 2 250 000 guarantee facility
- a NOKt 1 300 000 overdraft facility

The termination date of the term loan facility, the revolving credit facility, and the guarantee facility has been extended until 31 December 2024. The agreement also includes an option to extend the termination date to 30 April 2025. For more information regarding the credit facilities agreement, see the 2023 annual report.

The term loan - NOKt 1 000 000 - The acquisition facility

At 31 March 2024 the remaining term loan principal balance is NOKt 609 050. The loan instalments of NOKt 93 700 that are due the next twelve months are reported in interest-bearing short term debt in the statement of financial position. As the agreement includes an option to extend the termination date to 30 April 2025, the remaining balance is reported as interest-bearing long term debt.

The revolving credit facility - NOKt 500 000 - The RCF

The Group drew NOKt 275 000 on this facility in 2022, and another NOKt 150 000 in Q1 2023. The latter was repaid in Q2 2023, thus NOKt 225 000 remains undrawn at 31 March 2024. The revolving credit facility is classified as inter-

est-bearing short term debt in the statement of financial position.

The guarantee facility - NOKt 2 250 000

At 31 March 2024 guarantees of total NOKt 2 129 505 were issued under the guarantee facility.

The overdraft facility - NOKt 1 300 000

The overdraft facility was increased from NOKt 1 000 000 to NOKt 1 300 000 in 2022. At 31 March 2024 the Group has drawn NOKt 411 728 on the overdraft facility.

Financial covenant

Under the new credit facility, there is a leverage covenant that applies at all times, and which shall be calculated quarterly based on consolidated numbers. A leverage ratio is to be calculated as total long term interest bearing debt (term loan) deducted free cash to rolling 12 month EBITDA adjusted. The leverage ratio shall not exceed:

- more than 2,5 in respect of more than one quarter-end during any financial year, and
- more than 2,0 in respect of the remaining three quarter-ends during any such financial year.

The Group is in compliance with the covenant at the end of this reporting period.

Note 12 Other current liabilities

NOK in thousands	31 March 2024	31 March 2023	31 December 2023
El-certificate cancellation liabilities	2 421	9 027	6 475
Accrued power purchase	240 791	334 804	373 463
Prepayments from customers	26 520	37 467	40 808
Payroll liabilities	67 433	72 651	68 988
Other	27 244	28 703	59 410
Total other current liabilities	364 410	482 652	549 145

Note 13

Related party transactions

Per 31 March 2024, the Group's related parties include major shareholders, Board of Directors, associated company and key management.

The following transactions were carried out with related parties (NOK in thousands):

Expenses to related parties

Related party	Relation	Purpose of transactions	Q1 2024	Q1 2023	Full Year 2023
Telia Norge AS	Other*	Purchase of telecom services	35 082	-	65 896
Metzum AS	Associated company	Purchase of other services	11 208	11 988	40 234
Atea AS	Other**	Purchase of products and other services	1 004	2 512	8 472

Other services consists mainly of software licenses, IT development and related services.

Purchase of assets

Related party	Relation	Purpose of transactions	Q1 2024	Q1 2023	Full Year 2023
Metzum AS	Associated company	Research and development	48	110	344
Atea AS	Other**	Products and development	117	272	925

Current liabilities to related parties

Related party	Relation	Purpose of transactions	31 March 2024	31 March 2023	31 December 2023
Telia Norge AS	Other*	Telecom services	15 438	-	29 809
Metzum AS	Associated company	Research and development	7 804	7 576	6 836
Atea AS	Other**	Products and development	544	1 828	1 943

* Telia Norge AS is part of the Telia Company group, which is a major shareholder (non-controlling interest) in the Group's subsidiary Fjordkraft Mobil AS.

** The chairman of the Board of Directors in Elmera Group ASA is the CEO of Atea ASA.

Payables to related parties are unsecured and are expected to be settled in cash.

Note 14

Events after the reporting period

The annual general meeting of Elmera Group ASA was held on 24 April 2024. The proposed dividend of NOK 2.30 per share was approved by the general meeting.

There are no other significant events after the reporting period that have not been reflected in the consolidated financial statements.

Appendix

Alternative performance measures

The alternative performance measures (abbreviated APM's) that hereby are provided by the Group are a supplement to the financial statements prepared in accordance with IFRS. The APM's are based on the guidelines for APM published by the European Securities and Markets Authority (ESMA) on or after 3 July 2016. As indicated in the guidelines an APM is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. The performance measures are commonly used by analysts and investors.

The Group uses the following APM's (in bold). The words written in italics are included in the list of definitions or in the statement of profit or loss.

Cash EBIT is equivalent to Operating free cash flow before tax and change in Net working capital. This APM is used to illustrate the Group's underlying cash generation in the period.

Capex excl. M&A is used to present the capital expenditures excluding mergers and

acquisitions to illustrate the Group's organic maintenance capex.

EBIT reported is equivalent to *Operating profit* and is used to measure performance from operational activities. EBIT reported is an indicator of the company's profitability.

EBIT adjusted

In order to give a better representation of underlying performance, the following adjustments are made to the reported EBIT:

- **Acquisition related costs and other one-off items:** Items that are not part of the ordinary business.
- **Estimate deviations from previous periods:** A proportion of the Group's final settlement of sales and distribution of electricity is made after the Group has finalised its financial statements. At the date of reporting, the Group recognises revenue from sale of electrical power and the associated cost of sales, based on a best estimate approach. Thus, any estimate deviation related to the previous reporting period is recognised in the following reporting period.

- **Unrealised gains and losses on derivatives:** Consist of unrealised gains and losses on derivative financial instruments associated with the purchase and sale of electricity.
- **Impairment of intangible assets and cost to obtain contracts:** Consist of impairment of intangible assets and cost to obtain contracts related to fixed price customer contracts.
- **Depreciation of acquisitions:** Consist of depreciations of customer portfolios acquired separately and recognised as intangible assets, and depreciations of customer portfolios and other intangible assets recognised as part of a business combination.
- **Change in provisions for onerous contracts:** Consist of change in provisions for onerous contracts associated with the purchase and sale of electricity.

EBIT reported margin is EBIT divided by *Net revenue*. This APM is a measure of the profitability and is an indicator of the earnings ability.

EBIT margin adjusted is calculated as EBIT adjusted divided by *Net revenue adjusted*. This APM is a measure of the profitability and is an indicator of the earnings ability.

EBITDA is defined as operational profit/loss before depreciation and amortisation. This APM is used to measure performance from operating activities.

EBITDA adjusted

In order to give a better representation of underlying performance, the following adjustments are made to EBITDA:

- **Acquisition related costs and other one-off items:** Items that are not part of the ordinary business.
- **Estimate deviations from previous periods:** A proportion of the Group's final settlement of sales and distribution of electricity is made after the Group has finalised its financial statements. At the date of reporting, the Group recognises revenue from sale of electrical power and the associated cost of sales, based on a best estimate approach. Thus, any estimate deviation related to the previous reporting period is recognised in the following reporting period.
- **Unrealised gains and losses on derivatives:** Consist of unrealised gains and losses on derivative financial instruments associated with the purchase and sale of electricity.

Alternative performance measures

- **Impairment of intangible assets and cost to obtain contracts:** Consist of impairment of intangible assets and cost to obtain contracts related to fixed price customer contracts.
- **Change in provisions for onerous contracts:** Consist of change in provisions for onerous contracts associated with the purchase and sale of electricity.

Net income is equivalent to *Profit/(loss) for the period* as stated in the statement of profit or loss.

Net income adjusted for certain cash and non-cash items is used in the dividend calculation, and is defined as the following: [(Adjusted EBIT + net finance)*(1-average tax rate) – amortisation of acquisition debt].

Net interest-bearing debt (NIBD) shows the net cash position and how much cash would remain if all interest-bearing debt was paid. The calculation is total *Interest-bearing long term debt, Interest-bearing short term debt and Overdraft facilities*, deducted with the following; transaction costs recognised as part of amortised cost of Interest-bearing long term debt, *Overdraft facilities*, and *Cash and cash equivalents*.

Net revenue is equivalent to *Revenue less direct cost of sales* as stated in the statement of profit or loss.

Net revenue adjusted

This APM presents *Net revenue* adjusted for:

- **Other one-off items:** Which represents non-recurring income which is recognised in the profit or loss for the period.
- **Estimate deviations from previous periods:** A proportion of the Group's final settlement of sales and distribution of electricity is made after the Group has finalised its financial statements. At the date of reporting, the Group recognises revenue from sale of electrical power and the associated cost of sales, based on a best estimate approach. Thus, any estimate deviation related to the previous reporting period is recognised in the following reporting period.
- **Unrealised gains and losses on derivatives:** Consist of unrealised gains and losses on derivative financial instruments associated with the purchase and sale of electricity.
- **Change in provisions for onerous contracts:** Consist of change in provisions for onerous contracts associated with the purchase and sale of electricity.

Net working capital (NWC) is used to measure short-term liquidity and the ability to utilise assets in an efficient matter. NWC includes the following items from current assets: *Inventories, Intangible assets, Trade receivables* and *Other current assets* (that is, all current assets in the statement of financial position except *Derivative financial instru-*

ments and Cash and cash equivalents); and the following items from current liabilities; *Trade payables, Current income tax liabilities, Social security and other taxes, Lease liability - short term*, and *other current liabilities*.

Non-cash NWC elements and other items is used when analysing the development in NIBD. Non-cash NWC relates to items included in "change in NWC" that are not affecting Net interest-bearing debt while other items include interest, tax, change in long-term receivables, proceeds from non-current receivables, proceeds from other long-term liabilities and adjustments made on EBITDA.

Number of deliveries is used to present the number of electrical meters supplied with electricity. One customer may have one or more electricity deliveries.

OpFCF before tax and change in NWC is Operating free cash flow and change in working capital, and is defined as *EBITDA adjusted less Capex excl. M&A* and payments to obtain contract assets.

Volume sold is used to present the underlying volume generating income in the period.

Alternative performance measures

Financial statements with APM's

Reported amounts:

NOK in thousands

	Q1 2024	Q1 2023	Full year 2023
Revenue	5 367 283	8 033 341	18 920 598
Direct cost of sales	(4 840 776)	(7 523 438)	(17 192 526)
Net revenue	526 507	509 904	1 728 071
Personnel expenses	(124 328)	(122 839)	(454 622)
Other operating expenses	(130 974)	(156 677)	(542 277)
Impairment of intangible assets and cost to obtain contracts	14 269	12 890	14 548
Operating expenses	(241 032)	(266 626)	(982 351)
EBITDA	285 475	243 278	745 721
Depreciation & amortisation	(95 076)	(98 583)	(386 519)
EBIT reported (Operating profit)	190 399	144 695	359 202
Net financials	(53 707)	(27 355)	(121 625)
Profit/ (loss) before taxes	136 692	117 339	237 577
Taxes	(28 642)	(20 838)	(41 030)
Profit/ (loss) for the period	108 050	96 502	196 546
EBIT reported margin	36%	28 %	21%

Alternative performance measures

Adjusted amounts:

NOK in thousands	Q1 2024	Q1 2023	Full year 2023
Net revenue	526 507	509 904	1 728 071
Other one-off items	-	-	(34 076)
Estimate deviations previous periods	-	-	1 924
Unrealised gains and losses on derivatives	117 213	861 843	1 085 244
Change in provisions for onerous contracts	(93 711)	(838 189)	(1 048 166)
Net revenue adjusted	550 010	533 560	1 732 998
EBITDA	285 475	243 278	745 721
Acquisition related costs	-	-	-
Other one-off items	-	11 898	6 434
Estimate deviations previous periods	-	-	1 924
Impairment of intangible assets and cost to obtain contracts	(14 269)	(12 890)	(14 548)
Unrealised gains and losses on derivatives	117 213	861 843	1 085 244
Change in provisions for onerous contracts	(93 711)	(838 189)	(1 048 166)
EBITDA adjusted	294 708	265 938	776 610
EBIT reported (Operating profit)	190 399	144 695	359 202
Acquisition related costs	-	-	-
Other one-off items	-	11 898	6 434
Estimate deviations previous periods	-	-	1 924
Impairment of intangible assets and cost to obtain contracts	(14 269)	(12 890)	(14 548)
Unrealised gains and losses on derivatives	117 213	861 843	1 085 244
Change in provisions for onerous contracts	(93 711)	(838 189)	(1 048 166)
Depreciation of acquisitions	30 187	30 456	123 080
EBIT adjusted	229 819	197 811	513 171
EBIT margin adjusted	42%	37%	30%

Alternative performance measures

Other financial APM's

Net interest bearing debt (cash)

NOK thousands	31 March 2024	31 March 2023	31 December 2023
Interest-bearing long term debt	514 508	606 459	537 617
Interest-bearing short term debt	368 700	518 700	368 700
Transaction costs recognised as part of amortised cost of Interest-bearing long term debt	842	2 591	1 158
Overdraft facilities	411 728	657 095	-
Cash and cash equivalents	(114 348)	(94 835)	(338 746)
Net interest bearing debt (cash)	1 181 430	1 690 010	568 729

Financial position related APM's

NOK thousands	Q1 2024	Q1 2023	Full year 2023
Net working capital (NWC)	737 645	900 396	(16 847)
OpFCF before tax and change in NWC	239 856	208 782	583 143
Capex excl. M&A	15 209	16 221	52 477

Non-financial APM's

Deliveries

Numbers in thousands	Q1 2024	Q1 2023	Full year 2023
Electrical deliveries Consumer segment	667	684	667
Electrical deliveries Business segment	127	128	127
Electrical deliveries Nordic segment	116	134	125
Total number of electrical deliveries*	910	946	920
Number of mobile subscriptions	116	138	115

* Number of deliveries excl. Extended Alliance deliveries. Number of deliveries incl. Extended Alliance deliveries: 992 thousand in Q1 2024.

Volume in GWh	Q1 2024	Q1 2023	Full year 2023
Consumer segment	2 973	2 748	8 069
Business segment	2 383	2 396	7 609
Nordic segment	517	657	2 195
Total volume	5 873	5 801	17 873

* Volume excl. Extended Alliance. Volume incl. Extended Alliance: 7 020 GWh in Q1 2024.