

# Q4 2021 PRESENTATION

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Rolf Barmen (CEO)  
Birte Strander (CFO)

10<sup>th</sup> February



# Q4 2021 HIGHLIGHTS

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Rolf Barmen (CEO)



# Highlights fourth quarter 2021

- Strong financial performance in the Norwegian operations in a challenging market environment
  - Consumer EBIT adj. (+24% YoY)
  - Business EBIT adj. (+22% YoY)
  - First quarter with profitability in the New Growth initiatives segment
- The Nordic segment has been significantly affected by the extraordinary situation in the Nordic power market in Q4 – loss of 71 NOKm in the quarter from hedging inefficiencies
- Loss of 34' customers in the Consumer segment in Q4 due to intense competition and termination of “price match” service
- Proposed dividend of 3.5 NOK per share for 2021

## Key Highlights

### # of deliveries (end of period) <sup>1</sup>

**975 041**

Decrease of -5 % YoY

### Δ in # of deliveries (QoQ)

**-28 659**

Organic growth: -28 659

### Volume sold <sup>2</sup>

**5 096 GWh**

Decrease of -9 % YoY

### Gross revenue

**NOK 6 184m**

Increase of 276 % YoY

### Net revenue (adj.)<sup>3</sup>

**NOK 436m**

Decrease of -6 % YoY

### EBIT (adj.)<sup>3</sup>

**NOK 141m**

Decrease of -16 % YoY

### Basic EPS (reported)

**NOK 0,77**

Increase of 19 % YoY

### NIBD (cash)

**NOK 513m**

NIBD/LTM EBITDA: 0,57

Sources: Company information

1) Number of deliveries excl. Extended Alliance deliveries. Number of deliveries incl. Extended Alliance deliveries: 1,061,109

2) Not including Alliance volume. Volume turnover for alliance partners in the quarter: 1,389 GWh

3) Adj. Net revenue and EBIT are reported figures adjusted for any estimate deviations on sales and distribution of electricity related to previous reporting periods, special items, unrealised gains and losses on financial derivatives and depreciations from acquisitions



# BUSINESS REVIEW

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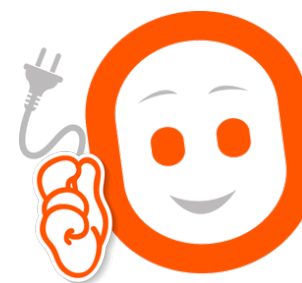
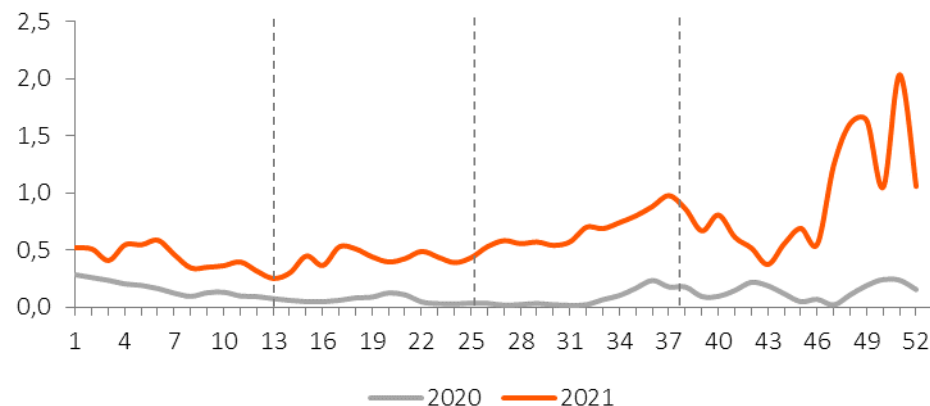
Rolf Barmen (CEO)

# Market development

## Key highlights in Q4 2021

- Geopolitical tension, high gas prices and low hydrology is resulting in an all-time high elspot price
- Considerable area price differences due to limited transmission capacity
- Very cold weather in Sweden and Finland and high peak/off-peak differences led to hedging inefficiencies in Q4
  - The price level and peak/off peak differences were both ~4x the normal in December in SE/FI
- In Norway, the Government was subsidizing 55% of the Consumers' electricity cost above 0.7 NOK/kWh in December
  - For Q1 2022, the subsidy is increasing to 80% of the cost above 0.7 NOK/kWh

## Weekly elspot prices (NOK/kWh)<sup>2</sup>



### Sources:

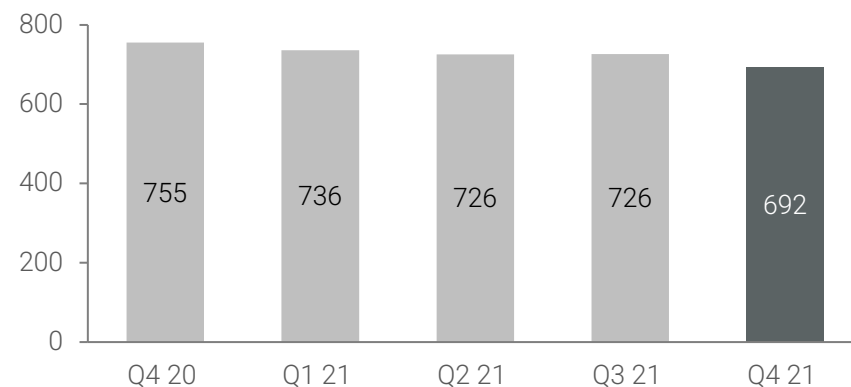
- 1) Temperature figures from met.no's monthly reports. The normal has been adjusted according to the temperatures in 1991-2020
- 2) Weekly system prices in NOK from Nordpool

# Segment development - Consumer

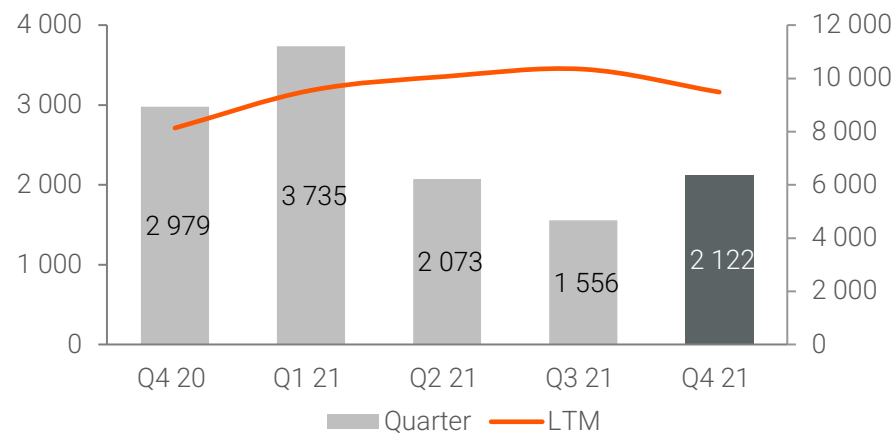
## Key highlights in Q4 2021

- Organic decrease of 33,814 deliveries in Q4 2021 due to intense competition and termination of “price match” service
- We observe a change in the consumption pattern
  - Despite relatively cold weather, volume decrease by 29% YoY. This is mainly driven by a 24% reduction in average consumption per delivery, likely due to the extraordinary price level

## # of electricity deliveries<sup>1</sup> ('000)



## Volume (GWh)



Sources: Company information

1) Number of electricity deliveries at the end of the period

# Segment Consumer - Volatility and price level increase the importance of a broad product portfolio

Spot contracts – pricing fluctuates 24 hours a day

Our product offering for 2022:

- Spot “price-fighter”: A spot product campaign launched on Fjordkraft.no to match aggressively priced competition
- Spot with trading: Similar to an existing offering in the Business segment, allowing the Consumer to capitalise on the Group’s power trading competence. In 2021, this product beat the market in 11 out of 12 months
- Spot with price cap: A spot contract with a guaranteed maximum price per kWh on set volume

Fixed contracts – fixed price regardless of time-of-use

Our product offering for 2022:

- Fixed price running contracts with a 14 day notification period ahead of any price change. May also include a price cap
- Fixed price contracts with longer durations – typically 6, 12 or 15 months

Selected additional customer benefits:

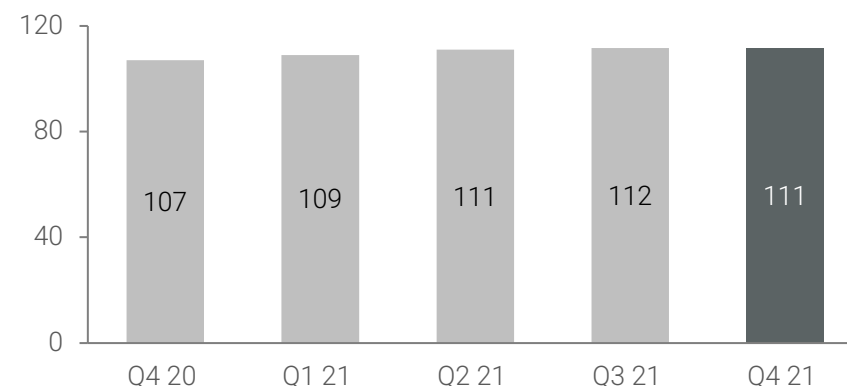
“Trygg Strømhandel” certified by DNV, consumption monitoring, EV smart charging, Trumf reward discount, discounted mobile services, one invoice for grid rent and electricity and a loyalty program with a range of discounted products and services through our partners

# Segment development - Business

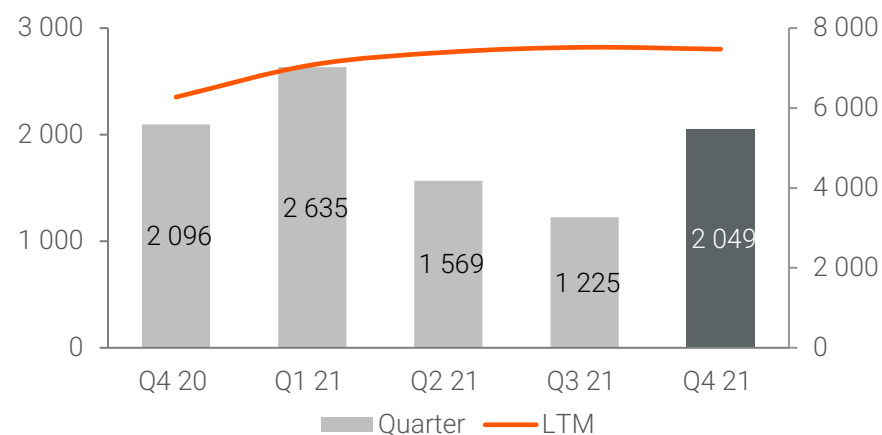
## Key highlights in Q4 2021

- Organic decrease of 305 deliveries in Q4 2021
- Volume decrease by 2% YoY, driven by a 7% decrease in consumption per delivery
- Strong development in the segment
  - Overperforming vs financial targets
  - Good customer pipeline for Q1
  - Our role as energy advisor and broad product offering including consumption monitoring, hedging advisory and local energy solutions differentiates us from our competitors and we experience great traction on our new concepts

## # of electricity deliveries<sup>1</sup> ('000)



## Volume (GWh)



Sources: Company information

1) Number of electricity deliveries at the end of the period

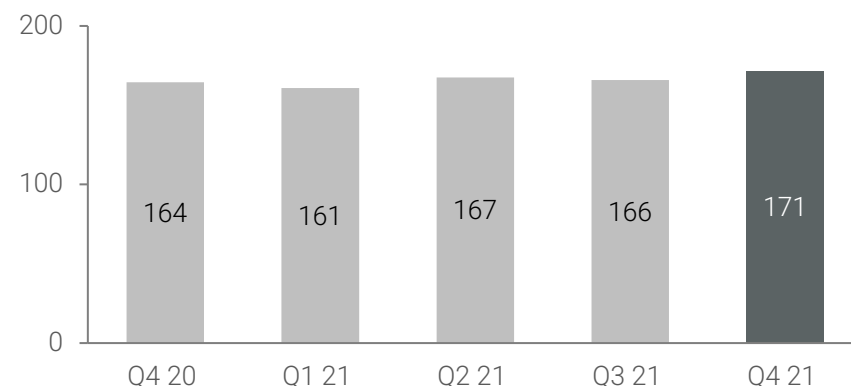


# Segment development - Nordic

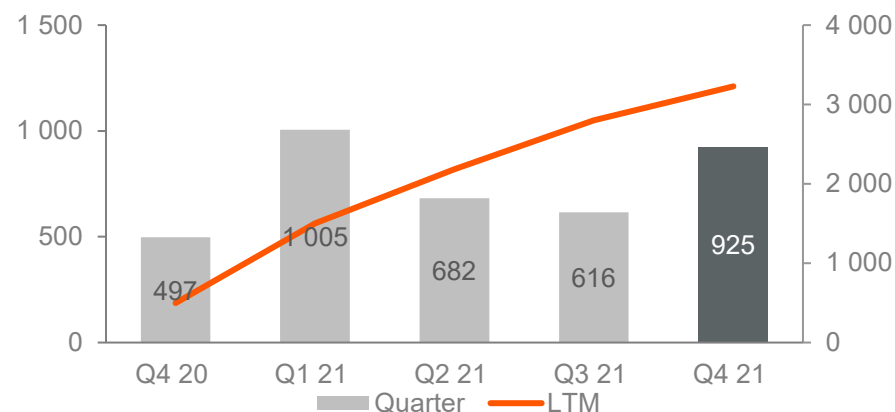
## Key highlights in Q4 2021

- Increase of 5,460 deliveries in Q4 2021
- Higher-than-normal volumes and high peak/off-peak differences led to losses in Q4
- The process of aligning the contract structure and product portfolio with the Norwegian model in order to reduce the associated volume risk is ongoing
- Thus far, the consumption volumes in Sweden and Finland in Q1 have been in line with expectations and we have no indication of under-hedging in January
- The increased peak/off-peak difference is likely to continue throughout Q1

## # of deliveries<sup>1</sup> ('000)



## Volume (GWh)



Sources: Company information

1) Number of deliveries at the end of the period

# New Growth Initiatives

## Key highlights in Q4 2021

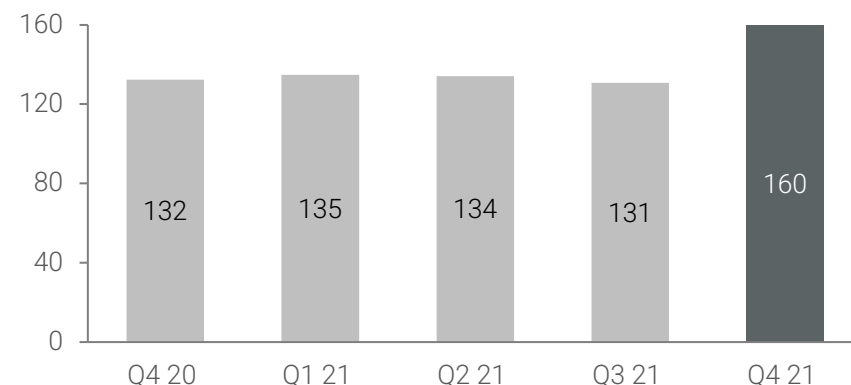
### Mobile:

- Growth of 29,263 mobile subscribers in Q4 2021
- The growth is related to the Skymobil acquisition

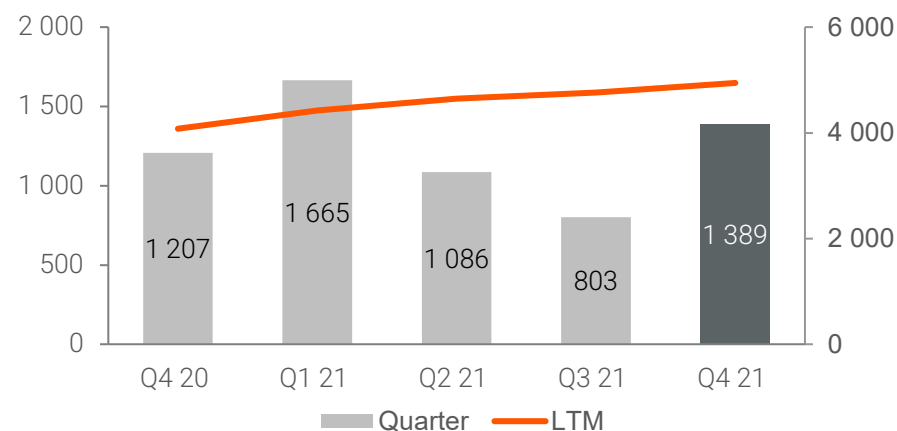
### Alliance:

- 15% YoY Alliance volume increase
- Growth of 4,686 electricity deliveries within Extended Alliance in the quarter and more than 30 thousand deliveries YoY

## # of Mobile subscribers<sup>1</sup> ('000)



## Volume Alliance (GWh)



Sources: Company information

1) Number of mobile subscribers at the end of the period



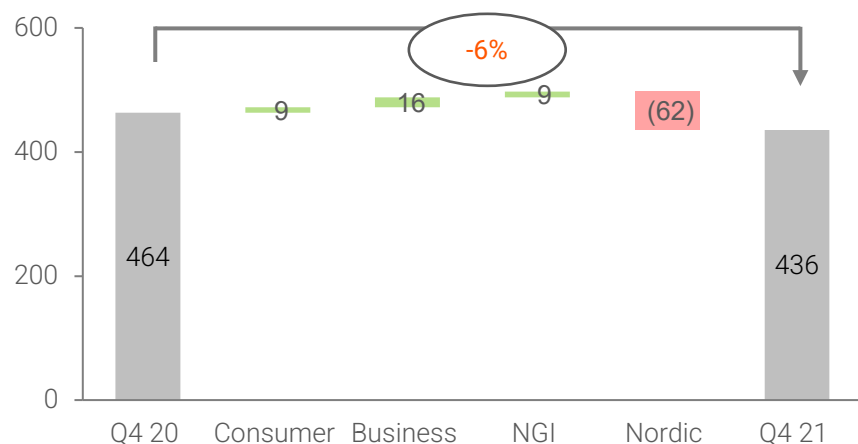
# FINANCIAL REVIEW

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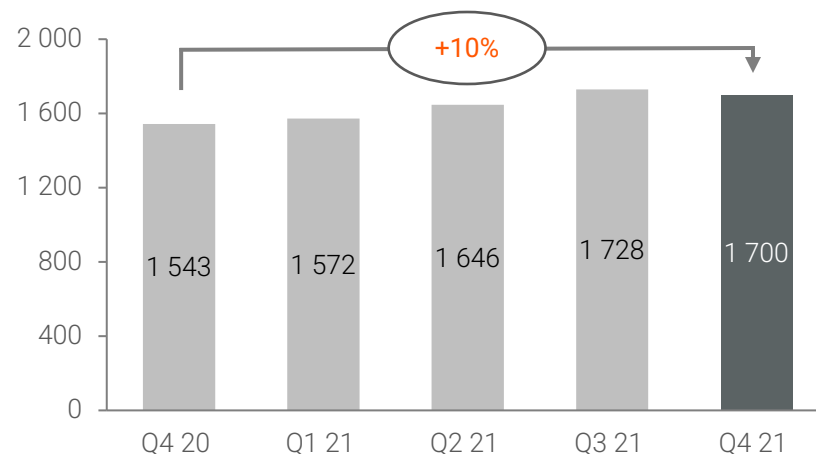
Birte Strander (CFO)

# Net revenue development

## Change in adj. net revenue (NOKm)



## Adj. net revenue LTM (NOKm)

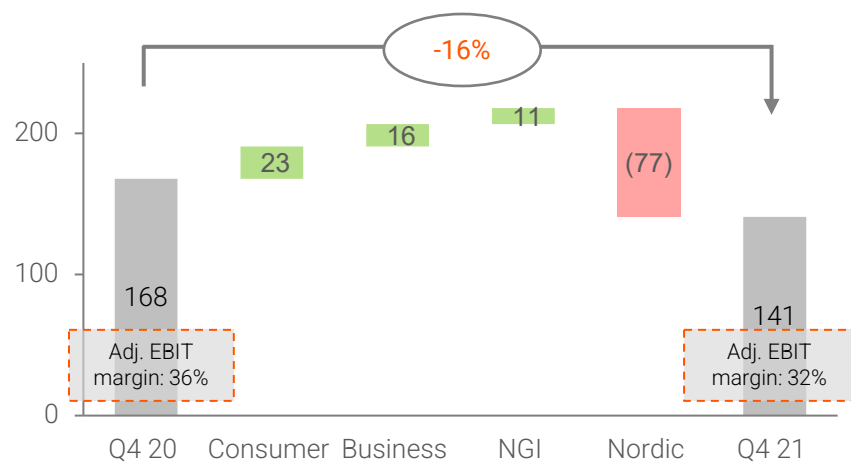


- Strong net revenue development in all the Norwegian segments. Hedges affecting positively
- Nordic segment highly affected by the extraordinary situation in the Nordic power market in Q4, especially in December. Two main drivers for the negative development:
  - Under-hedging of fixed price contracts. Contracts are hedged based on best estimated consumption, but very cold weather resulted in a much higher consumption than normal. Normally this deviation has a limited financial impact as volume risk is priced into the markup, but the huge spread between hedged price and spot price resulted in a significantly negative effect in this quarter
  - Higher than normal peak/off-peak differences than estimated. Hedges are typically set versus a flat consumption curve, while the weighted cost of electricity increases with increased peak/off-peak differences. This risk is also priced into the markup, but larger than expected differences do affect margins negatively

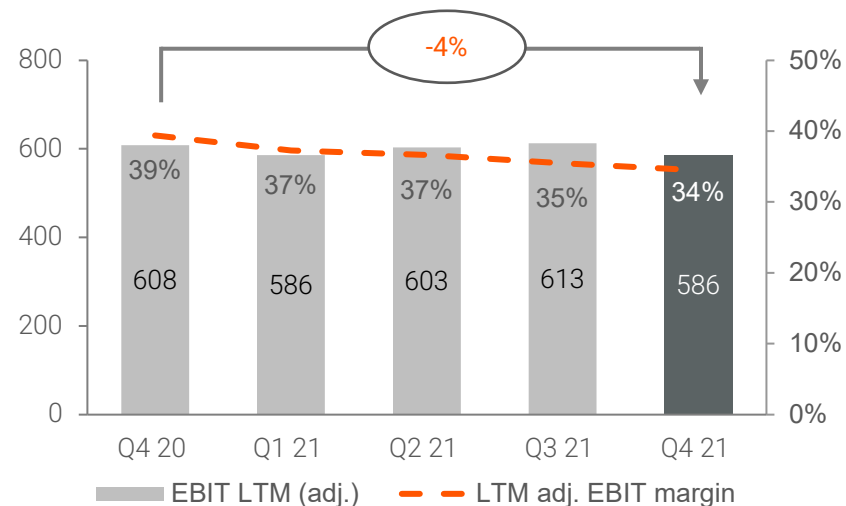
Sources: Company information

# EBIT adj. development

## Change in adj. EBIT (NOKm)



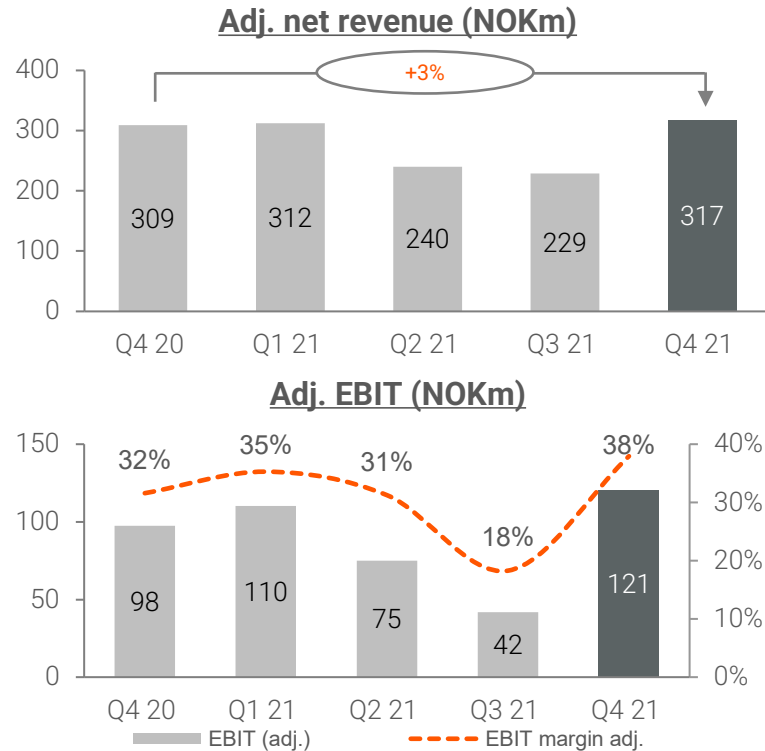
## Adj. EBIT LTM (NOKm)



- Net revenue performance in combination with good cost control resulting in EBIT growth in the Norwegian segments
- Nordic segment negatively affected by hedging inefficiencies
- Adj. EBIT margin decreasing 4 pp YoY

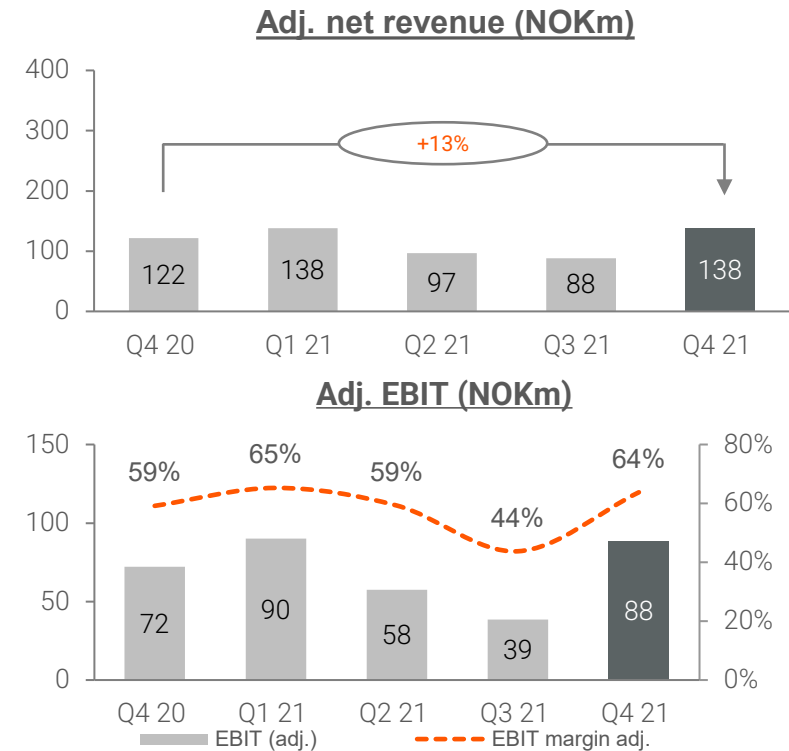
# Segment overview

## Consumer segment



- Net revenue increase 3% YoY driven by margin improvement - tailwind from good hedges
- EBIT adj. margin up 6 pp YoY

## Business segment

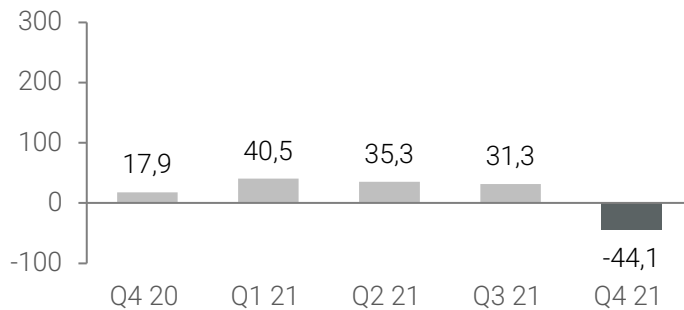


- 13% increase in net revenue, driven by margin improvement
- EBIT adj. margin increase 5 pp YoY

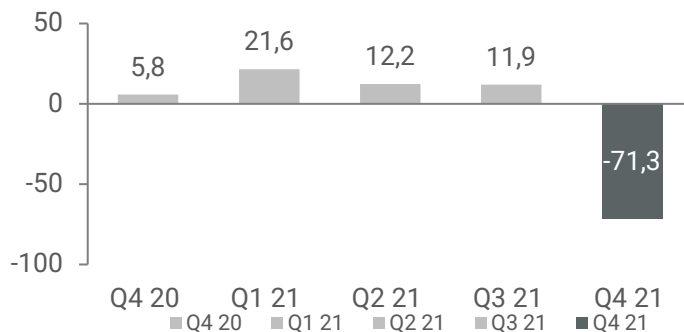
# Segment overview cont.

## Nordic segment

### Adj. net revenue (NOKm)



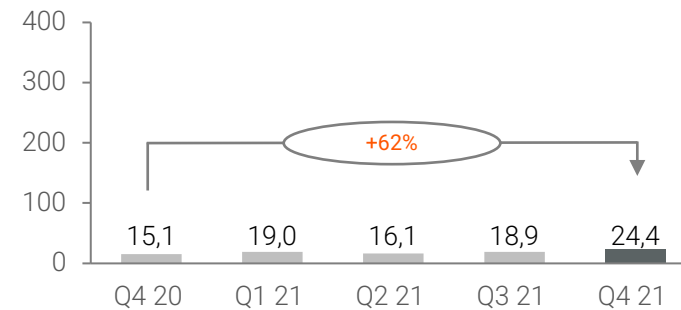
### Adj. EBIT (NOKm)



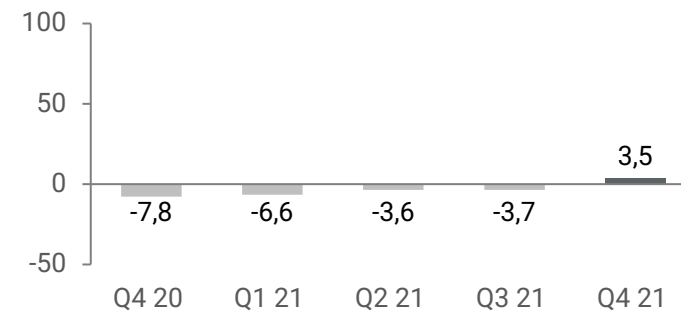
- Q4 losses related to hedging inefficiencies in an extraordinary market
- Currently no indication of negative volume effects in Q1, but due to the continued peak/off-peak differences, a negative EBIT adj. is expected also in Q1. However, likely not as negative as in Q4

## New Growth Initiatives

### Adj. net revenue (NOKm)



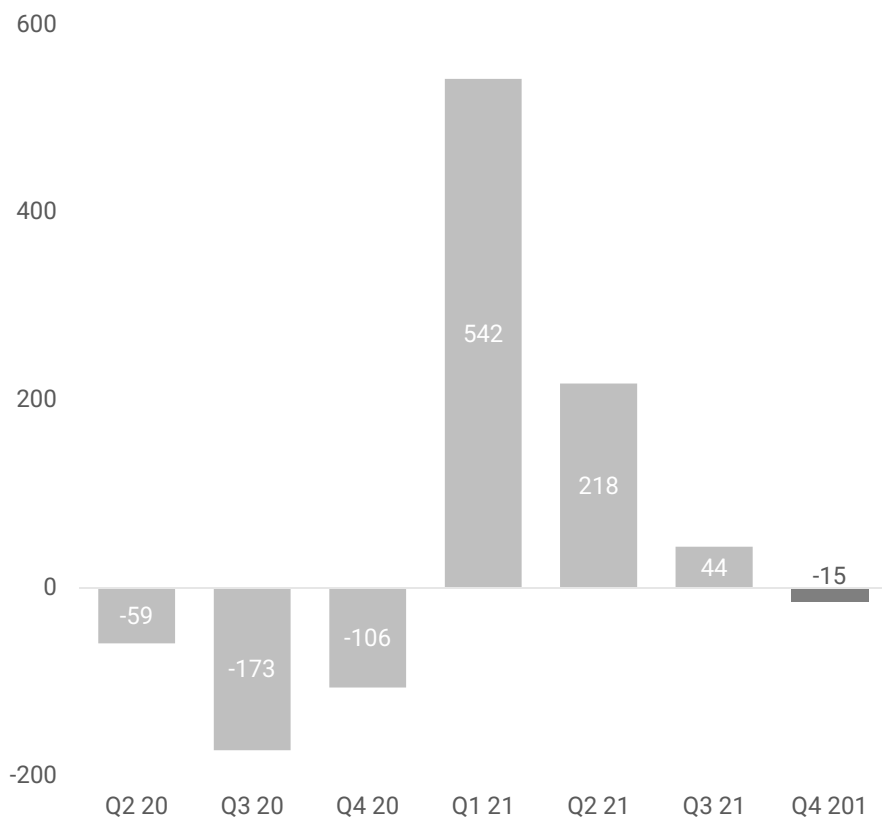
### Adj. EBIT (NOKm)



- First quarter with positive EBIT adj. since the launch of Mobile in 2017
- Both Alliance and Mobile showing YoY improvements – Mobile the most important contributor

# NWC development

## Net working capital<sup>1</sup> (NOKm)



- Net working capital (NWC) is decreasing to -15 NOKm at quarter-end Q4 2021
- Part of the November power purchase was paid for in January, which led to increased accounts payables and lower reported NWC at year-end

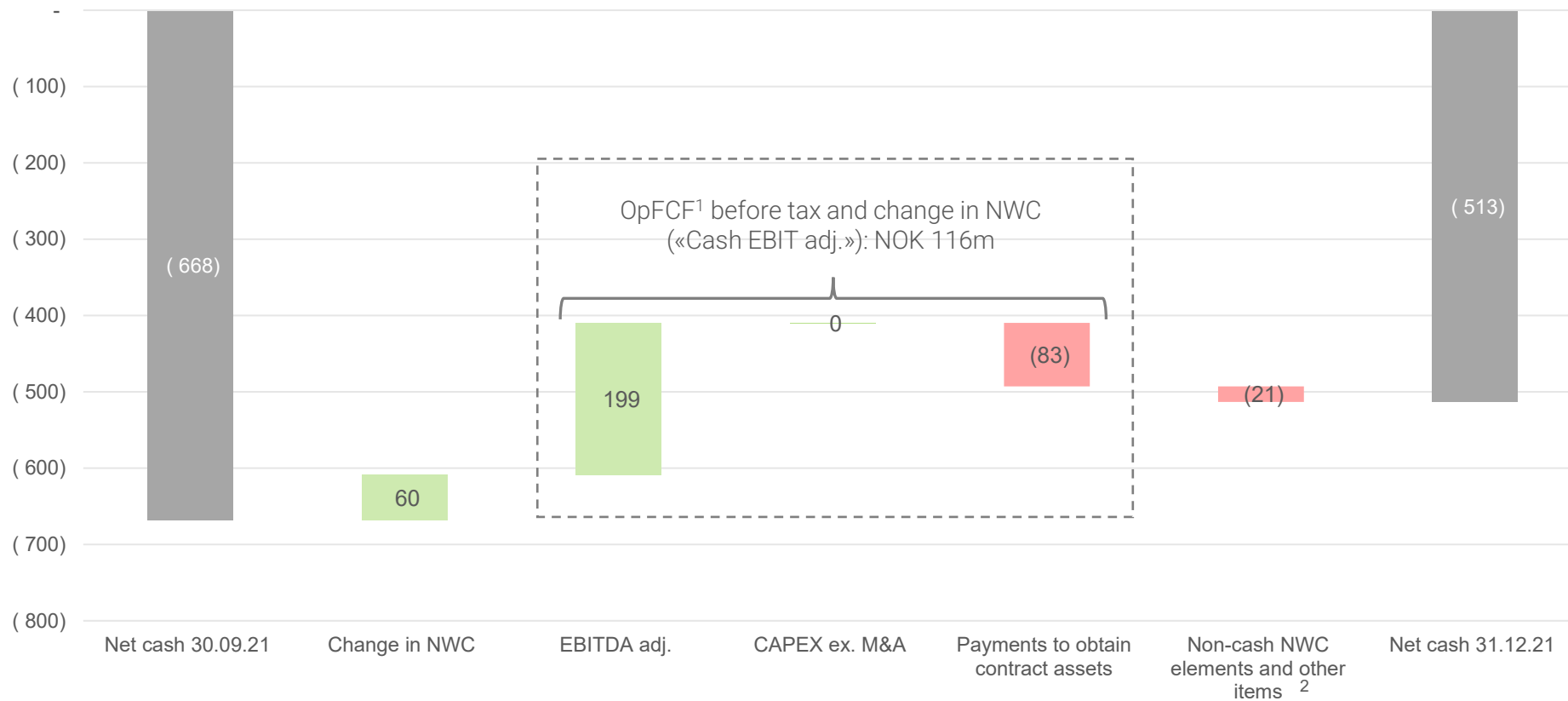
Sources: Company information

1) NWC includes the following items from current assets: Inventories, intangible assets, trade receivables, derivative financial instruments and other current assets (that is, all current assets in the balance sheet except cash and cash equivalents); and the following items from current liabilities: trade payables, current income tax liabilities, derivative financial instruments, social security and other taxes and other current liabilities excl. 94 NOKm in short-term interest bearing debt



# Net cash development

## Change in net cash Q-o-Q (NOKm)



Sources: Company information

1) OpFCF defined as EBITDA adj. less CAPEX excl. M&A and payments to obtain contract assets

2) Non-cash NWC relates to items included in "change in NWC" that are not affecting net cash position. Other includes interest, tax, change in long-term receivables, proceeds from non-current receivables, proceeds from other long-term liabilities, share based payment expense, change in post-employment liabilities, payment of lease liability and adjustments made on EBITDA.

# 2021 performance vs financial outlook

			Actual 2021		
Group	<ul style="list-style-type: none"> <li>Targeting high-single digit net revenue growth. 2021 expected above double digit due to acquisitions in 2020</li> <li>Targeting a sustainable EBIT margin of 36-38%</li> <li>Ambition to act as a consolidator in a fragmented market</li> </ul>		<ul style="list-style-type: none"> <li>10%</li> <li>34%</li> <li>-</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✗</li> <li></li> </ul>	
Consumer	Growth	<ul style="list-style-type: none"> <li>Targeting mid-single digit annual net revenue growth</li> </ul>	Revised in Q1: Expecting a slightly negative net revenue growth and an EBIT margin in the area of 30% in 2021	-1%	✓
	EBIT margin	<ul style="list-style-type: none"> <li>Targeting a sustainable level of 32-34%</li> </ul>		32%	✓
Business	Growth	<ul style="list-style-type: none"> <li>Targeting a sustainable level of mid-single digit growth. 2021 expected above double digit due to acquisitions in 2020</li> </ul>		22%	✓
	EBIT margin	<ul style="list-style-type: none"> <li>Targeting a sustainable level of 52-54%</li> </ul>	Revised in Q1: Expecting a higher EBIT margin than targeted in 2021	60%	✓
Nordic	<ul style="list-style-type: none"> <li>Targeting an annual EBIT contribution of ~50 NOKm</li> </ul>	Revised in Q1: Expecting an EBIT contribution of ~65 NOKm in 2021	-26m	✗	
NGI	<ul style="list-style-type: none"> <li>Targeting a 50% improvement in nominal EBIT from 2020 to 2021 and a positive run-rate EBIT from late 2021</li> </ul>	Revised in Q1: Expecting a 75% improvement in nominal EBIT from 2020 to 2021	+73%	✓	
Cap.ex.	<ul style="list-style-type: none"> <li>Targeted to be in the area of NOK 65-70m annually</li> </ul>		47m	✓	
Leverage	<ul style="list-style-type: none"> <li>Targeting a leverage of 2-2.5x NIBD/EBITDA with variations intra-year due to seasonality in net working capital</li> <li>Current balance sheet enabling substantial capacity to finance acquisitions</li> </ul>		0.6x		
Dividend	<ul style="list-style-type: none"> <li>Target pay-out ratio of at least 80% of net income, adjusted for certain cash and non-cash items<sup>2</sup></li> <li>Attractive and increasing dividend</li> </ul>		NOK 3.5	✓	

1) Outlook on an organic basis, not including additional M&A transactions in the period. All targets are based on adjusted figures, further described under alternative performance measures in the quarterly report  
 2) Adjusted EBIT + net finance – estimated tax – amortisation of acquisition debt

**Updated targets will be presented on our  
Capital Markets Day  
6 April 2022**



# Q&A

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# Appendix



# PROFIT AND LOSS ACCOUNT

NOK in thousands	Note1	Q3 2021	Q4 2021	Q4 2020	Full Year 2021	Full Year 2020
<b>Continuing operations</b>						
Revenue	2,3	2 383 717	6 183 838	1 644 100	15 208 587	4 214 727
Direct cost of sales	2	(2 026 783)	(5 745 973)	(1 172 644)	(13 496 576)	(2 647 005)
<b>Revenue less direct cost of sales</b>		<b>356 933</b>	<b>437 865</b>	<b>471 456</b>	<b>1 712 011</b>	<b>1 567 722</b>
Personnel expenses	2	(111 242)	(106 538)	(116 748)	(409 123)	(328 485)
Other operating expenses	2	(111 056)	(130 280)	(152 585)	(488 517)	(471 938)
Depreciation right-of-use assets		(4 966)	(5 061)	(3 958)	(19 687)	(13 302)
Depreciation and amortisation	2,7	(97 363)	(98 819)	(152 988)	(383 397)	(291 872)
<b>Total operating expenses</b>		<b>(324 627)</b>	<b>(340 699)</b>	<b>(426 278)</b>	<b>(1 300 723)</b>	<b>(1 105 596)</b>
Impairment and change in provision for onerous contracts	4	(428 675)	157 544	(268 493)	(413 296)	(268 493)
Other gains and losses, net	4,9,10	433 727	(108 528)	328 430	495 265	331 539
<b>Operating profit</b>		<b>37 359</b>	<b>146 183</b>	<b>105 115</b>	<b>493 256</b>	<b>525 172</b>
Income/loss from investments in associates and joint ventures		380	335	2 433	2 637	1 168
Interest income		2 933	3 245	3 196	12 801	16 814
Interest expense lease liability		(576)	(545)	(585)	(2 374)	(1 813)
Interest expense	12	(9 000)	(14 588)	(8 335)	(42 583)	(11 982)
Other financial items, net		(2 751)	(2 451)	(11 250)	(19 219)	(15 692)
<b>Net financial income/(cost)</b>		<b>(9 014)</b>	<b>(14 004)</b>	<b>(14 541)</b>	<b>(48 737)</b>	<b>(11 505)</b>
<b>Profit/ (loss) before tax</b>		<b>28 345</b>	<b>132 178</b>	<b>90 574</b>	<b>444 519</b>	<b>513 667</b>
Income tax (expense)/ income	5	(6 391)	(44 618)	(16 943)	(102 150)	(113 604)
<b>Profit/ (loss) for the period</b>		<b>21 954</b>	<b>87 560</b>	<b>73 631</b>	<b>342 369</b>	<b>400 063</b>
Basic earnings per share (in NOK)*	6	0,19	0,77	0,64	3,00	3,73
Diluted earnings per share (in NOK)*	6	0,19	0,76	0,64	2,96	3,69

\* Based on a weighted average of 1 14 291 767 shares outstanding. It is issued 1 500 000 share options to employees.

# ADJUSTED EBIT reconciliation

## Reconciliation to statement of profit and loss for the period

NOK in thousands	Q3 2021	Q4 2021	Q4 2020	Full year 2021	Full year 2020
<b>Revenue adjusted</b>	<b>2 393 927</b>	<b>6 183 942</b>	<b>1 635 353</b>	<b>15 200 165</b>	<b>4 183 361</b>
Corporate 1)	(10 210)	(105)	8 747	8 422	29 650
Special items 2)	-	-	-	-	1 716
<b>Revenue</b>	<b>2 383 717</b>	<b>6 183 838</b>	<b>1 644 100</b>	<b>15 208 587</b>	<b>4 214 727</b>
<b>Direct cost of sales adjusted</b>	<b>(2 026 783)</b>	<b>(5 748 230)</b>	<b>(1 171 745)</b>	<b>(13 499 669)</b>	<b>(2 639 876)</b>
Corporate 1)	-	2 257	(899)	3 093	(7 129)
<b>Direct cost of sales</b>	<b>(2 026 783)</b>	<b>(5 745 973)</b>	<b>(1 172 644)</b>	<b>(13 496 576)</b>	<b>(2 647 005)</b>
<b>Revenue less direct cost of sales adjusted</b>	<b>367 143</b>	<b>435 713</b>	<b>463 608</b>	<b>1 700 496</b>	<b>1 543 486</b>
Corporate 1)	(10 210)	2 152	7 848	11 515	22 521
Special items 2)	-	-	-	-	1 716
<b>Revenue less direct cost of sales</b>	<b>356 933</b>	<b>437 865</b>	<b>471 456</b>	<b>1 712 011</b>	<b>1 567 722</b>
<b>Total operating expenses adjusted</b>	<b>(278 332)</b>	<b>(294 868)</b>	<b>(295 905)</b>	<b>(1 114 448)</b>	<b>(935 208)</b>
Special items 2)	-	-	(26 414)	2 354	(42 213)
Depreciation of acquisitions 3)	(46 295)	(45 830)	(103 959)	(188 629)	(128 175)
<b>Total operating expenses</b>	<b>(324 627)</b>	<b>(340 699)</b>	<b>(426 278)</b>	<b>(1 300 723)</b>	<b>(1 105 596)</b>
Impairment and change in provision for onerous contracts	(428 675)	157 544	(268 493)	(413 296)	(268 493)
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Interest expense	(9 000)	(14 588)	(8 335)	(42 583)	(11 982)
Other financial items, net	(2 751)	(2 451)	(11 250)	(19 219)	(15 692)
<b>Profit/(loss) before tax</b>	<b>28 345</b>	<b>132 178</b>	<b>90 574</b>	<b>444 519</b>	<b>513 667</b>

1) Corporate consists of estimate deviations previous periods and special revenue items. 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 electricity revenue 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. Management is of the opinion that the underlying operating profit in the reporting period should be adjusted for such estimate deviations related to previous reporting periods.

# ADJUSTED EBIT reconciliation cont.

2) Special items consists of one-time items as follows:

NOK in thousands	Q3 2021	Q4 2021	Q4 2020	Full year 2021	Full year 2020
Special items incurred specific to:					
- acquisition related costs and implementation costs	-	-	(5 780)	(7 485)	(21 579)
- income related to compensatory damages	-	-	-	-	1 716
- one off amortisation of customer contracts in acquired companies	-	-	(5 745)	-	(5 745)
- severance packages and other one off costs in acquired companies	-	-	(14 889)	6 451	(14 889)
- gain from sale of trade receivables previously impaired	-	-	-	3 387	-
<b>Special items</b>	<b>-</b>	<b>-</b>	<b>(26 414)</b>	<b>2 354</b>	<b>(40 497)</b>

3) Depreciation of acquisitions consists of depreciation related to customer portfolios and acquisitions of companies accounted for in intangible assets in the consolidated statement of financial position. The Group has decided to report the operating profit of the segments adjusted for depreciation of acquisitions. In order to accommodate this, historically reported figures have been adjusted accordingly:

NOK in thousands	Q3 2021	Q4 2021	Q4 2020	Full year 2021	Full year 2020
TrønderEnergi Marked acquisition	(2 608)	(2 608)	(5 180)	(10 434)	(20 718)
Oppdal Everk Kraftomsetning acquisition	(572)	(572)	(787)	(2 289)	(3 148)
Vesterålskraft Strøm acquisition	(484)	(484)	(565)	(1 936)	(2 261)
Innlandskraft acquisition	(31 068)	(31 068)	(36 254)	(128 650)	(36 254)
Troms Kraft Strøm acquisition	(10 652)	(10 320)	(7 037)	(42 031)	(7 037)
Troms Kraft Strøm acquisition - Depreciation of fixed price customer contracts	-	-	(52 910)	-	(52 910)
Other customer acquisitions	(910)	(777)	(1 226)	(3 289)	(5 847)
<b>Depreciation of acquisitions</b>	<b>(46 295)</b>	<b>(45 830)</b>	<b>(103 959)</b>	<b>(188 629)</b>	<b>(128 175)</b>

4) Other gains and losses, net consist of gains and losses on derivative financial instruments associated with the purchase and sale of electricity.



# BALANCE SHEET

NOK in thousands	Note	30 September 2021	31 December 2021	31 December 2020
<b>Assets:</b>				
<b>Non-current assets</b>				
Deferred tax assets		35 904	35 092	37 316
Right-of-use assets property, plant and equipment		86 939	82 806	81 724
Property, plant and equipment		8 509	8 098	8 409
Goodwill	7	1 428 246	1 419 451	1 442 849
Intangible assets	7	719 119	694 630	869 568
Cost to obtain contracts		246 459	287 728	172 656
Investments in associates and joint ventures		13 470	13 805	11 168
Other non-current financial assets		45 790	54 784	63 877
<b>Total non-current assets</b>		<b>2 584 435</b>	<b>2 596 391</b>	<b>2 687 566</b>
<b>Current assets</b>				
Intangible assets		5 319	7 518	2 880
Inventories		5 833	2 146	2 398
Trade receivables	8,12,14	2 048 036	5 256 259	1 476 927
Derivative financial instruments	9,10	1 072 647	1 449 758	193 175
Other current assets		61 636	38 847	167 065
Cash and cash equivalents		262 140	306 627	599 348
<b>Total current assets</b>		<b>3 455 611</b>	<b>7 061 155</b>	<b>2 441 793</b>
<b>Total assets</b>		<b>6 040 046</b>	<b>9 657 546</b>	<b>5 129 359</b>
<b>Equity and liabilities:</b>				
<b>Equity</b>				
Share capital		34 289	34 291	34 285
Share premium		991 998	992 094	991 614
Retained earnings		634 352	754 097	918 148
<b>Total equity</b>		<b>1 660 640</b>	<b>1 780 482</b>	<b>1 944 047</b>

# BALANCE SHEET

NOK in thousands	Note	30 September 2021	31 December 2021	31 December 2020
<b>Non-current liabilities</b>				
Employee benefit obligations	11	126 747	93 837	110 828
Interest-bearing long term debt	12	743 984	720 009	812 808
Deferred tax liabilities		91 702	118 318	130 499
Lease liability - long term		69 552	65 259	67 442
Other provisions for liabilities		17 159	16 740	14 649
<b>Total non-current liabilities</b>		<b>1 049 143</b>	<b>1 014 164</b>	<b>1 136 225</b>
<b>Current liabilities</b>				
Trade and other payables	14	1 415 035	4 516 589	1 029 604
Overdraft facilities	12	87 178	-	29 400
Current income tax liabilities		77 329	108 400	129 098
Derivative financial instruments	9,10	517 530	974 554	110 616
Social security and other taxes		85 894	116 390	143 425
Lease liability - short term		20 813	21 055	17 366
Other current liabilities	13	1 126 485	1 125 914	589 578
<b>Total current liabilities</b>		<b>3 330 264</b>	<b>6 862 901</b>	<b>2 049 087</b>
<b>Total liabilities</b>		<b>4 379 407</b>	<b>7 877 064</b>	<b>3 185 312</b>
<b>Total equity and liabilities</b>		<b>6 040 046</b>	<b>9 657 546</b>	<b>5 129 359</b>

# CASH FLOW

NOK in thousands	Note	Q3 2021	Q4 2021	Q4 2020	Full Year 2021	Full Year 2020
<b>Operating activities</b>						
Profit/ (loss) before tax		28 345	132 178	90 574	444 519	513 667
<b>Adjustments for</b>						
Depreciation	7	58 325	58 893	114 767	236 624	168 012
Depreciation right-of-use assets		4 955	5 051	3 958	19 687	13 302
Amortisation of contract assets		39 039	39 927	38 221	146 773	123 860
Impairment of intangible asset	4,7	(61)	-	197 470	9 762	197 470
Interest income		(2 934)	(3 245)	(3 196)	(12 801)	(16 814)
Interest expense lease liability		577	545	585	2 374	1 813
Interest expense		9 001	14 588	8 335	42 583	11 982
Income/loss from investments in associates and joint ventures		(380)	(335)	(2 433)	(2 637)	(1 168)
Change in long-term receivables		(1 119)	(7 501)	(7 686)	(3 882)	(7 686)
Share based payment expense		1 001	1 000	862	3 910	3 252
Change in post-employment liabilities		(521)	1 732	(331)	5 544	(302)
Payments to obtain a contract		(72 064)	(83 016)	(49 510)	(264 152)	(137 280)
<b>Changes in working capital (non-cash effect)</b>						
Impairment loss recognised in trade receivables	8	(7 597)	(4 853)	(2 478)	(57 666)	19 342
Provision for onerous contracts recognised in other current liabilities	4	428 736	(157 544)	71 023	403 535	71 023
Change in fair value of derivative financial instruments	4,9,10	(433 727)	108 528	(328 429)	(495 265)	(331 539)
<b>Changes in working capital</b>						
Inventories		268	3 686	(1 197)	251	(1 453)
Trade receivables	8	(625 364)	(3 211 078)	(790 707)	(3 740 539)	260 279
Purchase of el-certificates		(123)	271	-	(86 044)	(245 712)
Non-cash effect from cancelling el-certificates		-	-	-	85 898	263 594
Purchase of guarantees of origination		(4 483)	(2 418)	(561)	(11 206)	(4 064)
Non-cash effect from disposal of guarantees of origination		802	-	1 588	7 028	7 089
Other current assets		3 424	22 292	39 987	127 465	19 435
Trade and other payables		550 386	3 110 514	453 910	3 505 284	61 721
Other current liabilities	13	119 841	232 086	133 248	167 198	(351 741)
<b>Cash generated from operations</b>		<b>97 336</b>	<b>261 313</b>	<b>(32 001)</b>	<b>534 244</b>	<b>638 082</b>
Interest paid		(9 691)	(15 742)	(16 135)	(43 978)	(22 058)
Interest received		2 933	3 245	3 196	12 801	16 814
Income tax paid	5	-	(1 629)	(23 508)	(123 774)	(113 533)
<b>Net cash from operating activities</b>		<b>90 578</b>	<b>247 187</b>	<b>(68 448)</b>	<b>379 293</b>	<b>519 305</b>

# CASH FLOW

NOK in thousands	Note	Q3 2021	Q4 2021	Q4 2020	Full Year 2021	Full Year 2020
<b>Investing activities</b>						
Purchase of property, plant and equipment		(894)	(245)	492	(2 742)	(497)
Purchase of intangible assets	7	(12 654)	(38 021)	(14 513)	(83 225)	(64 767)
Proceeds from sale of intangible assets	7	-	-	-	-	10 000
Net cash outflow on acquisition of subsidiaries	13	-	(42 674)	(501 872)	(42 674)	(1 033 527)
Net cash outflow on acquisition of shares in associates		-	-	-	-	(10 000)
Net (outflow)/proceeds from non-current receivables		1 150	(1 492)	(17 131)	12 975	(16 985)
Net (outflow)/proceeds from other long-term liabilities		872	20	(194)	3 164	(194)
<b>Net cash used in investing activities</b>		<b>(11 525)</b>	<b>(82 412)</b>	<b>(533 219)</b>	<b>(112 502)</b>	<b>(1 115 970)</b>
<b>Financing activities</b>						
Proceeds from overdraft facilities	12	(49 623)	(87 178)	29 400	(29 400)	29 400
Proceeds from revolving credit facility	12	-	-	500 000	-	500 000
Repayment of revolving credit facility	12	-	-	(500 000)	-	(500 000)
Proceeds from issuance of shares		-	97	-	486	2 730
Dividends paid		-	-	-	(399 986)	(313 717)
Formation expenses		-	-	-	-	(10)
Proceeds from long term debt	12	-	-	477 000	-	937 000
Instalments of long term debt	12	(23 425)	(23 425)	(23 425)	(93 700)	(65 125)
Repayment of long term debt	12	-	-	-	-	(152 900)
Payment of lease liability		(4 284)	(5 448)	(3 911)	(19 095)	(12 450)
<b>Net cash used in financing activities</b>		<b>(77 331)</b>	<b>(115 954)</b>	<b>479 064</b>	<b>(541 696)</b>	<b>424 928</b>
<b>Net change in cash and cash equivalents</b>		<b>1 722</b>	<b>48 821</b>	<b>(122 603)</b>	<b>(274 905)</b>	<b>(171 738)</b>
<b>Cash and cash equivalents at start of period</b>		<b>261 282</b>	<b>262 140</b>	<b>726 400</b>	<b>599 348</b>	<b>775 536</b>
Effects of exchange rate changes on cash and cash equivalents		(863)	(4 333)	(4 450)	(17 816)	(4 450)
<b>Cash and cash equivalents at end of period</b>		<b>262 140</b>	<b>306 627</b>	<b>599 348</b>	<b>306 627</b>	<b>599 348</b>

# FORWARD-LOOKING STATEMENTS

This presentation contains, or may be deemed to contain, statements that are not historical facts but forward-looking statements with respect to Fjordkraft's expectations and plans, strategy, management's objectives, future performance, costs, revenue, earnings and other trend information. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements due to many factors, many of which are outside the control of Fjordkraft.

All forward-looking statements in this presentation are based on information available to Fjordkraft on the date hereof. All written or oral forward-looking statements attributable to Fjordkraft, any Fjordkraft employees or representatives acting on Fjordkraft's behalf are expressly qualified in their entirety by the factors referred to above. Fjordkraft undertakes no obligation to update this presentation after the date hereof.



For more information:  
Fjordkraft's Investor Relations  
Morten A. W. Opdal  
+47 970 62 526  
[morten.opdal@fjordkraft.no](mailto:morten.opdal@fjordkraft.no)