

Q2 2022
Quarterly report

Elmera Group



Q2 Highlights

- Solid financial results despite low consumption volumes in the quarter.
- Group net revenue of 403 NOKm (+4% YoY) and EBIT adj. of 123 NOKm (-13% YoY) in the quarter.
- Significant positive shift in trend in the customer development in the Consumer segment, with a stable customer development in the quarter.
- Continued growth in the Business segment, both in profitability and deliveries.
- Stable development in the strategic customer base in the Nordic segment. Revenues negatively affected by peak/off-peak prices.
- New organisational model implemented.

Key figures Q2

Revenue			
NOK in thousands	Q2 2022	Q2 2021	Full year 2021
Revenue adjusted	4 890 378	2 559 342	15 200 165
Direct cost of sales adjusted	(4 486 895)	(2 171 283)	(13 499 669)
Net revenue adjusted	403 483	388 059	1 700 496
Personnel and other operating expenses adjusted	(217 808)	(195 863)	(899 993)
Depreciation and amortisation adjusted	(62 570)	(51 091)	(214 455)
Total operating expenses adjusted	(280 378)	(246 954)	(1 114 448)
Operating profit adjusted	123 105	141 105	586 048
Acquisition related costs	-	-	(1 034)
Other one-off items	-	-	3 387
Depreciation of acquisitions	(32 863)	(45 929)	(188 629)
Estimate deviations	-	19 573	11 515
Unrealised gains and losses on derivatives	1 651 108	164 677	1 088 469
Change in provisions for onerous contracts	(1 651 917)	(150 998)	(996 739)
Impairment of intangible assets	-	(290)	(9 762)
Operating profit (EBIT)	89 436	128 138	493 256

Solid financial results despite low consumption volumes

The second quarter of 2022 has been yet another quarter with high electricity prices. The geopolitical situation in combination with weak hydrology are resulting in an extraordinary price level while limited transmission capacity is causing huge area price differences. Simultaneously, peak/off-peak price differences have been significant in Sweden and Finland, and particularly in June, affecting profits negatively.

The Group's net revenue adj. was 403 NOKm and EBIT adj. was 123 NOKm in the quarter – a solid result, despite low consumption volumes following the high elspot price level and a mild June. The organic customer development in the Consumer segment has made a significant positive shift in trend, and the Business segment continues its growth. The Nordic segment's strategic customer portfolio is stable, while low revenue tender customers represent the change from last quarter.

The Group implemented a new organisation model in the quarter, where replicating the success from Fjordkraft's Business segment into the Gudbrandsdal Energi and Nordic Green Energy brands, as well as support the realisation of cost efficiency and synergies are important focus areas.

Figures from the corresponding period the previous year are in brackets, unless otherwise specified.

Consumer

Number of electricity deliveries in the Consumer segment decreased by 2.5 thousand deliveries in the quarter, a significant positive shift in trend from previous quarters. Volume sold was 1,594 GWh, a decrease of 23% from Q2 2021, primarily driven by high elspot prices and a mild June.

Adjusted net revenue amounted to 240 NOKm (240 NOKm), adjusted OPEX amounted to 174 NOKm (165 NOKm) and EBIT adj. amounted to 66 NOKm (75 NOKm).

Business

At the end of second quarter 2022, the Business segment comprised 117 thousand electricity deliveries, an increase of 2.4 thousand deliveries from last quarter. The volume sold in the quarter was 1,546 GWh, a decrease of 1% from Q2 2021.

Adjusted net revenue amounted to 111 NOKm (97 NOKm), adjusted OPEX amounted to 51 NOKm (39 NOKm) and EBIT adj. amounted to 62 NOKm (58 NOKm).

Nordic

The Nordic segment's strategic customer portfolio was stable in the quarter, while the 12.7 thousand decrease in deliveries came from tender customers with very low revenues. Volume sold was 632 GWh in the quarter, a decrease of 7% from Q1 2021.

Adjusted net revenue amounted to 27 NOKm, OPEX adjusted to 34 NOKm and EBIT adjusted amounted to -7 NOKm, negatively affected by the peak/off-peak price differences, particularly in June.

New Growth Initiatives

At the end of second quarter 2022, the number of mobile subscribers was 148 thousand, a decrease of 5.4 thousand subscribers from last quarter.

Alliance volume in the quarter was 936 GWh, which is a 14% YoY decrease. The Extended Alliance deliveries increased by 1.4 thousand in the quarter.

Adjusted net revenue in the New Growth Initiatives segment amounts to 26 NOKm, a YoY increase of 10 NOKm. OPEX adjusted amounted to 24 NOKm (20 NOKm), while EBIT adjusted amounted to 2 NOKm (-4 NOKm).

Financials

Gross revenue amounted to 4,106 NOKm (2,475 NOKm), an increase of 66%, due to higher elspot prices.

Adjusted net revenue amounted to 403 NOKm (388 NOKm), an increase of 4% YoY.

Adjusted operating expenses amounted to 280 NOKm (247 NOKm).

Adjusted EBIT amounted to 123 NOKm (141 NOKm), a decrease of 13% YoY due to the factors described above.

Net financial income amounted to -2 NOKm (-5 NOKm).

Profit for the period amounted to 75 NOKm (99 NOKm) in the quarter due to the factors described above.

Consolidated cash flow

Net cash generated from operating activities was -1,044 NOKm (458NOKm). Net cash used in investing activities was -10 NOKm (-6 NOKm). Net cash used in financing activities was NOK 157 NOKm (764 NOKm).

Financial position

The total capital as of 30.06.2022 was 12,006 NOKm (4,979 NOKm).

Events after the reporting period

There are no significant events after the reporting period that has 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 revised its risk management strategy and policy for power purchases in the Norwegian group entities in July 2021. In the revised strategy Fjordkraft will seek to reduce price variability for a higher percentage of the future power purchases in Norway. The hedging activities can be done with both forward contracts, futures, and options. Fjordkraft uses different derivatives to reduce variabil-

ity in future power purchases, depending on availability in the market. This will support the commercial goal to reduce the number of price changes for the variable price products, at the same time acknowledging the risk that the group might not be fully able to follow the price curve in a market with reduced prices.

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

Fjordkraft is certified according to DNV's "Trygg Strømhandel", which will contribute to increased transparency and reduced risk.

Outlook

The Group's updated outlook is presented in the quarterly presentation.

Condensed interim financial statements

Condensed consolidated statement of profit or loss

NOK in thousands	Note	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Continuing operations							
Revenue	2,3	6 718 296	4 106 418	2 474 937	10 824 713	6 529 806	15 170 991
Direct cost of sales	2	(6 206 461)	(3 703 741)	(2 053 626)	(9 910 202)	(5 574 871)	(13 367 251)
Personnel expenses	2	(111 317)	(76 052)	(79 849)	(187 369)	(191 342)	(409 123)
Other operating expenses	2	(149 870)	(141 756)	(115 934)	(291 626)	(247 180)	(488 517)
Depreciation and amortisation	2,7	(96 119)	(95 432)	(97 101)	(191 552)	(196 875)	(403 084)
Impairment of intangible assets	2,7	-	-	(290)	-	(9 823)	(9 762)
Operating profit		154 528	89 436	128 138	243 964	309 715	493 256
Income/loss from investments in associates and joint ventures		239	470	1 188	709	1 922	2 637
Interest income		5 374	5 786	4 123	11 160	6 623	12 801
Interest expense lease liability		(531)	(499)	(595)	(1 030)	(1 253)	(2 374)
Interest expense	12	(6 060)	(13 443)	(8 775)	(19 502)	(18 994)	(42 583)
Other financial items, net		(10 094)	5 380	(1 095)	(4 714)	(14 017)	(19 219)
Net financial income/(cost)		(11 072)	(2 306)	(5 153)	(13 378)	(25 719)	(48 737)
Profit/ (loss) before tax		143 456	87 130	122 985	230 586	283 996	444 519
Income tax (expense)/income	5	(33 409)	(12 488)	(23 772)	(45 897)	(51 140)	(102 150)
Profit/ (loss) for the period		110 047	74 643	99 212	184 689	232 856	342 369
Basic earnings per share (in NOK)*	6	0,96	0,67	0,87	1,63	2,04	3,00
Diluted earnings per share (in NOK)*	6	0,95	0,66	0,86	1,61	2,01	2,96

* Based on a weighted average of 113 081 114 shares outstanding. It is issued 1 760 000 share options to employees.

Condensed consolidated statement of comprehensive income

NOK in thousands	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Profit/ (loss) for the period	110 047	74 643	99 212	184 689	232 856	342 369
Other comprehensive income/ (loss):						
Items which may be reclassified over profit or loss in subsequent periods:						
Hedging reserves (net of tax, note 10)	94 809	18 481	-	113 290	-	(71 347)
Currency translation differences	(19 448)	22 289	15 917	2 841	(27 851)	(56 574)
Total	75 361	40 770	15 917	116 131	(27 851)	(127 921)
Items that will not be reclassified to profit or loss:						
Actuarial gain/(loss) on pension obligations (net of tax)	58 905	9 235	(2 081)	68 140	23 749	17 577
Total	58 905	9 235	(2 081)	68 140	23 749	17 577
Total other comprehensive income/(loss) for the period, net of tax	134 266	50 005	13 836	184 271	(4 102)	(110 343)
Total comprehensive income/ (loss) for the period	244 312	124 647	113 048	368 960	228 754	232 026

Condensed consolidated statement of financial position

NOK in thousands	Note	31 March 2022	30 June 2022	30 June 2021	31 December 2021
Assets:					
Non-current assets					
Deferred tax assets		33 922	35 262	36 065	35 092
Right-of-use assets property, plant and equipment		81 286	76 185	91 232	82 806
Property, plant and equipment		7 471	9 119	8 431	8 098
Goodwill	7	1 409 734	1 420 963	1 429 576	1 419 451
Intangible assets	7	650 837	626 996	764 586	694 630
Cost to obtain contracts		295 814	306 755	214 065	287 728
Investments in associates and joint ventures		14 043	14 513	13 090	13 805
Derivative financial instruments	9, 10	661 917	1 679 090	145 541	365 611
Net plan assets of defined benefit pension plans	11	46 524	57 086	-	-
Other non-current financial assets		53 732	52 418	46 822	54 784
Total non-current assets		3 255 280	4 278 385	2 749 406	2 962 003
Current assets					
Intangible assets		5 910	19 331	1 698	7 518
Inventories		2 126	4 025	6 101	2 146
Trade receivables	8, 12, 14	4 643 699	2 630 896	1 416 226	5 256 259
Derivative financial instruments	9, 10	2 062 147	4 807 188	479 038	1 661 225
Other current assets		101 079	104 458	65 172	38 847
Cash and cash equivalents		1 063 717	161 896	261 282	306 627
Total current assets		7 878 677	7 727 794	2 229 517	7 272 622
Total assets		11 133 957	12 006 179	4 978 923	10 234 624
Equity and liabilities:					
Equity					
Share capital		34 306	32 590	34 289	34 291
Share premium		993 294	993 294	991 998	992 094
Retained earnings		999 427	593 394	748 824	754 097
Total equity		2 027 027	1 619 278	1 775 112	1 780 482

**Condensed consolidated statement
of financial position**

NOK in thousands	Note	31 March 2022	30 June 2022	30 June 2021	31 December 2021
Non-current liabilities					
Net employee defined benefit plan liabilities	11	66 904	67 744	84 713	93 837
Interest-bearing long term debt	12	697 299	674 589	766 694	720 009
Deferred tax liabilities		155 189	150 029	135 377	118 318
Lease liability - long term		63 399	58 761	73 892	65 259
Derivative financial instruments	9,10	494 732	1 185 501	165 168	238 481
Onerous contract provisions	4	347 291	1 239 540	54 664	321 814
Other provisions for liabilities		16 150	18 578	16 399	16 740
Total non-current liabilities		1 840 964	3 394 742	1 296 907	1 574 458
Current liabilities					
Trade and other payables	14	4 599 821	1 655 296	866 070	4 516 589
Overdraft facilities	12	-	593 322	136 801	-
Interest-bearing short term debt	12	150 000	275 000	-	-
Current income tax liabilities		47 889	65 067	64 206	108 400
Derivative financial instruments	9,10	1 144 384	2 489 848	208 743	719 946
Social security and other taxes		154 859	78 120	84 667	116 390
Lease liability - short term		21 454	21 020	20 654	21 055
Onerous contract provisions	4	586 753	1 397 077	148 591	744 473
Other current liabilities	13	560 805	417 409	377 172	652 831
Total current liabilities		7 265 966	6 992 158	1 906 904	6 879 684
Total liabilities		9 106 930	10 386 901	3 203 811	8 454 142
Total equity and liabilities		11 133 957	12 006 179	4 978 923	10 234 624

The Board of Elmera Group ASA, Bergen, 17 August 2022


Steinar Sørstebj
Chairman



Tone Wille
Board member



Frank Økland
Board member



Elisabeth M. Norberg
Board member



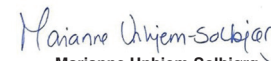
Heidi Theresa Ose
Board member



Live Bertha Haukvik
Board member



Per Oluf Solbraa
Board member



Marianne Unhjem-Solbjørg
Board member



Rolf Barmen
CEO

Condensed consolidated statement of changes in equity

NOK in thousands	Share capital	Treasury shares	Share premium	Hedging reserves	Foreign currency translation reserve	Retained earnings	Total
Balance at 1 January 2021	34 285	-	991 614	-	(11 201)	929 348	1 944 047
Profit/(loss) for the period	-	-	-	-	-	232 856	232 856
Share-based payment	-	-	-	-	-	1 909	1 909
Other comprehensive income/(loss) for the period, net of tax	-	-	-	-	(27 851)	23 749	(4 102)
Total comprehensive income/(loss) for the period incl. share-based payment	-	-	-	-	(27 851)	258 513	230 663
Share capital increase	5	-	384	-	-	-	389
Dividends paid	-	-	-	-	-	(399 986)	(399 986)
Transactions with owners	5	-	384	-	-	(399 986)	(399 598)
Balance at 30 June 2021	34 289	-	991 998	-	(39 052)	787 875	1 775 112
Balance at 1 January 2022	34 291	-	992 094	(71 347)	(67 775)	893 218	1 780 482
Profit/(loss) for the period	-	-	-	-	-	184 689	184 689
Share-based payment	-	-	-	-	-	1 679	1 679
Other comprehensive income/(loss) for the period, net of tax	-	-	-	113 290	2 841	68 140	184 271
Total comprehensive income/(loss) for the period incl. share-based payment	-	-	-	113 290	2 841	254 508	370 639
Share buyback	-	(1 715)	-	-	-	(131 112)	(132 827)
Share capital increase (note 6)	15	-	1 200	-	-	-	1 215
Dividends paid (note 6)	-	-	-	-	-	(400 231)	(400 231)
Transactions with owners	15	(1 715)	1 200	-	-	(531 343)	(531 843)
Balance at 30 June 2022	34 306	(1 715)	993 294	41 943	(64 934)	616 383	1 619 279

Condensed consolidated statement of cash flows

NOK in thousands	Note	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Operating activities							
Profit/(loss) before tax		143 456	87 130	122 985	230 586	283 996	444 519
<i>Adjustments for:</i>							
Depreciation	7	46 734	45 554	57 569	92 288	119 407	236 624
Depreciation right-of-use assets		5 170	5 174	4 997	10 343	9 660	19 687
Amortisation of cost to obtain contracts		44 216	44 705	34 534	88 921	67 808	146 773
Impairment of intangible assets	4,7	-	-	290	-	9 823	9 762
Interest income		(5 374)	(5 786)	(4 123)	(11 160)	(6 623)	(12 801)
Interest expense lease liability		531	499	595	1 030	1 253	2 374
Interest expense		6 060	13 443	8 775	19 502	18 994	42 583
Income/loss from investments in associates and joint ventures		(239)	(470)	(1 188)	(709)	(1 922)	(2 637)
Change in long-term receivables		(897)	(883)	3 441	(1 779)	3 738	(3 882)
Share-based payment expense		1 018	661	990	1 679	1 909	3 910
Change in post-employment liabilities		2 062	2 117	2 357	4 179	4 333	5 544
Payments to obtain a contract		(55 888)	(53 409)	(55 866)	(109 297)	(109 072)	(264 152)
<i>Changes in working capital (non-cash effect)</i>							
Impairment loss recognised in trade receivables	8	6 282	16 718	(40 635)	23 000	(45 215)	(57 666)
Provision for onerous contracts	4	(99 516)	1 651 917	150 998	1 552 401	132 343	996 739
Change in fair value of derivative financial instruments	4,9,10	71 667	(1 651 109)	(164 677)	(1 579 442)	(170 066)	(1 088 469)
<i>Changes in working capital</i>							
Inventories		21	(1 899)	147	(1 879)	(3 703)	251
Trade receivables	8	591 843	2 003 118	909 836	2 594 961	95 903	(3 740 539)
Purchase of el-certificates		(72)	(8 806)	(2 039)	(8 878)	(86 191)	(86 044)
Non-cash effect from cancelling el-certificates		-	8 334	1 921	8 334	85 898	85 898
Purchase of guarantees of origination		-	(27 659)	15	(27 659)	(4 305)	(11 206)
Non-cash effect from disposal of guarantees of origination		1 648	14 701	2 277	16 349	6 226	7 028
Other current assets		(62 907)	(1 690)	47 632	(64 597)	101 749	127 465
Trade and other payables		97 886	(2 949 728)	(506 545)	(2 851 842)	(155 616)	3 505 284
Other current liabilities	13	(51 356)	(221 620)	(112 489)	(272 976)	(184 729)	167 198
Cash generated from operations		742 344	(1 028 988)	461 795	(286 644)	175 597	534 244
Interest paid		(5 928)	(11 189)	(7 485)	(17 117)	(18 545)	(43 978)
Interest received		5 374	5 786	4 123	11 160	6 623	12 801
Income tax paid	5	(99 994)	(9 718)	-	(109 712)	(122 145)	(123 774)
Net cash from operating activities		641 796	(1 044 109)	458 433	(402 313)	41 530	379 293

**Condensed consolidated statement
of cash flows**

NOK in thousands	Note	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Investing activities							
Purchase of property, plant and equipment		(159)	(2 375)	(312)	(2 535)	(1 603)	(2 742)
Purchase of intangible assets	7	(8 394)	(11 664)	(19 131)	(20 058)	(32 550)	(83 225)
Proceeds from sale of intangible assets	7	-	-	-	-	-	-
Net cash outflow on acquisition of subsidiaries	13	-	-	-	-	-	(42 674)
Net cash outflow on acquisition of shares in associates		-	-	-	-	-	-
Net (outflow)/proceeds from non-current receivables		1 949	2 197	12 225	4 146	13 317	12 975
Net (outflow)/proceeds from other long-term liabilities		16	1 997	1 442	2 013	2 271	3 164
Net cash used in investing activities		(6 589)	(9 845)	(5 777)	(16 434)	(18 565)	(112 502)
Financing activities							
Proceeds from overdraft facilities	12	-	593 322	(335 847)	593 322	107 401	(29 400)
Proceeds from revolving credit facility	12	150 000	125 000	-	275 000	-	-
Repayment of revolving credit facility	12	-	-	-	-	-	-
Proceeds from issuance of shares		1 215	-	389	1 215	389	486
Dividends paid		-	(400 231)	(399 986)	(400 231)	(399 986)	(399 986)
Purchase of treasury shares		-	(132 827)	-	(132 827)	-	-
Proceeds from long term debt	12	-	-	-	-	-	-
Instalments of long term debt	12	(23 425)	(23 425)	(23 425)	(46 850)	(46 850)	(93 700)
Repayment of long term debt	12	-	-	-	-	-	-
Payment of lease liability		(5 128)	(5 161)	(4 834)	(10 289)	(9 364)	(19 095)
Net cash used in financing activities		122 662	156 677	(763 703)	279 339	(348 410)	(541 696)
Net change in cash and cash equivalents		757 869	(897 277)	(311 047)	(139 407)	(325 445)	(274 905)
Cash and cash equivalents at start of period		306 627	1 063 717	561 092	306 627	599 348	599 348
Effects of exchange rate changes on cash and cash equivalents		(779)	(4 545)	11 239	(5 324)	(12 620)	(17 816)
Cash and cash equivalents at end of period		1 063 717	161 896	261 284	161 896	261 283	306 627

Notes to the condensed consolidated financial statements

Note 1	Accounting policies	14
Note 2	Segment information	16
Note 3	Revenue recognition	23
Note 4	Onerous contract provisions	24
Note 5	Income tax	26
Note 6	Earnings per share	26
Note 7	Intangible assets	27
Note 8	Trade receivables	33
Note 9	Derivatives and fair value measurement of financial instruments	34
Note 10	Hedge accounting	37
Note 11	Pension liabilities	39
Note 12	Credit facilities	40
Note 13	Other current liabilities	41
Note 14	Related party transactions	42
Note 15	Events after the reporting period	43

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 17 August 2022.

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 2021, 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 2021, except that:

- income tax expense is recognised in each interim period using the expected weighted average annual income tax rate for the full financial year. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

There are not any new or amended accounting standards or interpretations of which application is mandatory for reporting periods commencing 1 January 2022, 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 2021, except for income taxes and defined benefit obligations.

Income tax expense and deferred income tax liability is calculated by applying a weighted average of tax rates across jurisdictions, while in annual financial statements income tax expense and deferred income tax liability is calculated by applying the tax rate for each individual jurisdiction to measures of income for each jurisdiction.

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.

Comparable figures and reclassifications

The consolidated statements of profit or loss, comprehensive income, financial position, equity, cash flow and notes provide comparable information in respect of the previous period. The following changes have been made in comparable figures for the second quarter of 2021 and full year 2021:

Presentation of derivative financial instruments in statement of financial position

All derivative financial instruments, including both derivative financial assets and derivative financial liabilities, have previously been presented as current assets or current liabilities respectively in the statement of financial position. From the annual report 2021 and going forward the derivative financial instruments that are not intended to be settled within 12 months of the reporting date are presented as non-current. At the same time, the unit of account applied when offsetting financial assets and liabilities has been changed to the individual identifiable cash flows of the financial instruments. The unit of account for offsetting Electricity derivatives is thus monthly settlements of such derivatives.

The comparative figures for 30 June 2021 in the statement of financial position have been restated, with NOKt 145 541 for non-current Derivative financial assets, NOKt 479 038 for current Derivative financial assets, NOKt 165 168 for non-current Derivative financial liabilities, and NOKt 208 743 for current Derivative financial liabilities. Thus total derivative financial assets and total derivative financial lia-

bilities are both increased by NOKt 186 161 compared to the figures reported in the Q2 2021 quarterly financial statement.

The comparative figures for 31 December 2021 in the statement of financial position have been restated compared to the figures reported in the Q4 2021 quarterly financial statement, with NOKt 365 611 being reclassified from current Derivative financial assets to non-current Derivative financial assets, and NOKt 238 481 being reclassified from current Derivative financial liabilities to non-current Derivative financial liabilities.

Presentation of unrealised gains and losses on derivative financial instruments in statement of profit or loss

Unrealised gains and losses on derivative financial instruments have previously been reported as Other gains and losses, net in the statement of profit or loss. From the annual report 2021 and going forward unrealised gains and losses on derivative financial instruments that are

- customer contracts are presented as Revenue (comparable figures for Q2 2021, YTD 2021, and Full year 2021 have been restated with NOKt -103 144 (losses), NOKt 111 226 (losses), and NOKt -37 596 (losses) respectively), and
- hedging contracts are presented as Direct cost of sales (comparable figures for Q2 2021, YTD 2021, and Full year 2021 have been restated with NOKt 267 820 (gains), NOKt 281 291 (gains), and NOKt 1 126 064 (gains) respectively).

Presentation of onerous contract provisions in statement of financial position

Onerous contract provisions have previously been presented as part of Other current liabilities in the statement of financial position. From the annual report 2021 and going forward Onerous contract provisions are presented as a separate line item in the statement of financial position. When the onerous contracts are intended to be settled within 12 months of the reporting date, the provisions are presented as current. The comparative figures for 30 June 2021 and 31 December 2021 in the statement of financial position have been restated.

Presentation of changes in onerous contract provisions in statement of profit or loss

Changes in onerous contract provisions have previously been reported as part of Impairment and change in provision for onerous contracts in the statement of profit or loss. From the annual report 2021 and going forward changes in onerous contract provisions relating to contracts for the purchase and sale of electricity are presented as Direct cost of sales. Comparable figures for Q2 2021, YTD 2021 and Full year 2021 have been restated with NOKt -150 998, NOKt -132 343 and NOKt -996 739 respectively.

Change in statement of financial position from reported in previous quarterly financial statement

Due to recalculation of the fair value of derivative financial instruments and onerous con-

tract provisions, total assets and total liabilities at 31 December 2021 are both increased by NOKt 577 078, compared to the figures reported in the Q4 2021 quarterly financial statement.

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, 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 2022						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	3 768 236	2 489 273	573 781	6 831 289	59 363	6 890 652
Direct cost of sales adjusted	(3 503 300)	(2 328 367)	(541 682)	(6 373 348)	(33 317)	(6 406 665)
Net revenue adjusted	264 936	160 906	32 099	457 941	26 046	483 987
Personnel and other operating expenses adjusted	(156 991)	(53 559)	(22 368)	(232 918)	(28 270)	(261 188)
Depreciation and amortisation adjusted	(43 112)	(7 321)	(10 787)	(61 220)	(1 186)	(62 406)
Total operating expenses adjusted	(200 103)	(60 880)	(33 155)	(294 138)	(29 456)	(323 594)
Operating profit adjusted	64 833	100 026	(1 056)	163 803	(3 410)	160 393
Acquisition related costs						-
Other one-off items						-
Depreciation of acquisitions *						(33 713)
Estimate deviations						-
Unrealised gains and losses on derivatives						(71 667)
Change in provisions for onerous contracts						99 516
Impairment of intangible assets						-
Operating profit (EBIT)						154 528
*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 2022
TrønderEnergi Marked acquisition						(1 433)
Oppdal Everk Kraftomsetning acquisition						(425)
Vesterålskraft Strøm acquisition						(417)
Innlandskraft acquisition						(20 836)
Troms Kraft Strøm acquisition						(8 049)
Other customer acquisitions						(2 553)
Depreciation of acquisitions						(33 713)

Note 2
Segment information

Q2 2021						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	1 307 887	849 929	315 363	2 473 179	86 163	2 559 342
Direct cost of sales adjusted	(1 068 103)	(753 045)	(280 045)	(2 101 193)	(70 090)	(2 171 283)
Net revenue adjusted	239 784	96 884	35 318	371 986	16 073	388 059
Personnel and other operating expenses adjusted	(126 136)	(32 547)	(18 791)	(177 474)	(18 389)	(195 863)
Depreciation and amortisation adjusted	(38 644)	(6 836)	(4 286)	(49 766)	(1 325)	(51 091)
Total operating expenses adjusted	(164 780)	(39 384)	(23 076)	(227 240)	(19 714)	(246 954)
Operating profit adjusted	75 004	57 500	12 242	144 746	(3 641)	141 105
Acquisition related costs						-
Other one-off items						-
Depreciation of acquisitions *						(45 929)
Estimate deviations						19 573
Unrealised gains and losses on derivatives						164 677
Change in provisions for onerous contracts						(150 998)
Impairment of intangible assets						(290)
Operating profit (EBIT)						128 138
*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						Q2 2021
TrønderEnergi Marked acquisition						(2 608)
Oppdal Everk Kraftomsetning acquisition						(572)
Vesterålskraft Strøm acquisition						(484)
Innlandskraft acquisition						(31 068)
Troms Kraft Strøm acquisition						(10 434)
Other customer acquisitions						(762)
Depreciation of acquisitions						(45 929)

Note 2
Segment information

YTD 2022						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	6 105 462	4 517 268	1 003 972	11 626 701	154 329	11 781 030
Direct cost of sales adjusted	(5 600 843)	(4 245 096)	(945 074)	(10 791 012)	(102 548)	(10 893 560)
Net revenue adjusted	504 619	272 172	58 898	835 689	51 781	887 470
Personnel and other operating expenses adjusted	(286 259)	(95 663)	(46 569)	(428 491)	(50 505)	(478 996)
Depreciation and amortisation adjusted	(87 347)	(14 639)	(20 562)	(122 548)	(2 428)	(124 976)
Total operating expenses adjusted	(373 606)	(110 303)	(67 130)	(551 039)	(52 933)	(603 972)
Operating profit adjusted	131 013	161 869	(8 232)	284 650	(1 152)	283 498
Acquisition related costs						-
Other one-off items						-
Depreciation of acquisitions *						(66 576)
Estimate deviations						-
Unrealised gains and losses on derivatives						1 579 441
Change in provisions for onerous contracts						(1 552 401)
Impairment of intangible assets						-
Operating profit (EBIT)						243 964
*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						YTD 2022
TrønderEnergi Marked acquisition						(2 866)
Oppdal Everk Kraftomsetning acquisition						(851)
Vesterålskraft Strøm acquisition						(833)
Innlandskraft acquisition						(41 671)
Troms Kraft Strøm acquisition						(16 172)
Other customer acquisitions						(4 183)
Depreciation of acquisitions						(66 576)

Note 2
Segment information

YTD 2021						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	3 499 203	2 152 702	800 031	6 451 936	170 358	6 622 294
Direct cost of sales adjusted	(2 947 220)	(1 917 909)	(724 249)	(5 589 378)	(135 276)	(5 724 653)
Net revenue adjusted	551 983	234 793	75 782	862 558	35 082	897 640
Personnel and other operating expenses adjusted	(288 985)	(73 971)	(35 083)	(398 039)	(42 836)	(440 876)
Depreciation and amortisation adjusted	(77 769)	(13 221)	(6 872)	(97 863)	(2 508)	(100 371)
Total operating expenses adjusted	(366 754)	(87 193)	(41 955)	(495 902)	(45 345)	(541 247)
Operating profit adjusted	185 228	147 600	33 828	366 656	(10 263)	356 393
Acquisition related costs						(1 034)
Other one-off items						3 387
Depreciation of acquisitions *						(96 504)
Estimate deviations						19 573
Unrealised gains and losses on derivatives						170 066
Change in provisions for onerous contracts						(132 343)
Impairment of intangible assets						(9 823)
Operating profit (EBIT)						309 715
*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						YTD 2021
TrønderEnergi Marked acquisition						(5 217)
Oppdal Everk Kraftomsetning acquisition						(1 144)
Vesterålskraft Strøm acquisition						(968)
Innlandskraft acquisition						(66 514)
Troms Kraft Strøm acquisition						(21 059)
Other customer acquisitions						(1 602)
Depreciation of acquisitions						(96 504)

Note 2
Segment information

Full year 2021						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	7 802 881	5 257 664	1 773 888	14 834 434	365 732	15 200 165
Direct cost of sales adjusted	(6 704 802)	(4 796 617)	(1 710 899)	(13 212 318)	(287 350)	(13 499 669)
Net revenue adjusted	1 098 079	461 048	62 989	1 622 116	78 382	1 700 496
Personnel and other operating expenses adjusted	(586 248)	(159 441)	(70 661)	(816 349)	(83 634)	(899 993)
Depreciation and amortisation adjusted	(164 206)	(27 213)	(17 931)	(209 350)	(5 105)	(214 455)
Total operating expenses adjusted	(750 454)	(186 654)	(88 592)	(1 025 699)	(88 740)	(1 114 448)
Operating profit adjusted	347 625	274 394	(25 603)	596 417	(10 357)	586 048
Acquisition related costs						(1 034)
Other one-off items						3 387
Depreciation of acquisitions *						(188 629)
Estimate deviations						11 515
Unrealised gains and losses on derivatives						1 088 469
Change in provisions for onerous contracts						(996 739)
Impairment of intangible assets						(9 762)
Operating profit (EBIT)						493 256

*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 2021
TrønderEnergi Marked acquisition	(10 434)
Oppdal Everk Kraftomsetning acquisition	(2 289)
Vesterålskraft Strøm acquisition	(1 936)
Innlandskraft acquisition	(128 650)
Troms Kraft Strøm acquisition	(42 031)
Other customer acquisitions	(3 289)
Depreciation of acquisitions	(188 629)

Note 3

Revenue recognition

The following table summarises revenue from contracts with customers:

Timing of revenue recognition

Over time:

NOK in thousands	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Revenue - Consumer segment	3 745 878	2 311 938	1 281 296	6 057 816	3 448 156	7 697 878
Revenue - Business segment	2 472 885	2 016 664	839 756	4 489 549	2 131 866	5 219 008
Revenue - Nordic	573 781	430 191	315 363	1 003 972	800 031	1 773 888
Revenue - New growth initiatives	56 564	90 480	84 791	147 044	167 820	360 175
Total revenue recognised over time	6 849 107	4 849 273	2 521 206	11 698 380	6 547 873	15 050 949

At a point in time:

NOK in thousands	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Revenue - Consumer segment	22 358	25 288	26 591	47 646	51 047	105 003
Revenue - Business segment	16 388	11 331	10 173	27 719	20 836	38 657
Revenue - Nordic	-	-	-	-	-	-
Revenue - New growth initiatives	2 799	4 486	1 372	7 285	2 538	5 557
Total revenue recognised at a point in time	41 545	41 105	38 136	82 650	74 421	149 217

Total revenue from contracts with customers (Revenue adjusted)	6 890 652	4 890 378	2 559 342	11 781 030	6 622 294	15 200 165
---	------------------	------------------	------------------	-------------------	------------------	-------------------

Other revenue:

Estimate deviations	-	-	18 739	-	18 739	8 422
Unrealised gains and losses on derivative customer contracts	(172 356)	(783 960)	(103 144)	(956 316)	(111 226)	(37 596)
Total revenue	6 718 296	4 106 418	2 474 937	10 824 714	6 529 806	15 170 991

Note 4

Onerous contract provisions

Fixed price customer contracts

The Group has significant 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 reflect how the acquisition value of the contracts are 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 are 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 2022	30 June 2022	30 June 2021	31 December 2021
Onerous contract provisions - Non-current	347 291	1 239 540	54 664	321 814
Onerous contract provisions - Current	586 753	1 397 077	148 591	744 473
Onerous contract provisions - Total	934 044	2 636 617	203 256	1 066 287

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	Note	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Impairment and provisions for onerous contracts:							
Change in provisions for onerous contracts		99 516	(1 651 917)	(150 998)	(1 552 401)	(132 343)	(996 739)
Depreciation of intangible assets - Fixed price customer contracts	7	-	-	-	-	-	-
Impairment of intangible assets - Fixed price customer contracts	7	-	-	(290)	-	(9 823)	(9 762)
Total depreciation, impairment and provisions for onerous contracts:		99 516	(1 651 917)	(151 288)	(1 552 401)	(142 166)	(1 006 500)
Unrealised gains and losses on derivatives related to fixed price customer contracts		(96 356)	1 657 118	154 914	1 560 762	150 029	1 029 510
Net unrealised gain/loss recognised in statement of profit or loss		3 160	5 201	3 626	8 361	7 864	23 010

As a result of increased forward market prices of electrical power in 2020 and 2021, indicators of impairment was identified, and impairment charges were recognised to the fixed price customer contracts recognised as intangible assets in the statement of financial position. As these intangible assets were fully impaired in 2021, there has been no further depreciation or impairment charges in 2022.

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. The increase in forward market prices in 2020 and 2021 lead to significant changes in provisions for onerous contracts and an increase in the unrealised gains on the corresponding portfolios of derivative hedge contracts. Forward market prices has further increased significantly during the second quarter of 2022 which has led to a substantial increase in provisions for onerous contracts and the unrealised gains on the corresponding portfolios of derivative hedge contracts.

The net impact in the statement of profit or loss, which is an unrealised net gain in the first two quarters of 2022 of NOKt 8 361 (YTD 2021: NOKt 7 864, Full year 2021: NOKt 23 010) is mainly caused by 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.

Note 5 Income tax

NOK in thousands	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Profit before tax	143 456	87 130	122 985	230 586	283 996	444 519
Tax expense	(33 409)	(12 488)	(23 772)	(45 897)	(51 140)	(102 150)
<i>Average tax rate</i>	23,3 %	14,3 %	19,3 %	19,9 %	18,0 %	23,0 %
Tax payable	39 335	26 747	28 004	66 082	56 964	108 400
Adjustments to prior years tax payable	-	-	-	-	(4 914)	(4 968)
Change in deferred tax	(5 926)	(14 259)	(4 232)	(20 185)	(910)	(1 282)
Tax expense recognised in statement of profit or loss	33 409	12 488	23 772	45 897	51 140	102 150

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 in issue.

Ordinary shares in issue	31 March 2022	30 June 2022	30 June 2021	31 December 2021
Total number of ordinary shares	114 351 800	114 351 800	114 297 800	114 301 800
Treasury shares	-	5 717 590	-	-
Total number of ordinary shares in issue	114 351 800	108 634 210	114 297 800	114 301 800

Basic earnings per share	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Profit/(loss) attributable to shareholders *	110 047	74 643	99 212	184 689	232 856	342 369
Total comprehensive income attributable to shareholders *	244 312	124 647	113 048	368 960	228 754	232 026
Weighted average number of ordinary shares in issue	114 322 587	111 866 927	114 287 667	113 081 114	114 284 733	114 291 767
Earnings per share in NOK	0,96	0,67	0,87	1,63	2,04	3,00
Total comprehensive income per share in NOK	2,14	1,11	0,99	3,26	2,00	2,03
Share options	1 820 000	1 760 000	1 504 000	1 760 000	1 504 000	1 500 000
Diluted earnings per share in NOK	0,95	0,66	0,86	1,61	2,01	2,96
Dividend per share in NOK	-	3,50	3,50	3,50	3,50	3,50

*NOK in thousands

In the second quarter of 2022 the Group initiated a share buyback program where a total of 5 717 590 shares were purchased. The program's purpose is to: (i) fulfil obligations arising as a result of the Group's share option program, and (ii) to redeem (i.e. cancel) shares by way of a share capital decrease in the Company, subject to approval from the general meeting. Treasury shares are not included in the calculation of Weighted average number of ordinary shares in issue.

The reduction in share options from first quarter 2022 to second quarter 2022 is due to an employee leaving the company.

Note 7

Intangible assets

Intangible assets

Q1 2022

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 2022	345 582	5 339	796 218	229 668	145 607	1 522 414	1 419 451	2 941 866
Additions - Purchase	-	8 103	4	-	-	8 107	-	8 107
Additions - Internally generated	61	226	-	-	-	287	-	287
Additions from business combinations	-	-	-	-	-	-	-	-
Transferred from construction in progress	242	(242)	-	-	-	-	-	-
Government grants (SkatteFUNN)	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Currency translation differences	(62)	(63)	(6 966)	(7 200)	(739)	(15 029)	(9 717)	(24 747)
Accumulated cost 31 March 2022	345 824	13 363	789 256	222 468	144 868	1 515 779	1 409 733	2 925 513
Accumulated depreciation 1 January 2022	(221 534)	-	(321 346)	(49 842)	(32 514)	(625 236)	-	(625 237)
Depreciation for the period	(12 180)	-	(31 582)	-	(2 225)	(45 987)	-	(45 987)
Currency translation differences	(13)	-	1 643	1 632	-	3 262	-	3 262
Accumulated depreciation 31 March 2022	(233 727)	-	(351 285)	(48 210)	(34 739)	(667 961)	-	(667 962)
Accumulated impairment 1 January 2022	(22 724)	-	-	(179 826)	-	(202 550)	-	(202 550)
Impairment for the period *	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	5 568	-	5 568	-	5 568
Accumulated impairment 31 March 2022	(22 724)	-	-	(174 258)	-	(196 982)	-	(196 982)
Carrying amount 31 March 2022	89 375	13 363	437 971	-	110 129	650 837	1 409 733	2 060 571

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

Note 7
Intangible assets

Intangible assets

Q2 2022								
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 April 2022	345 824	13 363	789 256	222 468	144 868	1 515 779	1 409 733	2 925 513
Additions - Purchase	3 255	7 887	-	-	-	11 142	-	11 142
Additions - Internally generated	30	493	-	-	-	523	-	523
Additions from business combinations	-	-	-	-	-	-	-	-
Transferred from construction in progress	11 387	(11 387)	-	-	-	-	-	-
Government grants (SkatteFUNN)	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Currency translation differences	29	58	10 887	10 879	1 048	22 901	11 229	34 130
Accumulated cost 30 June 2022	360 525	10 413	800 143	233 347	145 916	1 550 345	1 420 962	2 971 308
Accumulated depreciation 1 April 2022	(233 727)	-	(351 285)	(48 210)	(34 739)	(667 961)	-	(667 962)
Depreciation for the period	(11 839)	-	(30 733)	-	(2 225)	(44 797)	-	(44 797)
Currency translation differences	13	-	(2 743)	(2 430)	-	(5 160)	-	(5 160)
Accumulated depreciation 30 June 2022	(245 552)	-	(384 761)	(50 640)	(36 964)	(717 918)	-	(717 919)
Accumulated impairment 1 April 2022	(22 724)	-	-	(174 258)	-	(196 982)	-	(196 982)
Impairment for the period	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	(8 449)	-	(8 449)	-	(8 449)
Accumulated impairment 30 June 2022	(22 724)	-	-	(182 707)	-	(205 431)	-	(205 431)
Carrying amount 30 June 2022	92 249	10 413	415 382	-	108 951	626 996	1 420 962	2 047 958

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

Note 7
Intangible assets

Intangible assets**Q2 2021**

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 April 2021	300 098	19 635	758 901	230 602	145 636	1 454 872	1 424 680	2 879 552
Additions - Purchase	259	18 544	181	-	-	18 984	-	18 984
Additions - Internally generated	609	(461)	-	-	-	148	-	148
Additions from business combinations*	-	-	-	-	-	-	(2 802)	(2 802)
Transferred from construction in progress	18 442	(18 442)	-	-	-	-	-	-
Government grants (SkatteFUNN)	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Currency translation differences	169	4	3 889	4 659	556	9 277	7 698	16 975
Accumulated cost 30 June 2021	319 577	19 280	762 970	235 261	146 192	1 483 280	1 429 576	2 912 857
Accumulated depreciation 1 April 2021	(186 793)	-	(192 201)	(50 105)	(24 380)	(453 480)	-	(453 480)
Depreciation for the period	(10 922)	-	(43 316)	-	(2 620)	(56 858)	-	(56 858)
Currency translation differences	20	-	(499)	(990)	-	(1 468)	-	(1 468)
Accumulated depreciation 30 June 2021	(197 695)	-	(236 015)	(51 095)	(27 001)	(511 806)	-	(511 806)
Accumulated impairment 1 April 2021	(22 724)	-	-	(180 497)	-	(203 221)	-	(203 221)
Impairment for the period	-	-	-	(290)	-	(290)	-	(290)
Currency translation differences	-	-	-	(3 379)	-	(3 379)	-	(3 379)
Accumulated impairment 30 June 2021	(22 724)	-	-	(184 166)	-	(206 889)	-	(206 889)
Carrying amount 30 June 2021	99 158	19 280	526 957	-	119 191	764 586	1 429 576	2 194 163

* The changes to Goodwill included in Additions from business combinations are adjustments to the goodwill recognised when the group acquired Innlandskraft AS in Q3 2020. These changes are mainly caused by adjustments to the final purchase consideration.

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

Note 7
Intangible assets

Intangible assets

YTD 2022								
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 2022	345 582	5 339	796 218	229 668	145 607	1 522 414	1 419 451	2 941 866
Additions - Purchase	3 255	15 990	4	-	-	19 249	-	19 249
Additions - Internally generated	91	719	-	-	-	810	-	810
Additions from business combinations	-	-	-	-	-	-	-	-
Transferred from construction in progress	11 630	(11 630)	-	-	-	-	-	-
Government grants (SkatteFUNN)	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Currency translation differences	(33)	(5)	3 921	3 679	308	7 872	1 512	9 383
Accumulated cost 30 June 2022	360 526	10 413	800 143	233 347	145 916	1 550 345	1 420 962	2 971 308
Accumulated depreciation 1 January 2022	(221 534)	-	(321 346)	(49 842)	(32 514)	(625 236)	-	(625 237)
Depreciation for the period	(24 019)	-	(62 315)	-	(4 451)	(90 785)	-	(90 785)
Currency translation differences	-	-	(1 099)	(798)	-	(1 898)	-	(1 898)
Accumulated depreciation 30 June 2022	(245 553)	-	(384 761)	(50 640)	(36 965)	(717 919)	-	(717 920)
Accumulated impairment 1 January 2022	(22 724)	-	-	(179 826)	-	(202 550)	-	(202 550)
Impairment for the period	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	(2 881)	-	(2 881)	-	(2 881)
Accumulated impairment 30 June 2022	(22 724)	-	-	(182 707)	-	(205 431)	-	(205 431)
Carrying amount 30 June 2022	92 249	10 413	415 382	-	108 951	626 996	1 420 962	2 047 958

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

Note 7
Intangible assets

Intangible assets

YTD 2021

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 2021	297 473	9 063	770 256	243 640	147 531	1 467 964	1 442 849	2 910 813
Additions - Purchase	340	31 297	181	-	-	31 818	-	31 818
Additions - Internally generated	732	-	-	-	-	732	-	732
Additions from business combinations*	-	-	-	-	-	-	(2 802)	(2 802)
Transferred from construction in progress	21 074	(21 074)	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Currency translation differences	(42)	(6)	(7 466)	(8 379)	(1 339)	(17 232)	(10 471)	(27 703)
Accumulated cost 30 June 2021	319 577	19 280	762 970	235 261	146 192	1 483 280	1 429 576	2 912 858
Accumulated depreciation 1 January 2021	(176 096)	-	(149 408)	(52 761)	(17 383)	(395 648)	-	(395 649)
Depreciation for the period	(21 590)	-	(86 825)	-	(9 618)	(118 033)	-	(118 033)
Currency translation differences	(9)	-	218	1 666	-	1 875	-	1 875
Accumulated depreciation 30 June 2021	(197 695)	-	(236 015)	(51 095)	(27 001)	(511 806)	-	(511 807)
Accumulated impairment 1 January 2021	(22 724)	-	-	(180 026)	-	(202 750)	-	(202 750)
Impairment for the period	-	-	-	(9 823)	-	(9 823)	-	(9 823)
Currency translation differences	-	-	-	5 684	-	5 684	-	5 684
Accumulated impairment 30 June 2021	(22 724)	-	-	(184 165)	-	(206 889)	-	(206 889)
Carrying amount 30 June 2021	99 158	19 280	526 957	-	119 191	764 586	1 429 576	2 194 163

* The changes to Goodwill included in Additions from business combinations are adjustments to the goodwill recognised when the group acquired Innlandskraft AS in Q3 2020. These changes are mainly caused by adjustments to the final purchase consideration.

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

Note 7
Intangible assets

Intangible assets

Full year 2021

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
Cost price 1 January 2021	297 473	9 063	770 256	243 640	147 531	1 467 963	1 442 849	2 910 813
Additions - Purchase	889	41 655	38 784	-	-	81 328	-	81 328
Additions - Internally generated	1 811	86	-	-	-	1 897	-	1 897
Additions from business combinations **	-	-	-	-	-	-	(4 802)	(4 802)
Transferred from construction in progress	45 456	(45 456)	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Currency translation differences	(47)	(8)	(12 823)	(13 972)	(1 924)	(28 773)	(18 596)	(47 369)
Cost 31 December 2021	345 582	5 339	796 218	229 668	145 607	1 522 414	1 419 451	2 941 866
Accumulated depreciation 1 January 2021	(176 096)	-	(149 408)	(52 761)	(17 383)	(395 648)	-	(395 649)
Depreciation for the year	(45 401)	-	(173 251)	-	(15 131)	(233 783)	-	(233 783)
Currency translation differences	(37)	-	1 312	2 919	-	4 195	-	4 195
Accumulated depreciation 31 December 2021	(221 534)	-	(321 346)	(49 842)	(32 514)	(625 236)	-	(625 237)
Accumulated impairment 1 January 2021	(22 724)	-	-	(180 026)	-	(202 750)	-	(202 750)
Impairment for the year	-	-	-	(9 762)	-	(9 762)	-	(9 762)
Currency translation differences	-	-	-	9 961	-	9 961	-	9 961
Accumulated impairment 31 December 2021	(22 724)	-	-	(179 826)	-	(202 550)	-	(202 550)
Carrying amount 31 December 2021	101 324	5 339	474 873	-	113 093	694 630	1 419 451	2 114 081

* Through the acquisition of Troms Kraft Strøm AS in November 2020, a portfolio of fixed price customer contracts were acquired. These fixed price customer contracts are depreciated systematically over the remaining life of these contracts (up to five years) using a pattern that reflects how the acquisition value of the contracts are distributed over these contract periods (cost model in IAS 38). Fixed price customer contracts not acquired through a business combination are not recognised in the balance sheet, unless the contracts are identified as onerous contracts.

As a result of the increase in market prices of electrical power, indicators of impairment was identified and impairment charges of NOKt 9 762 were recognised to the fixed price customer contracts in 2021.

** The changes to Goodwill included in Additions from business combinations are adjustments to the goodwill recognised when the group acquired Innlandskraft AS and Troms Kraft Strøm AS in 2020. These changes are mainly caused by adjustments to the final purchase consideration.

*** Of total additions of customer portfolios, NOKt 37 348 relates to the acquisition of Skymobil AS' portfolio of mobile customers. The amount comprises the purchase price for the portfolio and directly attributable costs.

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.

The customer's current financial position, adjusted for factors that are specific to the customers', general economic conditions of the industry in which the customers operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date, are all factors that are taken into account when measuring ECL.

There has 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 2022	30 June 2022	30 June 2021	Full year 2021
Gross nominal amount	4 694 967	2 699 069	1 474 459	5 301 472
Loss allowance provision	(51 268)	(68 173)	(58 234)	(45 213)
Trade receivables, net	4 643 699	2 630 896	1 416 225	5 256 259

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 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Loss allowance provision, opening balance	45 213	51 268	99 096	45 213	105 080	105 080
Change in loss allowance recognised in profit or loss for the period	6 282	16 718	(40 999)	23 000	(46 676)	(59 543)
Currency translation difference	(226)	186	137	(40)	(169)	(324)
Loss allowance provision, balance at end of period	51 268	68 173	58 234	68 173	58 234	45 213

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 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Receivables written off	464	64	49 681	528	50 665	53 846
Movement in provision for impairment	6 282	16 718	(40 999)	23 000	(46 676)	(59 543)
Received payment on previously written off receivables	(705)	(870)	(2 291)	(1 575)	(5 922)	(16 651)
Net impairment expense recognised on trade receivables	6 041	15 913	6 391	21 954	(1 934)	(22 348)

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 cash flow hedges.

NOK in thousands	31 March 2022	30 June 2022	30 June 2021	31 December 2021
Derivative financial assets				
<i>Designated as hedging instruments for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	19 741	-	-
<i>Classified as held for trading for accounting purposes</i>				
Electricity derivatives - Hedge contracts	1 588 710	4 234 500	402 338	1 451 547
Electricity derivatives - Customer contracts	1 135 354	2 232 036	222 241	575 289
Other derivatives	-	-	-	-
Total derivative financial assets	2 724 063	6 486 277	624 578	2 026 836
Derivative financial liabilities				
<i>Designated as hedging instruments for accounting purposes</i>				
Electricity derivatives - Hedge contracts	(33 329)	(38 930)	-	78 962
<i>Classified as held for trading for accounting purposes</i>				
Electricity derivatives - Hedge contracts	387 438	541 262	94 440	320 611
Electricity derivatives - Customer contracts	1 283 612	3 172 458	278 191	557 609
Other derivatives	1 396	559	1 280	1 245
Total derivative financial liabilities	1 639 116	3 675 349	373 910	958 427

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 values of the financial instruments 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 values are 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. There has not been identified any significant difference between fair value and carrying amount at 30 June 2022.

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 underneath the table.

Recurring fair value measurements**At 30 June 2022**

NOK in thousands	Level 1	Level 2	Level 3	Total
Derivative financial assets				
<i>Designated as hedging instruments for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	19 741	-	19 741
<i>Classified as held for trading for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	4 149 548	84 952	4 234 500
Electricity derivatives - Customer contracts	-	2 195 632	36 405	2 232 036
Other derivatives	-	-	-	-
Total financial assets at fair value	-	6 364 921	121 357	6 486 277
Derivative financial liabilities				
<i>Designated as hedging instruments for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	(38 930)	-	(38 930)
<i>Classified as held for trading for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	508 760	32 502	541 262
Electricity derivatives - Customer contracts	-	3 092 408	80 051	3 172 458
Other derivatives	-	559	-	559
Total financial liabilities at fair value	-	3 562 797	112 553	3 675 349

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 relies 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 30 June 2022, 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. The group designates certain derivatives as hedges of a particular risk associated with the cash flows of highly probable forecast power purchase transactions in the five Norwegian price areas (cash flow hedges). While being considered as effective hedging instruments in Q3 and Q4 in 2021, Nordic system price forward contracts are no longer considered as effective hedging instruments from Q1 2022 if the hedged item includes all variability in the future cash flows related to future power purchases in price areas NO3 and NO4.

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

Fair value of hedging instruments where hedge accounting is applied

31 March 2022	Fair value hedge instrument *	Effective portion in OCI *	Ineffectiveness in P&L *	Hedged volume Q2 2022**	Hedged volume beyond Q2 2022**
Cash flow hedge of highly probable power purchase in price areas:					
South Norway (NO1, NO2, NO5)	30 425	30 425	-	120	27
Trondheim (NO3)	1 800	(434)	2 234	11	8
Tromsø (NO4)	1 104	88	1 016	4	6
Total	33 329	30 080	3 250	135	41
Tax effect		(6 617)			
Effective portion in OCI net of tax		23 462			

NOKt -178 of the Hedging reserves at 31 March 2022 relates to hedging relationships for which hedge accounting is no longer applied.

30 June 2022	Fair value hedge instrument*	Effective portion in OCI*	Ineffectiveness in P&L*	Hedged volume Q3 2022**	Hedged volume beyond Q3 2022**
Cash flow hedge of highly probable power purchase in price areas:					
South Norway (NO1, NO2, NO5)	52 863	52 863	-	84	18
Trondheim (NO3)	3 940	553	3 387	8	5
Tromsø (NO4)	1 869	358	1 511	3	5
Total	58 671	53 774	4 898	95	28
Tax effect		(11 830)			
Effective portion in OCI net of tax		41 943			

NOKt -174 of the Hedging reserves at 30 June 2022 relates to hedging relationships for which hedge accounting is no longer applied.

* NOK in thousands

** GWh in thousands

Note 10
Hedge Accounting

Fair value of hedging instruments where hedge accounting is applied

31 December 2021	Fair value hedge instrument*	Effective portion in OCI*	Ineffectiveness in P&L*	Hedged volume Q1 2022**	Hedged volume beyond Q1 2022**
Cash flow hedge of highly probable power purchase in price areas:					
South Norway (NO1, NO2, NO5)	(88 291)	(88 291)	-	451	22
Trondheim (NO3)	5 831	(2 744)	8 575	42	6
Tromsø (NO4)	3 498	(435)	3 933	16	2
Total	(78 962)	(91 470)	12 508	509	30
Tax effect		20 123			
Effective portion in OCI net of tax		(71 347)			

* NOK in thousands

** GWh in thousands

Change in fair value of hedging instruments where hedge accounting is applied

NOK in thousands	Q1 2022	Q2 2022	Q2 2021	YTD 2022	Full year 2021
Cash flow hedge of highly probable power purchase:					
Ineffective portion, recognised in P&L, total	(9 258)	1 648	-	(7 610)	12 508
Effective portion, recognised in OCI, total	121 550	23 694	-	145 244	(91 470)
Change in fair value, total	112 292	25 342	-	137 634	(78 962)
Effective portion, recognised in OCI, net of tax (22 %)	94 809	18 481	-	113 290	(71 347)

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 11

Pension liabilities

Amounts recognised in Statement of financial position

NOK in thousands	31 March 2022	30 June 2022	30 June 2021	31 December 2021
Present value of funded obligations	304 183	292 231	335 212	361 192
Fair value of plan assets	349 737	348 408	317 345	345 243
Net deficit (plan assets) for funded plans	(45 554)	(56 177)	17 866	15 949
Present value of unfunded obligations	61 831	62 732	64 089	73 785
Total defined benefit pension plans	16 277	6 555	81 955	89 734
Other employee benefit obligations	4 103	4 103	2 759	4 103
Total employee benefit obligations, net	20 380	10 658	84 713	93 837

Presentation in Statement of financial position:

Net plan assets of defined benefit pension plans	46 524	57 086	-	-
Net employee defined benefit plan liabilities	66 904	67 744	84 713	93 837
Employee benefit obligations recognised in Statement of financial position, net	20 380	10 658	84 713	93 837

Significant actuarial assumptions

	31 March 2022	30 June 2022	30 June 2021	31 December 2021
Discount rate	2,70 %	3,10 %	1,90 %	1,70 %
Salary growth rate	2,50 %	2,75 %	2,00 %	2,50 %
Expected growth in base social security amount (G)	2,25 %	2,50 %	2,00 %	2,25 %
Estimated return on plan assets	2,70 %	3,10 %	1,90 %	1,70 %
Pension growth rate	1,50 %	1,75 %	1,25 %	1,50 %

Note 12

Credit facilities

NOK in thousands	Effective interest rate	31 March 2022	30 June 2022	30 June 2021	31 December 2021
Term loan	NIBOR 3 months + 1,75 %	796 450	773 025	866 725	819 875
Revolving credit facility	NIBOR 3 months + 1,75 %	150 000	275 000	-	-
Total principal amounts		946 450	1 048 025	866 725	819 875

Credit facilities agreement

In September 2020 Elmera Group entered into a new facilities agreement with DNB, which 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 1 000 000 overdraft facility

For more information regarding the credit facilities agreement, see the 2021 annual report.

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

At 30 June 2022 the remaining term loan principal balance is NOKt 773 025.

The loan instalments of NOKt 93 700 that are due the next twelve months have been reclassified from interest-bearing long term debt to interest-bearing short term debt, which is included in other current liabilities in the statement of financial position.

The revolving credit facility - NOKt 500 000 - The RCF

The Group drew NOKt 150 000 on this facility in Q1 2022, and another NOKt 125 000 in Q2 2022. The revolving credit facility is classified as short-term interest bearing debt in the statement of financial position.

The guarantee facility - NOKt 2 250 000

At 30 June 2022 guarantees of total NOKt 1 791 031 are issued under the guarantee facility.

The overdraft facility - NOKt 1 000 000

At 30 June 2022 the Group has drawn NOKt 593 322 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 13

Other current liabilities

NOK in thousands	Note	31 March 2022	30 June 2022	30 June 2021	31 December 2021
El-certificate cancellation liabilities		14 753	6 970	9 594	16 628
Accrued power purchase		320 290	223 017	96 548	416 391
Prepayments from customers		51 903	27 818	68 300	56 948
Instalments on long term loan due within 12 months	12	93 700	93 700	93 700	93 700
Payroll liabilities		59 121	35 761	51 017	57 727
Unsettled part of consideration for business combinations		-	-	48 812	-
Other		21 039	30 144	9 200	11 436
Total other current liabilities		560 805	417 409	377 172	652 831

Note 14

Related party transactions

Per 30 June 2022, the Group's related parties include major shareholders, Board of Directors, associated company and key management.

The Board of Directors previously included a representative from former major shareholder Eviny AS (previous BKK AS). In the general meeting held in the second quarter of 2021, this board member was not re-elected. Eviny AS and subsidiaries were therefore considered to be related parties in the first two quarters of 2021, but not as of 30 June 2021.

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

Income from related parties

Related party	Relation	Purpose of transactions	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full Year 2021
Eviny AS and subsidiaries	Major shareholder	Sale of electrical power	-	-	7 688	-	31 131	31 131

Sale of electrical power in some cases includes invoiced grid rent.

Expenses to related parties

Related party	Relation	Purpose of transactions	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full Year 2021
Eviny AS and subsidiaries	Major shareholder	Purchase of electrical power	-	-	2 276	-	6 588	6 588
Eviny AS and subsidiaries	Major shareholder	Purchase of other services	-	-	5 980	-	12 726	12 726
Metzum AS	Associated company	Purchase of other services	10 775	10 834	8 594	21 609	19 162	38 743
Atea AS	Other*	Purchase of products and other services	2 173	2 592	1 521	4 765	3 734	8 853

Other services consists of payroll expenses, IT, office expenses and customer service.

Purchase of assets

Related party	Relation	Purpose of transactions	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full Year 2021
Eviny AS and subsidiaries	Major shareholder	Purchase of customer portfolio	-	-	181	-	181	181
Metzum AS	Associated company	Research and development	1 561	713	2 496	2 273	5 898	8 284
Atea AS	Other*	Products and development	51	91	-	143	289	4 077

Current receivables from related parties

Related party	Relation	Purpose of transactions	31 March 2022	30 June 2022	30 June 2021	31 December 2021
Eviny AS and subsidiaries	Major shareholder	Sale of electrical power	-	-	-	-
Atea AS	Other*	Products and development	-	-	-	-

Current liabilities to related parties

Related party	Relation	Purpose of transactions	31 March 2022	30 June 2022	30 June 2021	31 December 2021
Metzum AS	Associated company	Research and development	1 021	677	74	1 411
Atea AS	Other*	Products and development	770	232	28	1 956

* 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 15

Events after the reporting period

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

Directors responsibility statement

We confirm that, to the best of our knowledge, the condensed set of financial statements for the first six months of 2022, which have been prepared in accordance with IAS 34 Interim Financial Statements, gives a true and fair view of the Company's consolidated assets, liabilities, financial position and results of operations. To the best of our knowledge, the interim report

for the first six months of 2022 includes a fair review of important events that have occurred during the period and their impact on the condensed financial statements, the principal risks and uncertainties for the remaining half of 2022, and major related party transactions.

The Board of Elmera Group ASA, Bergen, 17 August 2022



Steinar Sonstebj

Chairman



Tone Wille

Board member



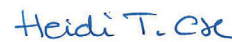
Frank Økland

Board member



Elisabeth M. Norberg

Board member



Heidi Theresa Ose

Board member



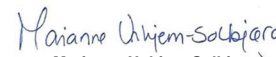
Live Bertha Haukvik

Board member



Per Oluf Solbraa

Board member



Marianne Unhjem-Solbjørg

Board member



Rolf Barmen

CEO

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 large 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:** Consist of impairment of intangible assets related to fixed price customer contract
- **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:** which 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 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 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 large 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

Alternative performance measures

- with the purchase and sale of electricity
- **Impairment of intangible assets:** Consist of impairment of intangible assets related to fixed price customer contract
- **Change in provisions for onerous contracts:** which 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 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, reclassification of first year instalments 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 is recognised *in the profit or loss for the period*
- **Estimate deviations from previous periods:** A large 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 instruments* 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*.

First year instalments of interest-bearing long term debt, which are included in Other current liabilities, are however classified as interest bearing debt. The definition of NWC has in 2022 been changed compared to the definition used in the group's previous financial reports, as Derivative financial instruments and Onerous contract provisions are no longer included in NWC. The comparable figure for NWC at 30 June 2021 and 31 December 2021 has been updated accordingly.

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 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Operating income	6 718 296	4 106 418	2 474 937	10 824 713	6 529 806	15 170 991
Cost of sales	(6 206 461)	(3 703 741)	(2 053 626)	(9 910 202)	(5 574 871)	(13 367 251)
Net revenue	511 835	402 677	421 311	914 511	954 935	1 803 741
Personnel expenses	(111 317)	(76 052)	(79 849)	(187 369)	(191 342)	(409 123)
Other operating expenses	(149 870)	(141 756)	(115 934)	(291 626)	(247 180)	(488 517)
Impairment of intangible assets	-	-	(290)	-	(9 823)	(9 762)
Operating expenses	(261 187)	(217 808)	(196 073)	(478 995)	(448 345)	(907 401)
EBITDA	250 647	184 869	225 238	435 516	506 590	896 340
Depreciation & amortisation	(96 119)	(95 432)	(97 101)	(191 552)	(196 875)	(403 084)
EBIT reported (Operating profit)	154 528	89 436	128 138	243 964	309 715	493 256
Net financials	(11 072)	(2 306)	(5 153)	(13 378)	(25 719)	(48 737)
Profit/ (loss) before taxes	143 456	87 130	122 985	230 586	283 996	444 519
Taxes	(33 409)	(12 488)	(23 772)	(45 897)	(51 140)	(102 150)
Profit/ (loss) for the period	110 047	74 643	99 212	184 689	232 856	342 369
EBIT reported margin	30%	22%	30%	27%	32%	27%

Alternative performance measures

Adjusted amounts:

NOK in thousands	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Net revenue	511 835	402 677	421 311	914 511	954 935	1 803 741
Other one-off items	-	-	-	-	-	-
Estimate deviations previous periods	-	-	(19 573)	-	(19 573)	(11 515)
Unrealised gains and losses on derivatives	71 667	(1 651 108)	(164 677)	(1 579 441)	(170 066)	(1 088 469)
Change in provisions for onerous contracts	(99 516)	1 651 917	150 998	1 552 401	132 343	996 739
Net revenue adjusted	483 987	403 483	388 059	887 470	897 640	1 700 496
EBITDA	250 647	184 869	225 238	435 516	506 590	896 340
Acquisition related costs	-	-	-	-	1 034	1 034
Other one-off items	-	-	-	-	(3 387)	(3 387)
Estimate deviations previous periods	-	-	(19 573)	-	(19 573)	(11 515)
Impairment of intangible assets	-	-	290	-	9 823	9 762
Unrealised gains and losses on derivatives	71 667	(1 651 108)	(164 677)	(1 579 441)	(170 066)	(1 088 469)
Change in provisions for onerous contracts	(99 516)	1 651 917	150 998	1 552 401	132 343	996 739
EBITDA adjusted	222 799	185 675	192 275	408 474	456 764	800 503
EBIT reported (Operating profit)	154 528	89 436	128 138	243 964	309 715	493 256
Acquisition related costs	-	-	-	-	1 034	1 034
Other one-off items	-	-	-	-	(3 387)	(3 387)
Estimate deviations previous periods	-	-	(19 573)	-	(19 573)	(11 515)
Impairment of intangible assets	-	-	290	-	9 823	9 762
Unrealised gains and losses on derivatives	71 667	(1 651 108)	(164 677)	(1 579 441)	(170 066)	(1 088 469)
Change in provisions for onerous contracts	(99 516)	1 651 917	150 998	1 552 401	132 343	996 739
Depreciation of acquisitions	33 713	32 863	45 929	66 576	96 504	188 629
EBIT adjusted	160 393	123 105	141 105	283 498	356 393	586 048
EBIT margin adjusted	33%	31%	36%	32%	40%	34%

Alternative performance measures

Other financial APM's

Net interest bearing debt (cash)

NOK thousands	31 March 2022	30 June 2022	30 June 2021	31 December 2021
Interest-bearing long term debt	697 299	674 589	766 694	720 009
Interest-bearing short term debt	150 000	275 000	-	-
Transaction costs recognised as part of amortised cost of Interest-bearing long term debt	5 451	4 736	6 331	6 166
Reclassification of first year instalments long term debt	93 700	93 700	93 700	93 700
Overdraft facilities	-	593 322	136 801	-
Cash and cash equivalents	(1 063 717)	(161 896)	(261 282)	(306 627)
Net interest bearing debt (cash)	(117 267)	1 479 451	742 244	513 248

Financial position related APM's

NOK thousands	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Net working capital (NWC)*	(538 316)	615 499	170 127	615 499	170 127	(16 795)
OpFCF before tax and change in NWC	158 360	118 227	117 146	276 588	313 720	489 169
Capex excl. M&A	8 550	14 039	19 263	22 589	33 972	47 182

* The definition of NWC has in 2022 been changed compared to the definition used in the group's previous financial reports. The comparable figure for NWC Q2 2021 has been updated accordingly.

Non-financial APM's

Deliveries

Numbers in thousands	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Electrical deliveries Consumer segment	663	661	726	661	726	692
Electrical deliveries Business segment	115	117	111	117	111	111
Electrical deliveries Nordic segment	177	164	167	164	167	171
Total number of electrical deliveries*	955	942	1 004	942	1 004	975
Number of mobile subscriptions	154	148	134	148	134	160

* Number of deliveries excl. Extended Alliance deliveries. Number of deliveries incl. Extended Alliance deliveries: 1 030 thousand in Q2 2022.

Volume in GWh	Q1 2022	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Full year 2021
Consumer segment	2 641	1 594	2 073	4 235	5 808	9 486
Business segment	2 182	1 546	1 569	3 728	4 204	7 478
Nordic segment	968	632	682	1 600	1 687	3 229
Total volume	5 791	3 772	4 324	9 563	11 700	20 193