

# Fjordkraft Holding ASA and the Fjordkraft Group

Quarterly report - Q2 2021



## Q2 Highlights

- 24% YoY increase in net revenue and 14% YoY increase in EBIT adj.
- # of deliveries in the Consumer, Business and Nordic segments decreased by 1,959 in the quarter
  - This is an improvement of 15,292 vs. the development in Q1 2021
- In Q3 2021: Acquisition of SkyMobil's customer portfolio of ~38k subscribers.

## Key figures Q2

| NOK in thousands                               | Q2 2021   | Q2 2020  | YTD 2021  |
|--|-----------|----------|-----------|
| Gross revenue                                  | 2 578 081 | 671 380  | 6 641 032 |
| Net revenue                                    | 407 631   | 330 413  | 917 212   |
| Net revenue adjusted                           | 388 059   | 314 023  | 897 640   |
| EBIT reported                                  | 128 138   | 132 082  | 309 715   |
| EBIT adjusted                                  | 141 105   | 124 168  | 356 393   |
| Net income                                     | 99 212    | 102 601  | 232 856   |
| Basic earnings per share (in NOK)              | 0,87      | 0,98     | 2,04      |
| Diluted earnings per share (in NOK)            | 0,86      | 0,97     | 2,01      |
| EBIT margin                                    | 31 %      | 40 %     | 33 %      |
| EBIT margin adjusted                           | 36 %      | 40 %     | 40 %      |
| Net interest bearing debt (cash)               | 742 244   | -582 645 | 742 244   |
| Capex excl. M&A                                | 19 263    | 21 898   | 33 972    |
| Volume sold (GWh)                              | 4 324     | 2 798    | 11 700    |
| # of deliveries ('000) excl. Extended Alliance | 1 004     | 625      | 1 004     |

## Growth in net revenue and EBIT adj.

In the second quarter of 2021, the average daily system price was 647% higher than in the second quarter of 2020. While 2020 as a whole, including the second quarter, was a year with exceptionally low electricity prices due to the hydrologic balance, Q2 2021 has been affected by an increase in the price of CO2 quotas, coal and gas, in addition to low amounts of generation from wind power. Thus, Q2 2020 represented a very favourable market situation, while the market dynamics in Q2 2021 have been more neutral.

Net revenue increase 24% YoY and EBIT adj. increase 14% YoY, mainly driven by M&A. The number of electricity deliveries decreased by 1,959 in the quarter, which is a significant improvement from last quarter's development. On 25th of August, Fjordkraft announced the acquisition of SkyMobil's customer portfolio of about 38 thousand subscribers. In addition to the announced platform change within Mobile, this acquisition will contribute positively to the New Growth Initiatives segment.

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 11 thousand deliveries in the quarter. At the end of Q2 2021 the segment comprised 726 thousand deliveries, which represents a growth of 182 thousand deliveries YoY. The volume sold in second quarter 2021 was 2,073 GWh, which is a 34% increase from the second quarter 2020, driven by M&A growth.

Adjusted net revenue amounted to 240 NOKm

(230 NOKm), adjusted OPEX amounted to 165 NOKm (137 NOKm) and EBIT adj. amounted to 75 NOKm (92 NOKm). Adjusted EBIT margin in the quarter was 31%, a decrease from 40% in Q2 2020. The decrease in margin is driven by a less favourable elspot market development compared to Q2 2020. The EBIT adj. margin the last twelve months is 32%, which is in line with the segment's long-term guidance of 32-34%.

### Business

At the end of second quarter 2021, the Business segment comprised 111 thousand electricity deliveries, which represents a growth of 30 thousand deliveries YoY. The volume sold in second quarter 2021 was 1,569 GWh, an increase of 26% compared to second quarter 2020. The increase is driven by volume growth from M&A.

Adjusted net revenue was 97 NOKm (75 NOKm), adjusted OPEX of 39 NOKm (34 NOKm) and EBIT adj. was 58 NOKm (41 NOKm). Adjusted EBIT margin in the quarter was 59%, which is an increase from the 55% in Q2 2020. The growth is driven by increased volume, mainly from M&A, but also from improved margins. The EBIT adj. margin the last twelve months is 59%, which is above the segment's long-term guidance of 52-54%.

### Nordic

Nordic is a new reporting segment, comprising Switch Nordic Green with the brand Nordic Green Energy, operating in Sweden and Finland. At the end of second quarter 2021, the segment comprised 167 thousand deliveries, an increase of 6 thousand in the quarter. Volume sold was 682 GWh in the quarter. Adjusted net revenue

amounted to 35 NOKm, OPEX adjusted to 23 NOKm and EBIT adjusted amounted to 12 NOKm.

### New Growth Initiatives

At the end of second quarter 2021, the number of mobile subscribers was 134 thousand, a decrease of 1 thousand subscribers in the quarter.

Alliance volume in second quarter 2021 was 1,086 GWh, which is a 26% YoY increase driven by the inclusion of volume from the Innlandskraft transaction, while Extended Alliance deliveries increased by 22 thousand in the quarter.

Adjusted net revenue in the New Growth Initiatives segment amounts to 16 NOKm, a YoY increase of 6 NOKm. The increase in net revenue is driven by Mobile. OPEX adjusted amounted to 20 NOKm (19 NOKm), while EBIT adjusted amounted to -4 NOKm (-9 NOKm).

---

## Financials

**Gross revenue** amounted to 2,578 NOKm (671 NOKm), an increase of 284%, due to higher elspot prices and volume sold.

**Adjusted net revenue** amounted to 388 NOKm (314 NOKm), an increase of 24%. The increase is mainly driven by M&A.

**Adjusted operating expenses** amounted to 247 NOKm (190 NOKm), an increase of 30%, primarily driven by M&A.

**Adjusted EBIT** amounted to 141 NOKm (124 NOKm), a growth of 14% YoY due to the factors described above.

**Net financial income** amounted to -5 NOKm (0 NOKm).

**Profit for the period** amounted to 99 NOKm (103 NOKm) in the quarter due to the factors described above.

### Consolidated cash flow

Net cash generated from operating activities was 458 NOKm (411 NOKm). Net cash used in investing activities was -6 NOKm (-23 NOKm). Net cash used in financing activities was NOK -764 NOKm (-330 NOKm).

### Financial position

The total capital as of 30.06.2021 was 4,793 NOKm (2,071 NOKm).

### Events after the reporting period

On August 25th 2021, Fjordkraft announced the acquisition of Skymobil's mobile customer portfolio. The mobile customers will be included in the Group's New growth initiatives and contribute to increased profitability in this business area.

There are no other 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. Fjordkraft seeks to reduce market risk to a low level and does not take speculative positions in the electricity market. The upcoming certification of Norwegian electricity retailers, "Trygg Strømhandel", is expected to increase transparency and contribute to reduced risk.

---

## Outlook

The Group's growth ambitions are stated in the capital markets day material and are expected to be realised mainly through M&A, supported by a slightly positive organic growth. The Group's financial targets are presented in the quarterly presentation.

# Condensed interim financial statements



## Condensed consolidated statement of profit or loss

| NOK in thousands  | Note | Q1 2021          | Q2 2021          | Q2 2020          | YTD 2021         | YTD 2020         | Full Year 2020     |
|---|------|------------------|------------------|------------------|------------------|------------------|--------------------|
| <b>Continuing operations</b>                                  |      |                  |                  |                  |                  |                  |                    |
| Revenue   | 2,3  | 4 062 952        | 2 578 081        | 671 380          | 6 641 032        | 1 981 637        | 4 214 727          |
| Direct cost of sales  | 2    | (3 553 371)      | (2 170 449)      | (340 967)        | (5 723 820)      | (1 169 822)      | (2 647 005)        |
| <b>Revenue less direct cost of sales</b>                      |      | <b>509 581</b>   | <b>407 631</b>   | <b>330 413</b>   | <b>917 212</b>   | <b>811 815</b>   | <b>1 567 722</b>   |
| Personnel expenses  | 2    | (111 493)        | (79 849)         | (54 648)         | (191 342)        | (133 243)        | (328 485)          |
| Other operating expenses                                      | 2    | (131 246)        | (115 934)        | (97 758)         | (247 180)        | (222 352)        | (471 938)          |
| Depreciation right-of-use assets                              |      | (4 663)          | (4 997)          | (3 133)          | (9 660)          | (6 233)          | (13 302)           |
| Depreciation and amortisation                                 | 2,7  | (95 111)         | (92 104)         | (45 360)         | (187 215)        | (91 008)         | (291 872)          |
| <b>Total operating expenses</b>                               |      | <b>(342 514)</b> | <b>(292 883)</b> | <b>(200 899)</b> | <b>(635 397)</b> | <b>(452 835)</b> | <b>(1 105 596)</b> |
| Impairment and change in provision for onerous contracts      | 4    | 9 122            | (151 288)        | -                | (142 166)        | -                | (268 493)          |
| Other gains and losses, net                                   | 4,9  | 5 388            | 164 677          | 2 568            | 170 066          | 4 474            | 331 539            |
| <b>Operating profit</b>                                       |      | <b>181 577</b>   | <b>128 138</b>   | <b>132 082</b>   | <b>309 715</b>   | <b>363 453</b>   | <b>525 172</b>     |
| Income/loss from investments in associates and joint ventures |      | 734              | 1 188            | (198)            | 1 922            | (351)            | 1 168              |
| Interest income   |      | 2 499            | 4 123            | 4 067            | 6 623            | 10 448           | 16 814             |
| Interest expense lease liability                              |      | (658)            | (595)            | (410)            | (1 253)          | (838)            | (1 813)            |
| Interest expense  | 11   | (10 219)         | (8 775)          | (1 052)          | (18 994)         | (2 710)          | (11 982)           |
| Other financial items, net                                    |      | (12 922)         | (1 095)          | (2 677)          | (14 017)         | (2 437)          | (15 692)           |
| <b>Net financial income/(cost)</b>                            |      | <b>(20 566)</b>  | <b>(5 153)</b>   | <b>(270)</b>     | <b>(25 719)</b>  | <b>4 112</b>     | <b>(11 505)</b>    |
| <b>Profit/ (loss) before tax</b>                              |      | <b>161 011</b>   | <b>122 985</b>   | <b>131 812</b>   | <b>283 996</b>   | <b>367 565</b>   | <b>513 667</b>     |
| Income tax (expense)/ income                                  | 5    | (27 368)         | (23 772)         | (29 211)         | (51 140)         | (81 294)         | (113 604)          |
| <b>Profit/ (loss) for the period</b>                          |      | <b>133 643</b>   | <b>99 212</b>    | <b>102 601</b>   | <b>232 856</b>   | <b>286 271</b>   | <b>400 063</b>     |
| Basic earnings per share (in NOK)*                            | 6    | 1,17             | 0,87             | 0,98             | 2,04             | 2,74             | 3,73               |
| Diluted earnings per share (in NOK)*                          | 6    | 1,15             | 0,86             | 0,97             | 2,01             | 2,71             | 3,69               |

\* Based on a weighted average of 1 14 284 733 shares outstanding. It is issued 1 504 000 share options to employees.

## Condensed consolidated statement of comprehensive income

| NOK in thousands   | Q1 2021         | Q2 2021        | Q2 2020        | YTD 2021        | YTD 2020        | Full Year 2020  |
|--|-----------------|----------------|----------------|-----------------|-----------------|-----------------|
| <b>Profit/ (loss) for the period</b>                                       | 133 643         | 99 212         | 102 601        | 232 856         | 286 271         | 400 063         |
| <b>Other comprehensive income/ (loss):</b>                                 |                 |                |                |                 |                 |                 |
| <b>Items to be reclassified to profit or loss in subsequent periods:</b>   |                 |                |                |                 |                 |                 |
| Currency translation differences   | (43 768)        | 15 917         | -              | (27 851)        | -               | (11 201)        |
| <b>Total</b>   | <b>(43 768)</b> | <b>15 917</b>  | <b>-</b>       | <b>(27 851)</b> | <b>-</b>        | <b>(11 201)</b> |
| <b>Items that will not be reclassified to profit or loss:</b>              |                 |                |                |                 |                 |                 |
| Actuarial gain/(loss) on pension obligations (net of tax)                  | 25 830          | (2 081)        | -              | 23 749          | (26 024)        | (7 073)         |
| <b>Total</b>   | <b>25 830</b>   | <b>(2 081)</b> | <b>-</b>       | <b>23 749</b>   | <b>(26 024)</b> | <b>(7 073)</b>  |
| <b>Total other comprehensive income/ (loss) for the period, net of tax</b> | <b>(17 937)</b> | <b>13 836</b>  | <b>-</b>       | <b>(4 102)</b>  | <b>(26 024)</b> | <b>(18 273)</b> |
| <b>Total comprehensive income/ (loss) for the period</b>                   | <b>115 706</b>  | <b>113 048</b> | <b>102 601</b> | <b>228 754</b>  | <b>260 248</b>  | <b>381 790</b>  |

## Condensed consolidated statement of financial position

| NOK in thousands                                  | Note    | 31 March 2021    | 30 June 2021     | 30 June 2020     | 31 December 2020 |
|---|---------|------------------|------------------|------------------|------------------|
| <b>Assets:</b>                                    |         |                  |                  |                  |                  |
| <b>Non-current assets</b>                         |         |                  |                  |                  |                  |
| Deferred tax assets                               |         | 35 143           | 36 065           | -                | 37 316           |
| Right-of-use assets property, plant and equipment |         | 92 302           | 91 232           | 63 430           | 81 724           |
| Property, plant and equipment                     |         | 8 819            | 8 431            | 6 205            | 8 409            |
| Goodwill  | 7       | 1 424 680        | 1 429 576        | 166 696          | 1 442 849        |
| Intangible assets                                 | 7       | 798 173          | 764 586          | 172 466          | 869 568          |
| Cost to obtain contracts                          |         | 191 660          | 214 065          | 152 559          | 172 656          |
| Investments in associates and joint ventures      |         | 11 902           | 13 090           | 9 649            | 11 168           |
| Other non-current financial assets                |         | 62 488           | 46 822           | 25 764           | 63 877           |
| <b>Total non-current assets</b>                   |         | <b>2 625 166</b> | <b>2 603 866</b> | <b>596 769</b>   | <b>2 687 566</b> |
| <b>Current assets</b>                             |         |                  |                  |                  |                  |
| Intangible assets                                 |         | 3 443            | 1 698            | 1 950            | 2 880            |
| Inventories                                       |         | 6 248            | 6 101            | 801              | 2 398            |
| Trade receivables                                 | 8,11,13 | 2 279 982        | 1 416 226        | 455 853          | 1 476 927        |
| Derivative financial instruments                  | 9       | 138 514          | 438 418          | 229 834          | 193 175          |
| Other current assets                              |         | 111 145          | 65 172           | 36 038           | 167 065          |
| Cash and cash equivalents                         |         | 561 092          | 261 282          | 749 445          | 599 348          |
| <b>Total current assets</b>                       |         | <b>3 100 423</b> | <b>2 188 897</b> | <b>1 473 923</b> | <b>2 441 793</b> |
| <b>Total assets</b>                               |         | <b>5 725 589</b> | <b>4 792 763</b> | <b>2 070 691</b> | <b>5 129 359</b> |
| <b>Equity and liabilities:</b>                    |         |                  |                  |                  |                  |
| <b>Equity</b>                                     |         |                  |                  |                  |                  |
| Share capital                                     |         | 34 285           | 34 289           | 31 376           | 34 285           |
| Share premium                                     |         | 991 614          | 991 998          | 127 738          | 991 614          |
| Retained earnings                                 |         | 1 034 773        | 748 824          | 794 929          | 918 148          |
| <b>Total equity</b>                               |         | <b>2 060 672</b> | <b>1 775 112</b> | <b>954 043</b>   | <b>1 944 047</b> |



Condensed consolidated statement  
of financial position

| NOK in thousands                     | Note | 31 March<br>2021 | 30 June<br>2021  | 30 June<br>2020  | 31 December<br>2020 |
|--------------------------------------|------|------------------|------------------|------------------|---------------------|
| <b>Non-current liabilities</b>       |      |                  |                  |                  |                     |
| Employee benefit obligations         | 10   | 79 688           | 84 713           | 96 489           | 110 828             |
| Interest-bearing long term debt      | 11   | 789 260          | 766 694          | 111 200          | 812 808             |
| Deferred tax liabilities             |      | 140 118          | 135 377          | 15 800           | 130 499             |
| Lease liability - long term          |      | 78 133           | 73 892           | 54 111           | 67 442              |
| Other provisions for liabilities     |      | 14 501           | 16 399           | -                | 14 649              |
| <b>Total non-current liabilities</b> |      | <b>1 101 701</b> | <b>1 077 075</b> | <b>277 600</b>   | <b>1 136 225</b>    |
| <b>Current liabilities</b>           |      |                  |                  |                  |                     |
| Trade and other payables             | 13   | 1 365 123        | 866 070          | 160 164          | 1 029 604           |
| Overdraft facilities                 | 11   | 472 648          | 136 801          | -                | 29 400              |
| Current income tax liabilities       |      | 35 912           | 64 206           | 107 237          | 129 098             |
| Derivative financial instruments     | 9    | 53 722           | 187 750          | 214 085          | 110 616             |
| Social security and other taxes      |      | 170 295          | 84 667           | 103 669          | 143 425             |
| Lease liability - short term         |      | 17 414           | 20 654           | 12 031           | 17 366              |
| Other current liabilities            | 12   | 448 103          | 580 428          | 241 862          | 589 578             |
| <b>Total current liabilities</b>     |      | <b>2 563 216</b> | <b>1 940 576</b> | <b>839 049</b>   | <b>2 049 087</b>    |
| <b>Total liabilities</b>             |      | <b>3 664 917</b> | <b>3 017 651</b> | <b>1 116 649</b> | <b>3 185 312</b>    |
| <b>Total equity and liabilities</b>  |      | <b>5 725 589</b> | <b>4 792 763</b> | <b>2 070 691</b> | <b>5 129 359</b>    |

The Board of Fjordkraft Holding ASA, Bergen, 25 August 2021



Steinar Sønsteby  
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 | Share premium  | Treasury shares | Foreign currency translation reserve | Retained earnings | Total            |
|--|---------------|----------------|-----------------|--------------------------------------|-------------------|------------------|
| <b>Balance at 1 January 2020</b>                             | <b>31 349</b> | <b>125 035</b> | -               | -                                    | <b>846 833</b>    | <b>1 003 216</b> |
| Profit/(loss) for the period                                 | -             | -              | -               | -                                    | 286 271           | 286 271          |
| Share-based payment  | -             | -              | -               | -                                    | 1 569             | 1 569            |
| Other comprehensive income/(loss) for the period, net of tax | -             | -              | -               | -                                    | (26 024)          | (26 024)         |
| <b>Total comprehensive income/(loss) for the period</b>      | <b>-</b>      | <b>-</b>       | <b>-</b>        | <b>-</b>                             | <b>261 816</b>    | <b>261 816</b>   |
| Share capital increase (note 6)                              | 27            | 2 703          | -               | -                                    | -                 | 2 730            |
| Dividends paid (note 6)                                      | -             | -              | -               | -                                    | (313 717)         | (313 717)        |
| <b>Transactions with owners</b>                              | <b>27</b>     | <b>2 703</b>   | <b>-</b>        | <b>-</b>                             | <b>(313 717)</b>  | <b>(310 987)</b> |
| <b>Balance at 30 June 2020</b>                               | <b>31 376</b> | <b>127 738</b> | <b>-</b>        | <b>-</b>                             | <b>794 929</b>    | <b>954 043</b>   |
| <b>Balance at 1 January 2021</b>                             | <b>34 285</b> | <b>991 614</b> | -               | <b>(11 201)</b>                      | <b>929 348</b>    | <b>1 944 047</b> |
| 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)          |
| <b>Total comprehensive income/(loss) for the period</b>      | <b>-</b>      | <b>-</b>       | <b>-</b>        | <b>(27 851)</b>                      | <b>258 513</b>    | <b>230 663</b>   |
| Share capital increase (note 6)                              | 5             | 384            | -               | -                                    | -                 | 389              |
| Dividends paid (note 6)                                      | -             | -              | -               | -                                    | (399 986)         | (399 986)        |
| <b>Transactions with owners</b>                              | <b>5</b>      | <b>384</b>     | <b>-</b>        | <b>-</b>                             | <b>(399 986)</b>  | <b>(399 598)</b> |
| <b>Balance at 30 June 2021</b>                               | <b>34 289</b> | <b>991 998</b> | <b>-</b>        | <b>(39 052)</b>                      | <b>787 875</b>    | <b>1 775 112</b> |

## Condensed consolidated statement of cash flows

| NOK in thousands  | Note | Q1 2021          | Q2 2021        | Q2 2020        | YTD 2021       | YTD 2020       | Full Year 2020 |
|---|------|------------------|----------------|----------------|----------------|----------------|----------------|
| <b>Operating activities</b>   |      |                  |                |                |                |                |                |
| Profit/ (loss) before tax   |      | 161 011          | 122 985        | 131 812        | 283 996        | 367 565        | 513 667        |
| <b>Adjustments for</b>  |      |                  |                |                |                |                |                |
| Depreciation  | 7    | 61 838           | 57 569         | 17 525         | 119 407        | 34 782         | 168 012        |
| Depreciation right-of-use assets  |      | 4 663            | 4 997          | 3 133          | 9 660          | 6 233          | 13 302         |
| Amortisation of contract assets   |      | 33 273           | 34 534         | 27 835         | 67 808         | 56 226         | 123 860        |
| Impairment of intangible asset  | 4,7  | 9 533            | 290            | -              | 9 823          | -              | 197 470        |
| Interest income   |      | (2 499)          | (4 123)        | (4 067)        | (6 623)        | (10 448)       | (16 814)       |
| Interest expense lease liability  |      | 658              | 595            | 410            | 1 253          | 838            | 1 813          |
| Interest expense  |      | 10 219           | 8 775          | 1 052          | 18 994         | 2 710          | 11 982         |
| Income/loss from investments in associates and joint ventures ventures  |      | (734)            | (1 188)        | 198            | (1 922)        | 351            | (1 168)        |
| Change in long-term receivables   |      | 297              | 3 441          | 13 820         | 3 738          | -              | (7 686)        |
| Share based payment expense   |      | 919              | 990            | 802            | 1 909          | 1 579          | 3 252          |
| Change in post-employment liabilities                                   |      | 1 976            | 2 357          | (3 518)        | 4 333          | (936)          | (302)          |
| Payments to obtain a contract   |      | (53 206)         | (55 866)       | (26 245)       | (109 072)      | (49 550)       | (137 280)      |
| <b>Changes in working capital (non-cash effect)</b>                     |      |                  |                |                |                |                |                |
| Impairment loss recognised in trade receivables                         | 8    | (4 581)          | (40 635)       | 3 505          | (45 215)       | 20 240         | 19 342         |
| Provision for onerous contracts recognised in other current liabilities | 4    | (18 655)         | 150 998        | -              | 132 343        | -              | 71 023         |
| Change in fair value of derivative financial instruments                | 4,9  | (5 388)          | (164 677)      | (2 568)        | (170 066)      | (4 474)        | (331 539)      |
| <b>Changes in working capital</b>                                       |      |                  |                |                |                |                |                |
| Inventories   |      | (3 850)          | 147            | (349)          | (3 703)        | (7)            | (1 453)        |
| Trade receivables   | 8    | (813 933)        | 909 836        | 408 535        | 95 903         | 1 031 373      | 260 279        |
| Purchase of el-certificates   |      | (84 153)         | (2 039)        | -              | (86 191)       | (245 712)      | (245 712)      |
| Non-cash effect from cancelling el-certificates                         |      | 83 978           | 1 921          | (187)          | 85 898         | 263 594        | 263 594        |
| Purchase of guarantees of origination                                   |      | (4 320)          | 15             | (176)          | (4 305)        | (1 573)        | (4 064)        |
| Non-cash effect from disposal of guarantees of origination              |      | 3 949            | 2 277          | 3 143          | 6 226          | 5 501          | 7 089          |
| Other current assets  |      | 54 117           | 47 632         | 77 286         | 101 749        | (17 572)       | 19 435         |
| Trade and other payables  |      | 350 929          | (506 545)      | (227 876)      | (155 616)      | (657 979)      | 61 721         |
| Other current liabilities   | 12   | (72 240)         | (112 489)      | (15 526)       | (184 729)      | (362 662)      | (351 741)      |
| <b>Cash generated from operations</b>                                   |      | <b>(286 197)</b> | <b>461 794</b> | <b>408 542</b> | <b>175 597</b> | <b>440 079</b> | <b>638 082</b> |
| Interest paid   |      | (11 060)         | (7 485)        | (1 898)        | (18 545)       | (4 107)        | (22 058)       |
| Interest received   |      | 2 499            | 4 123          | 4 067          | 6 623          | 10 448         | 16 814         |
| Income tax paid   | 5    | (122 145)        | -              | -              | (122 145)      | (90 024)       | (113 533)      |
| <b>Net cash from operating activities</b>                               |      | <b>(416 903)</b> | <b>458 432</b> | <b>410 711</b> | <b>41 530</b>  | <b>356 395</b> | <b>519 305</b> |

Condensed consolidated statement  
of cash flows

| NOK in thousands  | Note | Q1 2021         | Q2 2021          | Q2 2020          | YTD 2021         | YTD 2020         | Full Year 2020     |
|---|------|-----------------|------------------|------------------|------------------|------------------|--------------------|
| <b>Investing activities</b>                                   |      |                 |                  |                  |                  |                  |                    |
| Purchase of property, plant and equipment                     |      | (1 291)         | (312)            | -                | (1 603)          | -                | (497)              |
| Purchase of intangible assets                                 | 7    | (13 418)        | (19 131)         | (22 724)         | (32 550)         | (37 803)         | (64 767)           |
| Proceeds from sale of intangible assets                       | 7    | -               | -                | -                | -                | 10 000           | 10 000             |
| Net cash outflow on acquisition of subsidiaries               |      | -               | -                | -                | -                | -                | (1 033 527)        |
| Net cash outflow on acquisition of shares in associates       |      | -               | -                | -                | -                | (10 000)         | (10 000)           |
| Net (outflow)/proceeds from non-current receivables           |      | 1 092           | 12 225           | (74)             | 13 317           | (399)            | (16 985)           |
| Net (outflow)/proceeds from other long-term liabilities       |      | 829             | 1 442            | -                | 2 271            | -                | (194)              |
| <b>Net cash used in investing activities</b>                  |      | <b>(12 788)</b> | <b>(5 777)</b>   | <b>(22 798)</b>  | <b>(18 565)</b>  | <b>(38 201)</b>  | <b>(1 115 970)</b> |
| <b>Financing activities</b>                                   |      |                 |                  |                  |                  |                  |                    |
| Proceeds from overdraft facilities                            | 11   | 443 248         | (335 847)        | -                | 107 401          | -                | 29 400             |
| Proceeds from revolving credit facility                       | 11   | -               | -                | -                | -                | -                | 500 000            |
| Repayment of revolving credit facility                        | 11   | -               | -                | -                | -                | -                | (500 000)          |
| Proceeds from issuance of shares                              |      | -               | 389              | 389              | 389              | 2 731            | 2 730              |
| Dividends paid  |      | -               | (399 986)        | (313 717)        | (399 986)        | (313 717)        | (313 717)          |
| Formation expenses  |      | -               | -                | (10)             | -                | (10)             | (10)               |
| Proceeds from long term debt                                  | 11   | -               | -                | -                | -                | -                | 937 000            |
| Instalments of long term debt                                 | 11   | (23 425)        | (23 425)         | (13 900)         | (46 850)         | (27 800)         | (65 125)           |
| Repayment of long term debt                                   | 11   | -               | -                | -                | -                | -                | (152 900)          |
| Payment of lease liability                                    |      | (4 530)         | (4 834)          | (2 966)          | (9 364)          | (5 488)          | (12 450)           |
| <b>Net cash used in financing activities</b>                  |      | <b>415 293</b>  | <b>(763 703)</b> | <b>(330 204)</b> | <b>(348 410)</b> | <b>(344 284)</b> | <b>424 928</b>     |
| <b>Net change in cash and cash equivalents</b>                |      | <b>(14 398)</b> | <b>(311 048)</b> | <b>57 710</b>    | <b>(325 446)</b> | <b>(26 091)</b>  | <b>(171 738)</b>   |
| <b>Cash and cash equivalents at start of period</b>           |      | <b>599 348</b>  | <b>561 092</b>   | <b>691 735</b>   | <b>599 348</b>   | <b>775 536</b>   | <b>775 536</b>     |
| Effects of exchange rate changes on cash and cash equivalents |      | (23 859)        | 11 239           | -                | (12 620)         | -                | (4 450)            |
| <b>Cash and cash equivalents at end of period</b>             |      | <b>561 092</b>  | <b>261 282</b>   | <b>749 445</b>   | <b>261 282</b>   | <b>749 445</b>   | <b>599 348</b>     |

# Notes to the condensed consolidated financial statements

|         |   |    |
|---------|---|----|
| Note 1  | Accounting policies   | 14 |
| Note 2  | Segment information   | 15 |
| Note 3  | Revenue recognition   | 21 |
| Note 4  | Impairment, change in provision for onerous contracts, and other gains and losses | 22 |
| Note 5  | Income tax  | 23 |
| Note 6  | Earnings per share  | 23 |
| Note 7  | Intangible assets   | 24 |
| Note 8  | Trade receivables   | 30 |
| Note 9  | Derivatives and fair value measurement of financial instruments                   | 31 |
| Note 10 | Pension liabilities   | 35 |
| Note 11 | Credit facilities   | 36 |
| Note 12 | Other current liabilities   | 37 |
| Note 13 | Related party transactions  | 38 |
| Note 14 | Events after the reporting period   | 39 |

---

## Note 1

# Accounting policies

### General information

Fjordkraft Holding 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.

Fjordkraft Holding ASA is incorporated and domiciled in Norway. The address of its registered office is Folke Bernadottes Vei 38, 51 47 Bergen, Norway.

These interim financial statements were approved by the Board of Directors for issue on 25 August 2021.

A review of the interim financial statements has been carried out by the independent auditor of the Group.

### 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 2020, 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 2020, 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 2021, 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 2020, 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.

---

## 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 allo-

cation 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 profit before tax earned by each segment without the allocation of non-recurring expenses, depreciation of acquisitions, impairment and change in provision for onerous contracts, other gains and losses, income/loss from investments in associates and joint ventures, interest income, interest expense, interest expense lease liability, and other financial items, net. 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 is 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 and profit by reportable segment. New growth initiatives comprise of other business activities (sale of mobile service to private customers and power sale, included related services, to Alliance Partners) which are not considered separate operating segments.

**Note 2**  
**Segment information**

| Q1 2021   |                  |                  |                 |                           |                         |                  |
|---|------------------|------------------|-----------------|---------------------------|-------------------------|------------------|
| NOK in thousands                                  | Consumer         | Business         | Nordic          | Total reportable segments | New growth initiatives* | Total segments   |
| <b>Revenue</b>                                    |                  |                  |                 |                           |                         |                  |
| Revenue adjusted                                  | 2 191 316        | 1 302 773        | 484 668         | 3 978 757                 | 84 195                  | 4 062 952        |
| <b>Total external segment revenue adjusted</b>    | <b>2 191 316</b> | <b>1 302 773</b> | <b>484 668</b>  | <b>3 978 757</b>          | <b>84 195</b>           | <b>4 062 952</b> |
| Direct cost of sales adjusted                     | (1 879 117)      | (1 164 864)      | (444 204)       | (3 488 185)               | (65 186)                | (3 553 371)      |
| <b>Revenue less direct cost of sales adjusted</b> | <b>312 199</b>   | <b>137 909</b>   | <b>40 464</b>   | <b>490 572</b>            | <b>19 009</b>           | <b>509 581</b>   |
| <b>Expenses</b>                                   |                  |                  |                 |                           |                         |                  |
| Personnel and other operating expenses adjusted   | (162 849)        | (41 424)         | (16 292)        | (220 565)                 | (24 447)                | (245 013)        |
| Depreciation and amortisation adjusted            | (39 125)         | (6 385)          | (2 586)         | (48 097)                  | (1 183)                 | (49 280)         |
| <b>Total operating expenses adjusted</b>          | <b>(201 974)</b> | <b>(47 809)</b>  | <b>(18 878)</b> | <b>(268 662)</b>          | <b>(25 631)</b>         | <b>(294 293)</b> |
| <b>Operating profit adjusted</b>                  | <b>110 224</b>   | <b>90 100</b>    | <b>21 586</b>   | <b>221 910</b>            | <b>(6 622)</b>          | <b>215 288</b>   |

| Q2 2021   |                  |                 |                 |                           |                         |                  |
|---|------------------|-----------------|-----------------|---------------------------|-------------------------|------------------|
| NOK in thousands                                  | Consumer         | Business        | Nordic          | Total reportable segments | New growth initiatives* | Total segments   |
| <b>Revenue</b>                                    |                  |                 |                 |                           |                         |                  |
| Revenue adjusted                                  | 1 307 887        | 849 929         | 315 363         | 2 473 179                 | 86 163                  | 2 559 342        |
| <b>Total external segment revenue adjusted</b>    | <b>1 307 887</b> | <b>849 929</b>  | <b>315 363</b>  | <b>2 473 179</b>          | <b>86 163</b>           | <b>2 559 342</b> |
| Direct cost of sales adjusted                     | (1 068 103)      | (753 045)       | (280 045)       | (2 101 193)               | (70 090)                | (2 171 283)      |
| <b>Revenue less direct cost of sales adjusted</b> | <b>239 784</b>   | <b>96 884</b>   | <b>35 318</b>   | <b>371 986</b>            | <b>16 073</b>           | <b>388 059</b>   |
| <b>Expenses</b>                                   |                  |                 |                 |                           |                         |                  |
| 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)         |
| <b>Total operating expenses adjusted</b>          | <b>(164 780)</b> | <b>(39 384)</b> | <b>(23 076)</b> | <b>(227 240)</b>          | <b>(19 714)</b>         | <b>(246 954)</b> |
| <b>Operating profit adjusted</b>                  | <b>75 004</b>    | <b>57 500</b>   | <b>12 242</b>   | <b>144 746</b>            | <b>(3 641)</b>          | <b>141 105</b>   |

\*Comprise of other business activities (sale of mobile services to private customers and power sale, included related services, to Alliance partners) which are not considered separate operating segments



**Note 2**  
**Segment information**

| Q2 2020   |                  |                 |          |                           |                         |                  |
|---|------------------|-----------------|----------|---------------------------|-------------------------|------------------|
| NOK in thousands                                  | Consumer         | Business        | Nordic   | Total reportable segments | New growth initiatives* | Total segments   |
| <b>Revenue</b>                                    |                  |                 |          |                           |                         |                  |
| Revenue adjusted                                  | 323 666          | 253 299         | -        | 576 965                   | 71 796                  | 648 761          |
| <b>Total external segment revenue adjusted</b>    | <b>323 666</b>   | <b>253 299</b>  | <b>-</b> | <b>576 965</b>            | <b>71 796</b>           | <b>648 761</b>   |
| Direct cost of sales adjusted                     | (94 139)         | (178 672)       | -        | (272 811)                 | (61 927)                | (334 738)        |
| <b>Revenue less direct cost of sales adjusted</b> | <b>229 527</b>   | <b>74 627</b>   | <b>-</b> | <b>304 154</b>            | <b>9 869</b>            | <b>314 023</b>   |
| <b>Expenses</b>                                   |                  |                 |          |                           |                         |                  |
| Personnel and other operating expenses adjusted   | (104 430)        | (28 696)        | -        | (133 126)                 | (16 354)                | (149 479)        |
| Depreciation and amortisation adjusted            | (32 659)         | (5 119)         | -        | (37 778)                  | (2 598)                 | (40 376)         |
| <b>Total operating expenses adjusted</b>          | <b>(137 089)</b> | <b>(33 815)</b> | <b>-</b> | <b>(170 904)</b>          | <b>(18 952)</b>         | <b>(189 856)</b> |
| <b>Operating profit adjusted</b>                  | <b>92 438</b>    | <b>40 812</b>   | <b>-</b> | <b>133 250</b>            | <b>(9 083)</b>          | <b>124 168</b>   |

| YTD 2021  |                  |                  |                 |                           |                         |                  |
|---|------------------|------------------|-----------------|---------------------------|-------------------------|------------------|
| NOK in thousands                                  | Consumer         | Business         | Nordic          | Total reportable segments | New growth initiatives* | Total segments   |
| <b>Revenue</b>                                    |                  |                  |                 |                           |                         |                  |
| Revenue adjusted                                  | 3 499 203        | 2 152 702        | 800 031         | 6 451 936                 | 170 358                 | 6 622 294        |
| <b>Total external segment revenue adjusted</b>    | <b>3 499 203</b> | <b>2 152 702</b> | <b>800 031</b>  | <b>6 451 936</b>          | <b>170 358</b>          | <b>6 622 294</b> |
| Direct cost of sales adjusted                     | (2 947 220)      | (1 917 909)      | (724 249)       | (5 589 378)               | (135 276)               | (5 724 653)      |
| <b>Revenue less direct cost of sales adjusted</b> | <b>551 983</b>   | <b>234 793</b>   | <b>75 782</b>   | <b>862 558</b>            | <b>35 082</b>           | <b>897 640</b>   |
| <b>Expenses</b>                                   |                  |                  |                 |                           |                         |                  |
| 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)        |
| <b>Total operating expenses adjusted</b>          | <b>(366 754)</b> | <b>(87 193)</b>  | <b>(41 955)</b> | <b>(495 902)</b>          | <b>(45 345)</b>         | <b>(541 247)</b> |
| <b>Operating profit adjusted</b>                  | <b>185 228</b>   | <b>147 600</b>   | <b>33 828</b>   | <b>366 656</b>            | <b>(10 263)</b>         | <b>356 393</b>   |

\*Comprise of other business activities (sale of mobile services to private customers and power sale, included related services, to Alliance partners) which are not considered separate operating segments

**Note 2**  
**Segment information**

| <b>YTD 2020</b>                                   |                  |                  |                 |                           |                         |                  |
|---|------------------|------------------|-----------------|---------------------------|-------------------------|------------------|
| NOK in thousands                                  | Consumer         | Business         | Nordic          | Total reportable segments | New growth initiatives* | Total segments   |
| <b>Revenue</b>                                    |                  |                  |                 |                           |                         |                  |
| Revenue adjusted                                  | 1 063 656        | 757 777          | -               | 1 821 433                 | 137 584                 | 1 959 017        |
| <b>Total external segment revenue adjusted</b>    | <b>1 063 656</b> | <b>757 777</b>   | <b>-</b>        | <b>1 821 433</b>          | <b>137 584</b>          | <b>1 959 017</b> |
| Direct cost of sales adjusted                     | (472 380)        | (575 031)        | -               | (1 047 411)               | (116 181)               | (1 163 592)      |
| <b>Revenue less direct cost of sales adjusted</b> | <b>591 276</b>   | <b>182 746</b>   | <b>-</b>        | <b>774 022</b>            | <b>21 403</b>           | <b>795 425</b>   |
| <b>Expenses</b>                                   |                  |                  |                 |                           |                         |                  |
| Personnel and other operating expenses adjusted   | (244 023)        | (72 821)         | -               | (316 844)                 | (35 825)                | (352 668)        |
| Depreciation and amortisation adjusted            | (66 119)         | (9 778)          | -               | (75 897)                  | (5 050)                 | (80 947)         |
| <b>Total operating expenses adjusted</b>          | <b>(310 142)</b> | <b>(82 599)</b>  | <b>-</b>        | <b>(392 741)</b>          | <b>(40 875)</b>         | <b>(433 615)</b> |
| <b>Operating profit adjusted</b>                  | <b>281 134</b>   | <b>100 147</b>   | <b>-</b>        | <b>381 281</b>            | <b>(19 472)</b>         | <b>361 810</b>   |
| <b>Full year 2020</b>                             |                  |                  |                 |                           |                         |                  |
| NOK in thousands                                  | Consumer         | Business         | Nordic          | Total reportable segments | New growth initiatives* | Total segments   |
| <b>Revenue</b>                                    |                  |                  |                 |                           |                         |                  |
| Revenue adjusted                                  | 2 144 219        | 1 479 533        | 263 894         | 3 887 645                 | 295 716                 | 4 183 361        |
| <b>Total external segment revenue adjusted</b>    | <b>2 144 219</b> | <b>1 479 533</b> | <b>263 894</b>  | <b>3 887 645</b>          | <b>295 716</b>          | <b>4 183 361</b> |
| Direct cost of sales adjusted                     | (1 039 480)      | (1 102 666)      | (245 954)       | (2 388 101)               | (251 775)               | (2 639 876)      |
| <b>Revenue less direct cost of sales adjusted</b> | <b>1 104 738</b> | <b>376 866</b>   | <b>17 940</b>   | <b>1 499 544</b>          | <b>43 941</b>           | <b>1 543 486</b> |
| <b>Expenses</b>                                   |                  |                  |                 |                           |                         |                  |
| Personnel and other operating expenses adjusted   | (531 316)        | (149 062)        | (9 256)         | (689 634)                 | (74 378)                | (764 012)        |
| Depreciation and amortisation adjusted            | (138 226)        | (21 557)         | (2 932)         | (162 715)                 | (8 481)                 | (171 196)        |
| <b>Total operating expenses adjusted</b>          | <b>(669 542)</b> | <b>(170 619)</b> | <b>(12 188)</b> | <b>(852 349)</b>          | <b>(82 859)</b>         | <b>(935 208)</b> |
| <b>Operating profit adjusted</b>                  | <b>435 196</b>   | <b>206 247</b>   | <b>5 752</b>    | <b>647 194</b>            | <b>(38 918)</b>         | <b>608 278</b>   |

\*Comprise of other business activities (sale of mobile services to private customers and power sale, included related services, to Alliance partners) which are not considered separate operating segments

**Note 2**  
**Segment information**

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

| NOK in thousands  | Q1 2021            | Q2 2021            | Q2 2020          | YTD 2021           | YTD 2020           | Full year 2020     |
|---|--------------------|--------------------|------------------|--------------------|--------------------|--------------------|
| <b>Revenue adjusted</b>                                       | <b>4 062 952</b>   | <b>2 559 342</b>   | <b>648 761</b>   | <b>6 622 294</b>   | <b>1 959 017</b>   | <b>4 183 361</b>   |
| Corporate 1)  | -                  | 18 739             | 20 904           | 18 739             | 20 904             | 29 650             |
| Special items 2)  | -                  | -                  | 1 716            | -                  | 1 716              | 1 716              |
| <b>Revenue</b>  | <b>4 062 952</b>   | <b>2 578 081</b>   | <b>671 380</b>   | <b>6 641 032</b>   | <b>1 981 637</b>   | <b>4 214 727</b>   |
| <b>Direct cost of sales adjusted</b>                          | <b>(3 553 371)</b> | <b>(2 171 283)</b> | <b>(334 738)</b> | <b>(5 724 653)</b> | <b>(1 163 592)</b> | <b>(2 639 876)</b> |
| Corporate 1)  | -                  | 834                | (6 230)          | 834                | (6 230)            | (7 129)            |
| <b>Direct cost of sales</b>                                   | <b>(3 553 371)</b> | <b>(2 170 449)</b> | <b>(340 967)</b> | <b>(5 723 820)</b> | <b>(1 169 822)</b> | <b>(2 647 005)</b> |
| <b>Revenue less direct cost of sales adjusted</b>             | <b>509 581</b>     | <b>388 059</b>     | <b>314 023</b>   | <b>897 640</b>     | <b>795 425</b>     | <b>1 543 486</b>   |
| Corporate 1)  | -                  | 19 573             | 14 674           | 19 573             | 14 674             | 22 521             |
| Special items 2)  | -                  | -                  | 1 716            | -                  | 1 716              | 1 716              |
| <b>Revenue less direct cost of sales</b>                      | <b>509 581</b>     | <b>407 631</b>     | <b>330 413</b>   | <b>917 212</b>     | <b>811 815</b>     | <b>1 567 722</b>   |
| <b>Total operating expenses adjusted</b>                      | <b>(294 293)</b>   | <b>(246 954)</b>   | <b>(189 856)</b> | <b>(541 247)</b>   | <b>(433 615)</b>   | <b>(935 208)</b>   |
| Special items 2)  | 2 354              | -                  | (2 927)          | 2 354              | (2 927)            | (42 213)           |
| Depreciation of acquisitions 3)                               | (50 575)           | (45 929)           | (8 116)          | (96 504)           | (16 293)           | (128 175)          |
| <b>Total operating expenses</b>                               | <b>(342 514)</b>   | <b>(292 883)</b>   | <b>(200 899)</b> | <b>(635 397)</b>   | <b>(452 835)</b>   | <b>(1 105 596)</b> |
| Impairment and change in provision for onerous contracts      | 9 122              | (151 288)          | -                | (142 166)          | -                  | (268 493)          |
| Other gains and losses 4)                                     | 5 388              | 164 677            | 2 568            | 170 066            | 4 474              | 331 539            |
| <b>Operating profit</b>                                       | <b>181 577</b>     | <b>128 138</b>     | <b>132 082</b>   | <b>309 715</b>     | <b>363 453</b>     | <b>525 172</b>     |
| Income/loss from investments in associates and joint ventures | 734                | 1 188              | (198)            | 1 922              | (351)              | 1 168              |
| Interest income   | 2 499              | 4 123              | 4 067            | 6 623              | 10 448             | 16 814             |
| Interest expense lease liability                              | (658)              | (595)              | (410)            | (1 253)            | (838)              | (1 813)            |
| Interest expense  | (10 219)           | (8 775)            | (1 052)          | (18 994)           | (2 710)            | (11 982)           |
| Other financial items, net                                    | (12 922)           | (1 095)            | (2 677)          | (14 017)           | (2 437)            | (15 692)           |
| <b>Profit/(loss) before tax</b>                               | <b>161 011</b>     | <b>122 985</b>     | <b>131 812</b>   | <b>283 996</b>     | <b>367 565</b>     | <b>513 667</b>     |

1) Corporate consists of estimate deviations previous year 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.

## Note 2

### Segment information

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

| NOK in thousands   | Q1 2021      | Q2 2021  | Q2 2020        | YTD 2021     | YTD 2020       | Full year 2020  |
|--|--------------|----------|----------------|--------------|----------------|-----------------|
| Special items incurred specific to:                                |              |          |                |              |                |                 |
| - acquisition related costs and implementation costs               | (7 485)      | -        | (2 927)        | (7 485)      | (2 927)        | (21 579)        |
| - income related to compensatory damages                           | -            | -        | 1 716          | -            | 1 716          | 1 716           |
| - one off amortisation of customer contracts in acquired companies | -            | -        | -              | -            | -              | (5 745)         |
| - severance packages and other one off costs in acquired companies | 6 451        | -        | -              | 6 451        | -              | (14 889)        |
| - gain from sale of trade receivables previously impaired          | 3 387        | -        | -              | 3 387        | -              | -               |
| <b>Special items</b>   | <b>2 354</b> | <b>-</b> | <b>(1 210)</b> | <b>2 354</b> | <b>(1 210)</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   | Q1 2021         | Q2 2021         | Q2 2020        | YTD 2021        | YTD 2020        | Full year 2020   |
|--|-----------------|-----------------|----------------|-----------------|-----------------|------------------|
| TrønderEnergi Marked acquisition   | (2 608)         | (2 608)         | (5 180)        | (5 217)         | (10 359)        | (20 718)         |
| Oppdal Everk Kraftomsetning acquisition  | (572)           | (572)           | (787)          | (1 144)         | (1 574)         | (3 148)          |
| Vesterålskraft Strøm acquisition   | (484)           | (484)           | (565)          | (968)           | (1 131)         | (2 261)          |
| Innlandskraft acquisition  | (35 446)        | (31 068)        | -              | (66 514)        | -               | (36 254)         |
| Troms Kraft Strøm acquisition  | (10 625)        | (10 434)        | -              | (21 059)        | -               | (7 037)          |
| Troms Kraft Strøm acquisition - Depreciation of fixed price customer contracts | -               | -               | -              | -               | -               | (52 910)         |
| Other customer acquisitions  | (839)           | (762)           | (1 584)        | (1 602)         | (3 229)         | (5 847)          |
| <b>Depreciation of acquisitions</b>  | <b>(50 575)</b> | <b>(45 929)</b> | <b>(8 116)</b> | <b>(96 504)</b> | <b>(16 293)</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.

## Note 3

### Revenue recognition

The following table summarises revenue from contracts with customers:

| <b>Revenue</b>                       | <b>Q1 2021</b>   | <b>Q2 2021</b>   | <b>Q2 2020</b> | <b>YTD 2021</b>  | <b>YTD 2020</b>  | <b>Full year 2020</b> |
|--------------------------------------|------------------|------------------|----------------|------------------|------------------|-----------------------|
| NOK in thousands                     |                  |                  |                |                  |                  |                       |
| Revenue - Consumer segment (1)       | 2 191 316        | 1 307 887        | 323 666        | 3 499 203        | 1 063 656        | 2 144 219             |
| Revenue - Business segment (2)       | 1 302 773        | 849 929          | 253 299        | 2 152 702        | 757 777          | 1 479 533             |
| Revenue - Nordic (3)                 | 484 668          | 315 363          | -              | 800 031          | -                | 263 894               |
| Revenue - New growth initiatives (4) | 84 195           | 86 163           | 71 796         | 170 358          | 137 584          | 295 716               |
| Revenue - Corporate                  | -                | 18 739           | 22 620         | 18 739           | 22 620           | 31 366                |
| <b>Total revenue</b>                 | <b>4 062 952</b> | <b>2 578 081</b> | <b>671 380</b> | <b>6 641 032</b> | <b>1 981 637</b> | <b>4 214 727</b>      |

#### Timing of revenue recognition

##### Over time:

|   | <b>Q1 2021</b>   | <b>Q2 2021</b>   | <b>Q2 2020</b> | <b>YTD 2021</b>  | <b>YTD 2020</b>  | <b>Full year 2020</b> |
|---|------------------|------------------|----------------|------------------|------------------|-----------------------|
| NOK in thousands                          |                  |                  |                |                  |                  |                       |
| Revenue - Consumer segment                | 2 166 860        | 1 281 296        | 312 256        | 3 448 156        | 1 040 762        | 2 090 297             |
| Revenue - Business segment                | 1 292 110        | 839 756          | 246 896        | 2 131 866        | 744 676          | 1 453 829             |
| Revenue - Nordic                          | 484 668          | 315 363          | -              | 800 031          | -                | 263 894               |
| Revenue - New growth initiatives          | 83 029           | 84 791           | 71 365         | 167 820          | 136 737          | 293 952               |
| Revenue - Corporate                       | -                | 18 739           | 22 620         | 18 739           | 22 620           | 31 366                |
| <b>Total revenue recognised over time</b> | <b>4 026 667</b> | <b>2 539 945</b> | <b>653 136</b> | <b>6 566 611</b> | <b>1 944 795</b> | <b>4 133 338</b>      |

##### At a point in time:

|  | <b>Q1 2021</b>   | <b>Q2 2021</b>   | <b>Q2 2020</b> | <b>YTD 2021</b>  | <b>YTD 2020</b>  | <b>Full year 2020</b> |
|--|------------------|------------------|----------------|------------------|------------------|-----------------------|
| NOK in thousands                                   |                  |                  |                |                  |                  |                       |
| Revenue - Consumer segment                         | 24 456           | 26 591           | 11 410         | 51 047           | 22 894           | 53 921                |
| Revenue - Business segment                         | 10 663           | 10 173           | 6 403          | 20 836           | 13 101           | 25 704                |
| Revenue - Nordic                                   | -                | -                | -              | -                | -                | -                     |
| Revenue - New growth initiatives                   | 1 166            | 1 372            | 431            | 2 538            | 847              | 1 764                 |
| <b>Total revenue recognised at a point in time</b> | <b>36 285</b>    | <b>38 136</b>    | <b>18 245</b>  | <b>74 421</b>    | <b>36 843</b>    | <b>81 389</b>         |
| <b>Total revenue</b>                               | <b>4 062 952</b> | <b>2 578 081</b> | <b>671 380</b> | <b>6 641 032</b> | <b>1 981 637</b> | <b>4 214 727</b>      |

(1) Revenue in the consumer segment comprise sale of electrical power to private consumers in Norway

(2) Revenue in the business segment comprise sale of electrical power to businesses in Norway

(3) Revenue in the nordic segment comprise sale of electrical power and related services to private consumers and businesses in Finland and Sweden

(4) Comprise of other business activities (sale of mobile service to private customers and power sale, included related services, to Alliance partners)

## Note 4 Impairment, change in provision for onerous contracts, and other gains and losses.

| NOK in thousands  | Note | Q1 2021       | Q2 2021          | Q2 2020      | YTD 2021         | YTD 2020     | Full year 2020   |
|---|------|---------------|------------------|--------------|------------------|--------------|------------------|
| <b>Impairment and provisions for onerous contracts:</b>             |      |               |                  |              |                  |              |                  |
| Change in provision for onerous contracts*                          |      | 18 655        | (150 998)        | -            | (132 343)        | -            | (71 023)         |
| Impairment of intangible assets - Fixed price customer contracts*   | 7    | (9 533)       | (290)            | -            | (9 823)          | -            | (180 540)        |
| Impairment of intangible assets - Software and development projects | 7    | -             | -                | -            | -                | -            | (16 930)         |
| <b>Total impairment and provisions for onerous contracts</b>        |      | <b>9 122</b>  | <b>(151 288)</b> | <b>-</b>     | <b>(142 166)</b> | <b>-</b>     | <b>(268 493)</b> |
| <b>Other gains and losses</b>                                       |      |               |                  |              |                  |              |                  |
| Change in fair value of derivative financial instruments*           | 9    | 5 388         | 164 677          | 2 568        | 170 066          | 4 474        | 331 539          |
| <b>Total other gains and losses, net</b>                            |      | <b>5 388</b>  | <b>164 677</b>   | <b>2 568</b> | <b>170 066</b>   | <b>4 474</b> | <b>331 539</b>   |
| <b>Total</b>  |      | <b>14 510</b> | <b>13 390</b>    | <b>2 568</b> | <b>27 900</b>    | <b>4 474</b> | <b>63 046</b>    |

\*The change in provision for onerous contracts and impairment of intangible assets in Q2 2021 relates to portfolios of fixed price customer contracts in the Nordic segment.

The majority of these contracts were acquired as part of the business combination when the group acquired Troms Kraft Strøm AS (rebranded to Fjordkraft Nordic AS) and its subsidiary Switch Nordic Green AB (which has end-user operations in Sweden and Finland, through the brand Nordic Green Energy) in 2020, while the remaining are new fixed price contracts entered into with customers in the Nordic segment after the business combination.

The fixed price customer contracts acquired as part of the business combination are recognised as intangible assets (refer note 7), and depreciated systematically over the contract lengths using a pattern that reflects how the acquisition value of the contracts are distributed over the remaining length of the contracts (up to five years) (cost model in IAS 38).

New fixed price customer contracts are not recognised in the balance sheet, unless the contracts are onerous contracts.

As a result of an increase in market prices of electrical power in both Sweden and Finland, indicators of impairment have been identified and impairment charges of NOKt 290 have been recognised in the second quarter. Provisions for onerous contracts have also been increased with NOKt 150 998 and the provision amounts to a total of NOKt 203 366 at 30 June 2021.

The price risk related to fixed price customer contracts are hedged with portfolios of power derivatives, recognised as derivative financial instruments and measured at fair value through profit and loss (the group does not apply hedge accounting).

Of changes in fair value of derivative financial instruments in the second quarter, net unrealised gains of NOKt 155 670 (Q1 2021: losses of NOKt 5 825, 2020: gains of NOKt 314 869) relates to these portfolios of power derivatives, and gains of NOKt 9 007 (Q1 2021: NOKt 11 214, 2020: NOKt 16 670) relates to the groups other portfolios of power derivatives.

The net effect of impairment (negative NOKt 290), increased provisions for onerous fixed price customer contracts (negative NOKt 150 998), and the change in fair value of the corresponding portfolios of hedging contracts, is a net income/gain of NOKt 4 382 in the second quarter of 2021 (Q1 2021: 3 297, 2020: NOKt 8 371). This net effect is mainly caused by imbalance between the portfolios of customer contracts, and the corresponding portfolios of hedging contracts.

## Note 5 Income tax

| NOK in thousands   | Q1 2021       | Q2 2021       | Q2 2020       | YTD 2021      | YTD 2020      | Full year 2020 |
|--|---------------|---------------|---------------|---------------|---------------|----------------|
| Profit before tax  | 161 011       | 122 985       | 131 812       | 283 996       | 367 565       | 513 667        |
| Tax expense  | (27 368)      | (23 772)      | (29 211)      | (51 140)      | (81 294)      | (113 604)      |
| Average tax rate   | 17,0 %        | 19,3 %        | 22,2 %        | 18,0 %        | 22,1 %        | 22,1 %         |
| Tax payable  | 28 960        | 28 004        | 31 077        | 56 964        | 85 605        | 127 032        |
| Adjustments to prior years tax payable                       | (4 914)       | -             | -             | (4 914)       | -             | 4 734          |
| Change in deferred tax                                       | 3 322         | (4 232)       | (1 867)       | (910)         | (4 311)       | (18 162)       |
| <b>Tax expense recognised in statement of profit or loss</b> | <b>27 368</b> | <b>23 772</b> | <b>29 211</b> | <b>51 140</b> | <b>81 294</b> | <b>113 604</b> |

## Note 6 Earnings per share

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

### Basic earnings per share

|  | Q1 2021     | Q2 2021     | Q2 2020     | YTD 2021    | YTD 2020    | Full year 2020 |
|--|-------------|-------------|-------------|-------------|-------------|----------------|
| Profit/(loss) attributable to equity holders of the company *              | 133 643     | 99 212      | 102 601     | 232 856     | 286 271     | 400 063        |
| Total comprehensive income attributable to equity holders of the company * | 115 706     | 113 048     | 102 601     | 228 754     | 260 248     | 381 790        |
| Total number of ordinary shares in issue                                   | 114 281 800 | 114 297 800 | 104 586 216 | 114 297 800 | 104 586 216 | 114 281 800    |
| Weighted average number of ordinary shares in issue                        | 114 281 800 | 114 287 667 | 104 578 749 | 114 284 733 | 104 555 730 | 107 200 552    |
| <b>Earnings per share in NOK</b>   | <b>1,17</b> | <b>0,87</b> | <b>0,98</b> | <b>2,04</b> | <b>2,74</b> | <b>3,73</b>    |
| <b>Total comprehensive income per share in NOK</b>                         | <b>1,01</b> | <b>0,99</b> | <b>0,98</b> | <b>2,00</b> | <b>2,49</b> | <b>3,56</b>    |
| Share options  | 1 520 000   | 1 504 000   | 1 150 000   | 1 504 000   | 1 150 000   | 1 190 000      |
| <b>Diluted earnings per share in NOK</b>                                   | <b>1,15</b> | <b>0,86</b> | <b>0,97</b> | <b>2,01</b> | <b>2,71</b> | <b>3,69</b>    |
| <b>Dividend per share in NOK</b>   | <b>-</b>    | <b>3,50</b> | <b>3,00</b> | <b>3,50</b> | <b>3,00</b> | <b>3,00</b>    |

\*NOK in thousands

The change in share options from March 2021 is due to the vesting in the share option program where a total of 16 000 shares were exercised.

## Note 7 Intangible assets

| Non-current intangible assets                    |                                   |                          |                     |                                |                         |   |                  |                                     |
|--|-----------------------------------|--------------------------|---------------------|--------------------------------|-------------------------|---|------------------|-------------------------------------|
| Q1 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                             | 81                                | 12 753                   | -                   | -                              | -                       | 12 834  | -                | 12 834                              |
| Additions - Internally generated                 | 123                               | 461                      | -                   | -                              | -                       | 584   | -                | 584                                 |
| Transferred from construction in progress        | 2 632                             | (2 632)                  | -                   | -                              | -                       | -   | -                | -                                   |
| Government grants (SkatteFUNN)                   | -                                 | -                        | -                   | -                              | -                       | -   | -                | -                                   |
| Disposals  | -                                 | -                        | -                   | -                              | -                       | -   | -                | -                                   |
| Currency translation differences                 | (211)                             | (10)                     | (11 355)            | (13 038)                       | (1 895)                 | (26 509)  | (18 169)         | (44 678)                            |
| <b>Accumulated cost 31 March 2021</b>            | <b>300 098</b>                    | <b>19 635</b>            | <b>758 901</b>      | <b>230 602</b>                 | <b>145 636</b>          | <b>1 454 872</b>                                    | <b>1 424 680</b> | <b>2 879 552</b>                    |
| Acc. depreciation and impairment 1 January 2021  | (1 988 202)                       | -                        | (1 494 008)         | (232 787)                      | (17 383)                | (598 398)   | -                | (598 398)                           |
| Depreciation for the period                      | (10 668)                          | -                        | (43 510)            | -                              | (6 997)                 | (61 175)  | -                | (61 175)                            |
| Impairment for the period*                       | -                                 | -                        | -                   | (9 533)                        | -                       | (9 533)   | -                | (9 533)                             |
| Disposals  | -                                 | -                        | -                   | -                              | -                       | -   | -                | -                                   |
| Currency translation differences                 | (29)                              | -                        | 716                 | 11 719                         | -                       | 12 406  | -                | 12 406                              |
| <b>Acc. depreciation and impairment 31 March</b> | <b>(209 518)</b>                  | <b>-</b>                 | <b>(192 201)</b>    | <b>(230 602)</b>               | <b>(24 380)</b>         | <b>(656 701)</b>                                    | <b>-</b>         | <b>(656 701)</b>                    |
| <b>Carrying amount 31 March 2021</b>             | <b>90 581</b>                     | <b>19 635</b>            | <b>566 700</b>      | <b>-</b>                       | <b>121 256</b>          | <b>798 173</b>                                      | <b>1 424 680</b> | <b>2 222 853</b>                    |

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



**Note 7**  
**Intangible assets**

**Non-current 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                              |
| <b>Accumulated cost 30 June 2021</b>                 | <b>319 577</b>                    | <b>19 280</b>            | <b>762 970</b>      | <b>-</b>                       | <b>146 192</b>          | <b>1 483 280</b>                                    | <b>1 429 576</b> | <b>2 912 857</b>                    |
| Acc. depreciation and impairment 1 April 2021        | (209 518)                         | -                        | (192 201)           | (230 602)                      | (24 380)                | (656 701)   | -                | (656 701)                           |
| Depreciation for the period                          | (10 922)                          | -                        | (43 316)            | -                              | (2 620)                 | (56 858)  | -                | (56 858)                            |
| Impairment for the period**                          | -                                 | -                        | -                   | (290)                          | -                       | (290)   | -                | (290)                               |
| Disposals  | -                                 | -                        | -                   | -                              | -                       | -   | -                | -                                   |
| Currency translation differences                     | 20                                | -                        | (499)               | (4 369)                        | -                       | (4 847)   | -                | (4 847)                             |
| <b>Acc. depreciation and impairment 30 June 2021</b> | <b>(220 419)</b>                  | <b>-</b>                 | <b>(236 015)</b>    | <b>-</b>                       | <b>(27 001)</b>         | <b>(718 696)</b>                                    | <b>-</b>         | <b>(718 696)</b>                    |
| <b>Carrying amount 30 June 2021</b>                  | <b>99 158</b>                     | <b>19 280</b>            | <b>526 957</b>      | <b>-</b>                       | <b>119 191</b>          | <b>764 586</b>                                      | <b>1 429 576</b> | <b>2 194 163</b>                    |

\* 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 impairment of fixed price customer contracts.

**Note 7**  
**Intangible assets**

**Non-current intangible assets**

**Q2 2020**

| 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 April 2020                              | 218 609                           | 13 929                   | 171 886             | -                              | 13 903                  | 418 328   | 166 696        | 585 024                             |
| Additions - Purchase                                 | -                                 | 21 321                   | 825                 | -                              | -                       | 22 146  | -              | 22 146                              |
| Additions - Internally generated                     | 344                               | 234                      | -                   | -                              | -                       | 578   | -              | 578                                 |
| Additions from business combinations                 | -                                 | -                        | -                   | -                              | -                       | -   | -              | -                                   |
| Transferred from construction in progress            | 16 098                            | (16 098)                 | -                   | -                              | -                       | -   | -              | -                                   |
| Government grants (SkatteFUNN)                       | -                                 | -                        | -                   | -                              | -                       | -   | -              | -                                   |
| Disposals  | -                                 | -                        | -                   | -                              | -                       | -   | -              | -                                   |
| <b>Cost price 30 June 2020</b>                       | <b>235 051</b>                    | <b>19 385</b>            | <b>172 712</b>      | <b>-</b>                       | <b>13 903</b>           | <b>441 051</b>                                      | <b>166 696</b> | <b>607 747</b>                      |
| Acc. depreciation and impairment 1 April 2020        | (152 821)                         | -                        | (88 632)            | -                              | (10 062)                | (251 515)   | -              | (251 515)                           |
| Depreciation for the period                          | (8 957)                           | -                        | (7 291)             | -                              | (826)                   | (17 074)  | -              | (17 074)                            |
| Impairment for the period                            | -                                 | -                        | -                   | -                              | -                       | -   | -              | -                                   |
| Disposals  | -                                 | -                        | -                   | -                              | -                       | -   | -              | -                                   |
| <b>Acc. depreciation and impairment 30 June 2020</b> | <b>(161 778)</b>                  | <b>-</b>                 | <b>(95 923)</b>     | <b>-</b>                       | <b>(10 888)</b>         | <b>(268 589)</b>                                    | <b>-</b>       | <b>(268 589)</b>                    |
| <b>Carrying amount 30 June 2020</b>                  | <b>73 274</b>                     | <b>19 385</b>            | <b>76 793</b>       | <b>-</b>                       | <b>3 016</b>            | <b>172 468</b>                                      | <b>166 696</b> | <b>339 162</b>                      |

**Note 7**  
**Intangible assets**

| <b>Non-current intangible assets</b>                 |  |                                 |                            |                                       |                                |  |                  |  |
|--|--|---------------------------------|----------------------------|---------------------------------------|--------------------------------|--|------------------|--|
| <b>YTD 2021</b>                                      |  |                                 |                            |                                       |                                |  |                  |  |
| NOK in thousands                                     | <b>Software and development projects</b> | <b>Construction in progress</b> | <b>Customer portfolios</b> | <b>Fixed price customer contracts</b> | <b>Other intangible assets</b> | <b>Total non-current intangible assets, excl. goodwill</b> | <b>Goodwill</b>  | <b>Total non-current intangible assets</b> |
| 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)                        | -                          | -                                     | -                              | -  | -                | -  |
| Government grants (SkatteFUNN)                       | -  | -                               | -                          | -                                     | -                              | -  | -                | -  |
| Disposals  | -  | -                               | -                          | -                                     | -                              | -  | -                | -  |
| Currency translation differences                     | (42)                                     | (6)                             | (7 466)                    | (8 379)                               | (1 339)                        | (17 232)   | (10 471)         | (27 703)                                   |
| <b>Accumulated cost 30 June 2021</b>                 | <b>319 577</b>                           | <b>19 280</b>                   | <b>762 970</b>             | <b>235 261</b>                        | <b>146 192</b>                 | <b>1 483 280</b>   | <b>1 429 576</b> | <b>2 912 858</b>                           |
| Acc. depreciation and impairment 1 January 2021      | (198 820)                                | -                               | (149 408)                  | (232 787)                             | (17 383)                       | (598 398)  | -                | (598 398)                                  |
| Depreciation for the period                          | (21 590)                                 | -                               | (86 825)                   | -                                     | (9 618)                        | (118 033)  | -                | (118 033)                                  |
| Impairment for the period**                          | -  | -                               | -                          | (9 823)                               | -                              | (9 823)  | -                | (9 823)                                    |
| Disposals  | -  | -                               | -                          | -                                     | -                              | -  | -                | -  |
| Currency translation differences                     | (9)                                      | -                               | 218                        | 7 350                                 | -                              | 7 558  | -                | 7 558                                      |
| <b>Acc. depreciation and impairment 30 June 2021</b> | <b>(220 419)</b>                         | <b>-</b>                        | <b>(236 015)</b>           | <b>(235 261)</b>                      | <b>(27 001)</b>                | <b>(718 696)</b>   | <b>-</b>         | <b>(718 696)</b>                           |
| <b>Carrying amount 30 June 2021</b>                  | <b>99 158</b>                            | <b>19 280</b>                   | <b>526 957</b>             | <b>-</b>                              | <b>119 191</b>                 | <b>764 586</b>   | <b>1 429 576</b> | <b>2 194 163</b>                           |

\* 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 impairment of fixed price customer contracts.

**Note 7**  
**Intangible assets**

| <b>Non-current intangible assets</b>                 |                                   |                          |                     |                                |                         |   |                |                                     |
|--|-----------------------------------|--------------------------|---------------------|--------------------------------|-------------------------|---|----------------|-------------------------------------|
| <b>YTD 2020</b>                                      |                                   |                          |                     |                                |                         |   |                |                                     |
| 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 2020                      | 213 393                           | 15 147                   | 170 805             | -                              | 13 903                  | 413 249   | 166 696        | 579 945                             |
| Additions - Purchase                                 | -                                 | 34 560                   | 1 906               | -                              | -                       | 36 467  | -              | 36 467                              |
| Additions - Internally generated                     | 798                               | 538                      | -                   | -                              | -                       | 1 336   | -              | 1 336                               |
| Additions from business combinations                 | -                                 | -                        | -                   | -                              | -                       | -   | -              | -                                   |
| Transferred from construction in progress            | 20 860                            | (20 860)                 | -                   | -                              | -                       | -   | -              | -                                   |
| Government grants (SkatteFUNN)                       | -                                 | -                        | -                   | -                              | -                       | -   | -              | -                                   |
| Disposals  | -                                 | (10 000)                 | -                   | -                              | -                       | (10 000)  | -              | (10 000)                            |
| Currency translation differences                     | -                                 | -                        | -                   | -                              | -                       | -   | -              | -                                   |
| <b>Accumulated cost 30 June 2020</b>                 | <b>235 051</b>                    | <b>19 385</b>            | <b>172 711</b>      | <b>-</b>                       | <b>13 903</b>           | <b>441 051</b>                                      | <b>166 696</b> | <b>607 747</b>                      |
| Acc. depreciation and impairment 1 January 2020      | (144 240)                         | -                        | (81 281)            | -                              | (9 189)                 | (234 710)   | -              | (234 710)                           |
| Depreciation for the period                          | (17 538)                          | -                        | (14 642)            | -                              | (1 699)                 | (33 879)  | -              | (33 879)                            |
| Impairment for the period*                           | -                                 | -                        | -                   | -                              | -                       | -   | -              | -                                   |
| Disposals  | -                                 | -                        | -                   | -                              | -                       | -   | -              | -                                   |
| Currency translation differences                     | -                                 | -                        | -                   | -                              | -                       | -   | -              | -                                   |
| <b>Acc. depreciation and impairment 30 June 2020</b> | <b>(161 778)</b>                  | <b>-</b>                 | <b>(95 923)</b>     | <b>-</b>                       | <b>(10 888)</b>         | <b>(268 589)</b>                                    | <b>-</b>       | <b>(268 589)</b>                    |
| <b>Carrying amount 30 June 2020</b>                  | <b>73 274</b>                     | <b>19 385</b>            | <b>76 793</b>       | <b>-</b>                       | <b>3 016</b>            | <b>172 468</b>                                      | <b>166 696</b> | <b>339 162</b>                      |

## Note 7 Intangible assets

### Non-current intangible assets

#### Full Year 2020

| 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 2020                     | 213 393                           | 15 147                   | 170 805             | -                               | 13 903                  | 413 249   | 166 696          | 579 945                             |
| Additions - Purchase                                | 204                               | 61 598                   | 338                 | -                               | -                       | 62 139  | -                | 62 139                              |
| Additions - Internally generated                    | 2 628                             | -                        | -                   | -                               | -                       | 2 628   | -                | 2 628                               |
| Additions from business combinations                | 21 760                            | 3 049                    | 601 782             | 245 664                         | 133 876                 | 1 006 131   | 1 278 400        | 2 284 530                           |
| Transferred from construction in progress           | 59 649                            | (59 649)                 | -                   | -                               | -                       | -   | -                | -                                   |
| Disposals***  | (123)                             | (11 082)                 | -                   | -                               | -                       | (11 205)  | -                | (11 205)                            |
| Currency translation differences                    | (37)                              | -                        | (2 668)             | (2 025)                         | (248)                   | (4 978)   | (2 246)          | (7 224)                             |
| <b>Accumulated cost 31 December 2020</b>            | <b>297 473</b>                    | <b>9 063</b>             | <b>770 256</b>      | <b>243 640</b>                  | <b>147 531</b>          | <b>1 467 964</b>                                    | <b>1 442 849</b> | <b>2 910 813</b>                    |
| Acc. depreciation and impairment 1 January 2020     | (144 240)                         | -                        | (81 281)            | -                               | (9 189)                 | (234 710)   | -                | (234 710)                           |
| Depreciation for the year                           | (37 668)                          | -                        | (68 159)            | (52 910)                        | (8 194)                 | (166 931)   | -                | (166 931)                           |
| Impairment for the year**                           | (16 930)                          | -                        | -                   | (180 540)                       | -                       | (197 470)   | -                | (197 470)                           |
| Disposals   | -                                 | -                        | -                   | -                               | -                       | -   | -                | -                                   |
| Currency translation differences                    | 18                                | -                        | 31                  | 663                             | -                       | 712   | -                | 712                                 |
| <b>Acc. depreciation and impairment 31 December</b> | <b>(198 820)</b>                  | <b>-</b>                 | <b>(149 408)</b>    | <b>(232 787)</b>                | <b>(17 383)</b>         | <b>(598 398)</b>                                    | <b>-</b>         | <b>(598 398)</b>                    |
| <b>Carrying amount 31 December 2020</b>             | <b>98 653</b>                     | <b>9 063</b>             | <b>620 851</b>      | <b>10 852</b>                   | <b>130 149</b>          | <b>869 568</b>                                      | <b>1 442 849</b> | <b>2 312 418</b>                    |

\*Through the acquisition of Troms Kraft Strøm AS in November 2020, a portfolios 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). Refer note 4 for more information regarding impairment of fixed price customer contracts.

\*\* As part of the business combination where the group acquired Innlandskraft AS in September 2020, the group acquired Software at total NOKt 21 760. In Q4 2020 the group decided that some of this software will not be of use to the group going forward, thus an impairment of NOKt 16 930 has been recognised.

\*\*\* Disposals of NOKt 10 000 relates to sale of asset to the associated company Metzsum AS.

## Note 8

### Trade receivables

#### 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). 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 and an analysis of whether the customer is an active customer to whom the Group continues to supply goods and services to or has ceased purchasing good or services from the Group. 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.

To account for Covid-19 effects the Group made an additional loss allowance provision of NOKt 10 800 in 2020. After an updated assessment of credit risk due to Covid-19 in the first quarter of 2021, the additional loss allowance provision was reduced to NOKt 5 400 in Q1 2021 and has remained unchanged in the second quarter of 2021. There has been no other changes in the estimation techniques or significant assumptions made during the current and prior reporting periods.

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 years 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 2020    | 30 June 2021     | 30 June 2020   | Full year 2020   |
|-------------------------------|------------------|------------------|----------------|------------------|
| Gross nominal amount          | 2 379 079        | 1 474 459        | 552 178        | 1 582 007        |
| Loss allowance provision      | (99 096)         | (58 234)         | (96 325)       | (105 080)        |
| <b>Trade receivables, net</b> | <b>2 279 982</b> | <b>1 416 225</b> | <b>455 853</b> | <b>1 476 927</b> |

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 2021       | Q2 2021       | Q2 2020       | YTD 2021      | YTD 2020      | Full year 2020 |
|--|---------------|---------------|---------------|---------------|---------------|----------------|
| Loss allowance provision, opening balance                            | 105 080       | 99 096        | 92 820        | 105 080       | 75 837        | 75 837         |
| Additions from business combinations                                 | -             | -             | -             | -             | -             | 7 778          |
| Change in loss allowance recognised in profit or loss for the period | (5 677)       | (40 999)      | 3 504         | (46 676)      | 20 488        | 21 594         |
| Currency translation difference                                      | (307)         | 137           | -             | (169)         | -             | (129)          |
| <b>Loss allowance provision, balance at end of period</b>            | <b>99 096</b> | <b>58 234</b> | <b>96 325</b> | <b>58 234</b> | <b>96 325</b> | <b>105 080</b> |

The movement in lifetime ECL in the first quarter is mainly due to reduction of the additional loss allowance provision related to Covid-19. During the second quarter of 2021, changes have been made to the Group's CRM system related to write-offs. An effect of these changes is that overdue receivables previously included in loss allowance provision has been written off. Consequently the changes has lead to a reduction in the loss allowance provision and a corresponding increase in receivables written off. The effect on net impairment expense of these changes was immaterial.

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 2021        | Q2 2021      | Q2 2020      | YTD 2021       | YTD 2020      | Full year 2020 |
|---|----------------|--------------|--------------|----------------|---------------|----------------|
| Receivables written off                                       | 984            | 49 681       | 1 052        | 50 665         | 2 223         | 6 998          |
| Movement in provision for impairment                          | (5 677)        | (40 999)     | 3 256        | (46 676)       | 20 240        | 21 594         |
| Received payment on previously written off receivables        | (3 632)        | (2 291)      | (809)        | (5 922)        | (1 868)       | (5 878)        |
| <b>Net impairment expense recognised on trade receivables</b> | <b>(8 325)</b> | <b>6 391</b> | <b>3 500</b> | <b>(1 934)</b> | <b>20 595</b> | <b>22 713</b>  |

## 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. The Group does not apply hedge-accounting, all financial electricity derivatives are measured at fair value through profit and loss.

The group has the following derivative financial instruments:

| NOK in thousands  | 31 March 2021  | 30 June 2021   | 30 June 2020   | 31 December 2020 |
|---|----------------|----------------|----------------|------------------|
| <b>Current assets</b>   |                |                |                |                  |
| Electricity Forwards with Statkraft                                 | 51 555         | 309 756        | -              | 66 843           |
| Electricity Options with Statkraft                                  | -              | -              | -              | 242              |
| Electricity Forwards with customers                                 | 84 173         | 127 074        | 220 796        | 119 654          |
| Electricity Options with customers                                  | 2 785          | 1 588          | 9 038          | 6 435            |
| Other derivatives   | -              | -              | -              | -                |
| <b>Total current assets - Derivative financial instruments</b>      | <b>138 514</b> | <b>438 418</b> | <b>229 834</b> | <b>193 175</b>   |
| <b>Current liabilities</b>  |                |                |                |                  |
| Electricity Futures with Nasdaq OMX                                 | -              | -              | -              | 13 755           |
| Electricity Forwards with Statkraft                                 | 3 821          | 465            | 80 544         | 18 449           |
| Electricity Options with Statkraft                                  | 8 388          | 1 392          | 9 791          | 7 018            |
| Electricity Forwards with customers                                 | 39 660         | 184 392        | 123 750        | 70 363           |
| Electricity Options with customers                                  | 77             | 221            | -              | 451              |
| Other derivatives   | 1 775          | 1 280          | -              | 581              |
| <b>Total current liabilities - Derivative financial instruments</b> | <b>53 722</b>  | <b>187 750</b> | <b>214 085</b> | <b>110 616</b>   |

## 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. Changes in fair value are recognised through other gains and losses, net in the consolidated statement of profit or loss. 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                | Level 1  | Level 2        | Level 3       | Total          |
|--|----------|----------------|---------------|----------------|
| <b>At 31 March 2021</b>                          |          |                |               |                |
| NOK in thousands                                 |          |                |               |                |
| <b>Financial assets</b>                          |          |                |               |                |
| Derivative financial instruments                 | -        | 111 960        | 26 554        | 138 514        |
| <b>Total financial assets at fair value</b>      | <b>-</b> | <b>111 960</b> | <b>26 554</b> | <b>138 514</b> |
| <b>Financial liabilities</b>                     |          |                |               |                |
| Derivative financial instruments                 | -        | 33 209         | 20 512        | 53 722         |
| <b>Total financial liabilities at fair value</b> | <b>-</b> | <b>33 209</b>  | <b>20 512</b> | <b>53 722</b>  |

| Recurring fair value measurements                | Level 1  | Level 2        | Level 3       | Total          |
|--|----------|----------------|---------------|----------------|
| <b>At 30 June 2021</b>                           |          |                |               |                |
| NOK in thousands                                 |          |                |               |                |
| <b>Financial assets</b>                          |          |                |               |                |
| Derivative financial instruments                 | -        | 365 560        | 72 858        | 438 418        |
| <b>Total financial assets at fair value</b>      | <b>-</b> | <b>365 560</b> | <b>72 858</b> | <b>438 418</b> |
| <b>Financial liabilities</b>                     |          |                |               |                |
| Derivative financial instruments                 | -        | 125 335        | 62 414        | 187 750        |
| <b>Total financial liabilities at fair value</b> | <b>-</b> | <b>125 335</b> | <b>62 414</b> | <b>187 750</b> |

| Recurring fair value measurements                | Level 1  | Level 2        | Level 3       | Total          |
|--|----------|----------------|---------------|----------------|
| <b>At 30 June 2020</b>                           |          |                |               |                |
| NOK in thousands                                 |          |                |               |                |
| <b>Financial assets</b>                          |          |                |               |                |
| Derivative financial instruments                 | -        | 154 616        | 75 219        | 229 834        |
| <b>Total financial assets at fair value</b>      | <b>-</b> | <b>154 616</b> | <b>75 219</b> | <b>229 834</b> |
| <b>Financial liabilities</b>                     |          |                |               |                |
| Derivative financial instruments                 | -        | 143 985        | 70 100        | 214 085        |
| <b>Total financial liabilities at fair value</b> | <b>-</b> | <b>143 985</b> | <b>70 100</b> | <b>214 085</b> |



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

| Recurring fair value measurements<br>At 31 December 2020 | Level 1  | Level 2        | Level 3       | Total          |
|--|----------|----------------|---------------|----------------|
| NOK in thousands   |          |                |               |                |
| <b>Financial assets</b>                                  |          |                |               |                |
| Derivative financial instruments                         | -        | 131 045        | 62 130        | 193 175        |
| <b>Total financial assets at fair value</b>              | <b>-</b> | <b>131 045</b> | <b>62 130</b> | <b>193 175</b> |
| <b>Financial liabilities</b>                             |          |                |               |                |
| Derivative financial instruments                         | -        | 96 045         | 14 571        | 110 616        |
| <b>Total financial liabilities at fair value</b>         | <b>-</b> | <b>96 045</b>  | <b>14 571</b> | <b>110 616</b> |

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

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

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

**Level 3:** If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities. Changes in assets and liabilities measured at fair value based on level 3 during the year are presented in the tables below.

**Valuation techniques used to determine fair values**

Specific valuation techniques used to value derivative financial instruments include present value of future cash flows, based on forward prices from Nasdaq OMX 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 forward contracts and option contracts associated with purchase and sale of electricity. Key inputs to the valuation are discount rates, contract- and market prices. Level 3 inputs consists of a) expected power price in price areas Bergen and

Kristiansand, and b) expected power price on contracts with maturity more than five years from the reporting date, as the marked for corresponding forward contracts is considered illiquid.

The fair value of cash and cash equivalents, trade receivables, other non-current financial assets and trade and other payables approximate their carrying value.

## Note 9

### Derivatives and fair value measurement of financial instruments

#### Assets and liabilities measured at fair value based on level 3

##### At 31 March 2021

| NOK in thousands  | Assets        | Liabilities   | Total, net   |
|---|---------------|---------------|--------------|
| Opening balance 1 January 2021  | 62 130        | 14 571        | 47 559       |
| Additions or derecognitions   | -             | (2 821)       | 2 821        |
| Realisations and unrealised changes in value recognised in profit or loss | (35 576)      | 8 763         | (44 339)     |
| <b>Closing balance 31 March 2021</b>                                      | <b>26 554</b> | <b>20 512</b> | <b>6 041</b> |

**Net realised gain (+) / loss (-) recognised in profit and loss Q1 2021** **36 041**

##### At 30 June 2021

| NOK in thousands  | Assets        | Liabilities   | Total, net    |
|---|---------------|---------------|---------------|
| Opening balance 1 April 2021  | 26 554        | 20 512        | 6 041         |
| Additions or derecognitions   | -             | (1)           | 1             |
| Realisations and unrealised changes in value recognised in profit or loss | 46 304        | 41 903        | 4 401         |
| <b>Closing balance 30 June 2021</b>                                       | <b>72 858</b> | <b>62 414</b> | <b>10 443</b> |

**Net realised gain (+) / loss (-) recognised in profit and loss Q2 2021** **5 267**

##### At 30 June 2020

| NOK in thousands  | Assets        | Liabilities   | Total, net   |
|---|---------------|---------------|--------------|
| Opening balance 1 April 2020  | 122 937       | 117 166       | 5 771        |
| Additions or derecognitions   | (1 777)       | (1 577)       | 200          |
| Realisations and unrealised changes in value recognised in profit or loss | (45 941)      | (45 488)      | (453)        |
| <b>Closing balance 30 June 2020</b>                                       | <b>75 219</b> | <b>70 100</b> | <b>5 118</b> |

**Net realised gain (+) / loss (-) recognised in profit and loss Q2 2020** **(2 157)**

##### At 31 December 2020

| NOK in thousands  | Assets        | Liabilities   | Total, net    |
|---|---------------|---------------|---------------|
| Opening balance 1 January 2020  | 28 399        | 24 220        | 4 179         |
| Additions or derecognitions   | (2 087)       | (7 422)       | 5 335         |
| Realisations and unrealised changes in value recognised in profit or loss | 35 818        | (2 227)       | 38 045        |
| <b>Closing balance 31 December 2020</b>                                   | <b>62 130</b> | <b>14 571</b> | <b>47 559</b> |

**Net realised gain (+) / loss (-) recognised in profit and loss 2020** **(9 456)**

#### Sensitivity analysis of factors classified to level 3

| NOK in thousands             | 10 % reduction | 10 % increase |
|------------------------------|----------------|---------------|
| Net effect from power prices | (8 128)        | 8 128         |

#### Fair value of other financial instruments

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 2021.

## Note 10

### Pension liabilities

#### Amounts recognised in Statement of financial position

| NOK in thousands  | 31 Mar 2021        | 30 June 2021        | 30 June 2020        | 31 Dec 2020        |
|---|--------------------|---------------------|---------------------|--------------------|
| Present value of funded obligations   | 332 808            | 335 212             | 221 153             | 349 080            |
| Fair value of plan assets   | 315 506            | 317 345             | 196 857             | 304 808            |
| <b>Deficit for funded plans</b>   | <b>17 302</b>      | <b>17 866</b>       | <b>24 295</b>       | <b>44 272</b>      |
| Present value of unfunded obligations   | 59 628             | 64 089              | 71 203              | 64 164             |
| <b>Total deficit of defined benefit pension plans</b>                             | <b>76 930</b>      | <b>81 955</b>       | <b>95 498</b>       | <b>108 436</b>     |
| Other employee benefit obligations  | 2 759              | 2 759               | 991                 | 2 392              |
| <b>Employee benefit obligations recognised in Statement of financial position</b> | <b>79 688</b>      | <b>84 713</b>       | <b>96 489</b>       | <b>110 828</b>     |
| <b>Significant actuarial assumptions</b>  | <b>31 Mar 2021</b> | <b>30 June 2021</b> | <b>30 June 2020</b> | <b>31 Dec 2020</b> |
| Discount rate   | 2,10 %             | 1,90 %              | 1,70 %              | 1,50 %             |
| Salary growth rate  | 2,00 %             | 2,00 %              | 2,00 %              | 2,00 %             |
| Expected growth in base social security amount (G)                                | 2,00 %             | 2,00 %              | 1,80 %              | 1,75 %             |
| Estimated return on plan assets   | 2,10 %             | 1,90 %              | 1,00 %              | 1,50 %             |
| Pension growth rate   | 1,25 %             | 1,25 %              | 1,25 %              | 1,00 %             |

## Note 11

### Credit facilities

#### Long term debt

| NOK in thousands | Effective interest rate | 31 Mar 2021    | 30 June 2021   | 30 June 2020   | 31 Dec 2020    |
|------------------|-------------------------|----------------|----------------|----------------|----------------|
| Term loan        | NIBOR 3 months + 1,35 % | -              | -              | 166 800        | -              |
| Term loan        | NIBOR 3 months + 1,75 % | 890 150        | 866 725        | -              | 913 575        |
| <b>Total</b>     |                         | <b>890 150</b> | <b>866 725</b> | <b>166 800</b> | <b>913 575</b> |

#### Credit facilities agreement

In September 2020 Fjordkraft 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

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

Fjordkraft may draw upon the term loan facility until 31 October 2021. The termination date of the loan is in September 2023, though Fjordkraft has the option to extend the termination date by two periods of twelve months. Each term loan drawn upon the facility is to be repaid in quarterly repayments of 2,5 % of the original amount of the term loan, with the remainder being repaid in full on the termination date. The reference interest rate is NIBOR.

NOKt 460 000 was drawn upon this facility in September 2020, in order to repay the former term loan, and to partly finance the acquisition of Innlandskraft AS. In November 2020 additional NOKt 477 000 was drawn upon the facility in order to partly finance the acquisition of Troms Kraft Strøm AS. Quarterly instalments of NOKt 23 425 was repaid in December 2020, in March 2021, and in June 2021. At 30 June 2021 the remaining term loan principal balance is NOKt 866 725.

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 revolving credit facility is available up until one month before the termination date. The termination date is in September 2023, though Fjordkraft has the option to extend the termination date by two periods of twelve months. Any drawings for the purpose of financing permitted acquisitions shall be converted into term loan drawings with the same repayment profile as the acquisition facility, and amounts so converted shall not be available for re-drawing.

The group has not made any drawings and/or repayments on this facility in Q2 2021. At 30 June 2021 the total revolving credit facility of NOKt 500 000 is undrawn.

#### The guarantee facility - NOKt 2 250 000

The purpose of the guarantee facility is the issuance of guarantees and letters of credit for the general corporate and working capital purpose of the group, hereunder guarantees related to re-invoicing agreements with grid owners, property rental agreements and so on. The termination date of the guarantee facility is in September 2023, though Fjordkraft has the option to extend the termination date by two periods of twelve months.

At 30 June 2021 guarantees of total NOKt 1 758 293 are issued under the guarantee facility.

#### The overdraft facility - NOKt 1 000 000

The overdraft facility is available one year from the agreement date in September 2020, and it will be renewed for another year unless Fjordkraft requests otherwise.

At 30 June 2021 a total of NOKt 136 801 are drawn upon the overdraft facility.

#### Security

The groups trade receivables has been pledged as security for all credit facilities under the new facilities agreement.

#### Transactions costs

Transactions costs of NOKt 8 577 related to establishing the new Term loan facility are recognised as part of amortised cost of the Term loan. Transaction costs related to establishing the The RCF, The guarantee facility, and the overdraft facility of a total NOKt 15 980, are amortised on a straight line basis over the period from establishing the facilities to the termination date.

#### 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 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.

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

## Note 12

### Other current liabilities

| NOK in thousands  | Note | 31 March 2021  | 30 June 2021   | 30 June 2020   | 31 Dec 2020    |
|---|------|----------------|----------------|----------------|----------------|
| El-certificate cancellation liabilities                   |      | 8 138          | 9 594          | 39 256         | 87 514         |
| Accrued power purchase                                    |      | 98 909         | 96 548         | 16 271         | 76 549         |
| Provisions for onerous contracts                          | 4    | 50 948         | 203 256        | -              | 78 515         |
| Prepayments from customers                                |      | 64 382         | 68 300         | 87 861         | 119 631        |
| Installments on long term loan due within 12 months       | 11   | 93 700         | 93 700         | 55 600         | 93 700         |
| Payroll liabilities                                       |      | 58 915         | 51 017         | 19 101         | 44 059         |
| Unsettled part of consideration for business combinations |      | 48 812         | 48 812         | -              | 48 812         |
| Other current liabilities                                 |      | 24 299         | 9 200          | 23 773         | 40 798         |
| <b>Total other current liabilities</b>                    |      | <b>448 103</b> | <b>580 428</b> | <b>241 862</b> | <b>589 578</b> |

## Note 13 Related party transactions

Per 30 June 2021, 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 BKK AS. In the general meeting held in the second quarter of 2021, this board member was not re-elected. BKK 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 2021 | Q2 2021 | Q2 2020 | YTD 2021 | YTD 2020 | Full year 2020 |
|-------------------------|-------------------|--------------------------|---------|---------|---------|----------|----------|----------------|
| BKK AS and subsidiaries | Major shareholder | Sale of electrical power | 23 443  | 7 688   | 5 502   | 31 131   | 11 871   | 21 707         |

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

### Expenses to related parties

| Related party           | Relation           | Purpose of transactions      | Q1 2021 | Q2 2021 | Q2 2020 | YTD 2021 | YTD 2020 | Full year 2020 |
|-------------------------|--------------------|------------------------------|---------|---------|---------|----------|----------|----------------|
| BKK AS and subsidiaries | Major shareholder  | Purchase of electrical power | 4 312   | 2 276   | 2 988   | 6 588    | 5 557    | 10 573         |
| BKK AS and subsidiaries | Major shareholder  | Purchase of other services   | 6 745   | 5 980   | 6 559   | 12 726   | 13 097   | 25 925         |
| Metzum AS               | Associated company | Purchase of other services   | 10 568  | 8 594   | 2 987   | 19 162   | 6 100    | 21 191         |

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

### Purchase of assets

| Related party           | Relation           | Purpose of transactions        | Q1 2021 | Q2 2021 | Q2 2020 | YTD 2021 | YTD 2020 | Full year 2020 |
|-------------------------|--------------------|--------------------------------|---------|---------|---------|----------|----------|----------------|
| BKK AS and subsidiaries | Major shareholder  | Purchase of customer portfolio | -       | 181     | 374     | 181      | 447      | 539            |
| Metzum AS               | Associated company | Research and development       | 3 402   | 2 496   | 6 265   | 5 898    | 12 969   | 20 012         |

### Distributions to related parties

| Related party | Relation          | Purpose of transactions | Q1 2021 | Q2 2021 | Q2 2020 | YTD 2021 | YTD 2020 | Full year 2020 |
|---------------|-------------------|-------------------------|---------|---------|---------|----------|----------|----------------|
| BKK AS        | Major shareholder | Dividend                | -       | -       | 47 799  | -        | 47 799   | 47 799         |

### Current receivables from related parties

| Related party           | Relation          | Purpose of transactions  | 30 March 2021 | 30 June 2021 | 30 June 2020 | 31 Dec 2020 |
|-------------------------|-------------------|--------------------------|---------------|--------------|--------------|-------------|
| BKK AS and subsidiaries | Major shareholder | Sale of electrical power | 6 409         | -            | 1 621        | 2 382       |

### Current liabilities to related parties

| Related party           | Relation           | Purpose of transactions    | 30 March 2021 | 30 June 2021 | 30 June 2020 | 31 Dec 2020 |
|-------------------------|--------------------|----------------------------|---------------|--------------|--------------|-------------|
| BKK AS and subsidiaries | Major shareholder  | Purchase of other services | -             | -            | 191          | 824         |
| Metzum AS               | Associated company | Research and development   | 1 342         | 74           | 3 813        | 3 215       |

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

---

## Note 14 Events after the reporting period

On August 25th 2021, Fjordkraft announced the acquisition of Skymobil's mobile customer portfolio. The mobile customers will be included in the Group's New growth initiatives and contribute to increased profitability in this business area.

There are no other 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 2021, 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 2021 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 2021, and major related party transactions.

The Board of Fjordkraft Holding ASA, Bergen, 25 August 2021



**Steinar Sønsteby**  
Chairman



**Elisabeth M. Norberg**  
Board member



**Per Oluf Solbraa**  
Board member



**Tone Wille**  
Board member



**Heidi Theresa Ose**  
Board member



**Marianne Unhjem-Solbjørg**  
Board member



**Frank Økland**  
Board member



**Live Bertha Haukvik**  
Board member



**Rolf Barmen**  
CEO



# Deloitte.

Deloitte AS  
Lars Hilles gate 30  
Postboks 6013 Postterminalen  
NO-5892 Bergen  
Norway

Tel: +47 55 21 81 00  
www.deloitte.no

To the Board of Directors of Fjordkraft Holding ASA

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

### *Introduction*

We have reviewed the accompanying condensed consolidated interim financial statement of Fjordkraft Holding ASA. The condensed consolidated interim financial statement consists of the condensed consolidated statement of financial position as of 30 June 2021, the condensed consolidated statement of profit or loss, the condensed consolidated statement of comprehensive income (loss), the condensed statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with IAS 34 Interim Financial Reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

### *Scope of Review*

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISAs), and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information does not present fairly, in all material respects, the financial position of the entity as at 30 June 2021, and its financial performance and its cash flows for the six-month period then ended in accordance with IAS 34 Interim Financial Reporting.

Bergen, 25 August 2021  
Deloitte AS



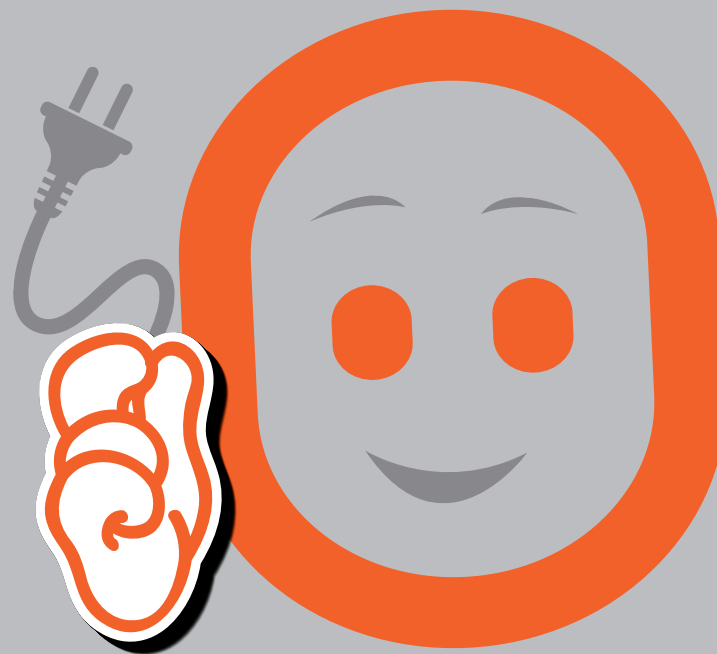
**Helge-Roald Johnsen**  
State Authorised Public Accountant

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"), DTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTL and each DTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTL does not provide services to clients. Please see [www.deloitte.no](http://www.deloitte.no) to learn more.

© Deloitte AS

Registrert i Foretaksregisteret Medlemmer av Den norske Revisorforening  
Organisasjonsnummer: 980 211 282

# 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 3rd of 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:

- *Estimate deviations from previous years:* 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
- *Other gains and losses, net:* Consist of gains and losses on derivative financial instruments associated with the purchase and sale of electricity
- *Impairment & change in provision for onerous contracts:* Consist of impairment of intangible

assets and changes in provision for onerous contracts related to fixed price customer contracts

- *Special items:* Items that are not part of the ordinary business, such as acquisition related costs and launch of new services
- *Depreciation of acquisitions:* Depreciation related to customer portfolios and acquisitions of companies. The Group has decided to report the operating profit of the segments adjusted for depreciation of acquisitions

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

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

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

### EBITDA adjusted

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

- *Estimate deviations from previous years:* 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
- *Other gains and losses, net:* Consist of gains and losses on derivative financial instruments associated with the purchase and sale of electricity
- *Impairment & change in provision for onerous contracts:* Consist of impairment of intangible assets and changes in provision for onerous contracts related to fixed price customer contracts
- *Special items:* Items that are not part of the ordinary business, such as acquisition related costs and launch of new services

## Alternative performance measures

**Gross revenue** is equivalent to *Revenue* as stated in the statement of profit or loss.

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

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

**Net interest-bearing debt (NIBD)** shows the net cash position and how much cash would remain if all interest-bearing debt was paid. The calculation is total interest-bearing liabilities deducted 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:

- *Estimate deviations from previous years:* A large proportion of the Group's final settle-

ment 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

- *Other special revenue adjustments:* which represents non-recurring income which is recognised in the profit or loss for the period

**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, 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, lease liability - short term, and other current liabilities. First year instalments related to long term debt from acquisition is classified as interest bearing debt.

**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 2021          | Q2 2021          | Q2 2020          | YTD 2021         | YTD 2020         | Full year 2020   |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| Operating income                                       | 4 062 952        | 2 578 081        | 671 380          | 6 641 032        | 1 981 637        | 4 214 727        |
| Cost of sales  | (3 553 371)      | (2 170 449)      | (340 967)        | (5 723 820)      | (1 169 822)      | (2 647 005)      |
| <b>Net revenue</b>                                     | <b>509 581</b>   | <b>407 631</b>   | <b>330 413</b>   | <b>917 212</b>   | <b>811 815</b>   | <b>1 567 722</b> |
| Personnel expenses                                     | (111 493)        | (79 849)         | (54 648)         | (191 342)        | (133 243)        | (328 485)        |
| Other operating expenses                               | (131 246)        | (115 934)        | (97 758)         | (247 180)        | (222 352)        | (471 938)        |
| <b>Operating expenses</b>                              | <b>(242 739)</b> | <b>(195 783)</b> | <b>(152 406)</b> | <b>(438 522)</b> | <b>(355 595)</b> | <b>(800 422)</b> |
| Impairment & change in provision for onerous contracts | 9 122            | (151 288)        | -                | (142 166)        | -                | (268 493)        |
| Other gains and losses, net                            | 5 388            | 164 677          | 2 568            | 170 066          | 4 474            | 331 539          |
| <b>EBITDA</b>  | <b>281 352</b>   | <b>225 238</b>   | <b>180 575</b>   | <b>506 590</b>   | <b>460 694</b>   | <b>830 346</b>   |
| Depreciation & amortisation                            | (99 774)         | (97 101)         | (48 493)         | (196 875)        | (97 241)         | (305 174)        |
| <b>EBIT reported (Operating profit)</b>                | <b>181 577</b>   | <b>128 138</b>   | <b>132 082</b>   | <b>309 715</b>   | <b>363 453</b>   | <b>525 172</b>   |
| Net financials   | (20 566)         | (5 153)          | (270)            | (25 719)         | 4 112            | (11 505)         |
| <b>Profit/ (loss) before taxes</b>                     | <b>161 011</b>   | <b>122 985</b>   | <b>131 812</b>   | <b>283 996</b>   | <b>367 565</b>   | <b>513 667</b>   |
| Taxes  | (27 368)         | (23 772)         | (29 211)         | (51 140)         | (81 294)         | (113 604)        |
| <b>Profit/ (loss) for the period</b>                   | <b>133 643</b>   | <b>99 212</b>    | <b>102 601</b>   | <b>232 856</b>   | <b>286 271</b>   | <b>400 063</b>   |
| <b>EBIT reported margin</b>                            | <b>36%</b>       | <b>31%</b>       | <b>40%</b>       | <b>34%</b>       | <b>45%</b>       | <b>33%</b>       |

## Alternative performance measures

### Adjusted amounts:

| NOK in thousands  | Q1 2021        | Q2 2021        | Q2 2020        | YTD 2021       | YTD 2020       | Full year 2020   |
|---|----------------|----------------|----------------|----------------|----------------|------------------|
| <b>Net revenue</b>  | <b>509 581</b> | <b>407 631</b> | <b>330 413</b> | <b>917 212</b> | <b>811 815</b> | <b>1 567 722</b> |
| Adjustment: (Positive/ negative estimate deviations previous year)  | -              | (19 573)       | (14 674)       | (19 573)       | (14 674)       | (22 521)         |
| Special items*  | -              | -              | (1 716)        | -              | (1 716)        | (1 716)          |
| <b>Net revenue adjusted</b>   | <b>509 581</b> | <b>388 059</b> | <b>314 023</b> | <b>897 640</b> | <b>795 425</b> | <b>1 543 486</b> |
| <b>EBITDA</b>   | <b>281 352</b> | <b>225 238</b> | <b>180 575</b> | <b>506 590</b> | <b>460 694</b> | <b>830 346</b>   |
| Adjustment: (Positive/ negative estimate deviations previous year)  | -              | (19 573)       | (14 674)       | (19 573)       | (14 674)       | (22 521)         |
| Impairment & change in provision for onerous contracts              | (9 122)        | 151 288        | -              | 142 166        | -              | 268 493          |
| Other gains and losses  | (5 388)        | (164 677)      | (2 568)        | (170 066)      | (4 474)        | (331 539)        |
| Special items*  | (2 354)        | -              | 1 210          | (2 354)        | 1 210          | 34 694           |
| <b>EBITDA adjusted (before unallocated and estimate deviations)</b> | <b>264 488</b> | <b>192 276</b> | <b>164 544</b> | <b>456 764</b> | <b>442 757</b> | <b>779 472</b>   |
| <b>EBIT reported (Operating profit)</b>                             | <b>181 577</b> | <b>128 138</b> | <b>132 082</b> | <b>309 715</b> | <b>363 453</b> | <b>525 172</b>   |
| Adjustment: (Positive/ negative estimate deviations previous year)  | -              | (19 573)       | (14 674)       | (19 573)       | (14 674)       | (22 521)         |
| Impairment & change in provision for onerous contracts              | (9 122)        | 151 288        | -              | 142 166        | -              | 268 493          |
| Other gains and losses  | (5 388)        | (164 677)      | (2 568)        | (170 066)      | (4 474)        | (331 539)        |
| Special items*  | (2 354)        | -              | 1 210          | (2 354)        | 1 210          | 40 497           |
| Part of depreciation related to acquisitions                        | 50 575         | 45 929         | 8 116          | 96 504         | 16 293         | 128 175          |
| <b>EBIT adjusted (before unallocated and estimate deviations)</b>   | <b>215 288</b> | <b>141 105</b> | <b>124 168</b> | <b>356 393</b> | <b>361 810</b> | <b>608 276</b>   |
| <b>EBIT margin adjusted</b>   | <b>42%</b>     | <b>36%</b>     | <b>40%</b>     | <b>40%</b>     | <b>45%</b>     | <b>39%</b>       |

\* Special items consists of the following:

| NOK in thousands   | Q1 2021      | Q2 2021  | Q2 2020        | YTD 2021     | YTD 2020       | Full year 2020  |
|--|--------------|----------|----------------|--------------|----------------|-----------------|
| - acquisition related costs and implementation costs               | (7 485)      | -        | (2 927)        | (7 485)      | (2 927)        | (21 579)        |
| - income related to compensatory damages                           | -            | -        | 1 716          | -            | 1 716          | 1 716           |
| - one off amortisation of customer contracts in acquired companies | -            | -        | -              | -            | -              | (5 745)         |
| - severance packages and other one off costs in acquired companies | 6 451        | -        | -              | 6 451        | -              | (14 889)        |
| - gain from sale of trade receivables previously impaired          | 3 387        | -        | -              | 3 387        | -              | -               |
| <b>Special items</b>   | <b>2 354</b> | <b>-</b> | <b>(1 210)</b> | <b>2 354</b> | <b>(1 210)</b> | <b>(40 497)</b> |

## Alternative performance measures

## Other financial APM's

## Net interest bearing debt (cash)

| NOK thousands   | 31 Mar 2021    | 30 June 2021   | 30 June 2020     | 31 Dec 2020    |
|---|----------------|----------------|------------------|----------------|
| Interest-bearing long term debt   | 789 260        | 766 694        | 111 200          | 812 808        |
| Transaction costs recognised as part of amortised cost of Interest-bearing long term debt | 7 190          | 6 331          | -                | 7 067          |
| Reclassification of first year instalments long term debt                                 | 93 700         | 93 700         | 55 600           | 93 700         |
| Overdraft facilities  | 472 648        | 136 801        | -                | 29 400         |
| Cash and cash equivalents   | (561 092)      | (261 282)      | (749 445)        | (599 348)      |
| <b>Net interest bearing debt (cash)</b>   | <b>801 707</b> | <b>742 244</b> | <b>(582 645)</b> | <b>343 626</b> |

## Financial position related APM's

| NOK thousands                      | Q1 2021 | Q2 2021 | Q2 2020  | YTD 2021 | YTD 2020 | Full year 2020 |
|------------------------------------|---------|---------|----------|----------|----------|----------------|
| Net working capital                | 542 463 | 217 540 | (58 971) | 217 540  | (58 971) | (105 875)      |
| OpFCF before tax and change in NWC | 196 573 | 117 147 | 116 400  | 313 720  | 357 311  | 577 266        |
| Capex excl. M&A                    | 14 709  | 19 263  | 21 898   | 33 972   | 35 896   | 64 926         |

## Non-financial APM's

## Deliveries

| Numbers in thousands                           | Q1 2021      | Q2 2021      | Q2 2020    | YTD 2021     | YTD 2020   | Full year 2020 |
|--|--------------|--------------|------------|--------------|------------|----------------|
| Electrical deliveries Consumer segment         | 736          | 726          | 544        | 726          | 544        | 755            |
| Electrical deliveries Business segment         | 109          | 111          | 81         | 111          | 81         | 107            |
| Electrical deliveries Nordic segment           | 161          | 167          | -          | 167          | -          | 164            |
| <b>Total number of electrical deliveries *</b> | <b>1 006</b> | <b>1 004</b> | <b>625</b> | <b>1 004</b> | <b>625</b> | <b>1 027</b>   |
| Number of mobile subscriptions                 | 135          | 134          | 118        | 134          | 118        | 132            |

\* Number of deliveries excl. Extended Alliance deliveries. Number of deliveries incl. Extended Alliance deliveries: 1 085 thousand in Q2 2021.

| Volume in GWh       | Q1 2021      | Q2 2021      | Q2 2020      | YTD 2021      | YTD 2020     | Full year 2020 |
|---------------------|--------------|--------------|--------------|---------------|--------------|----------------|
| Consumer segment    | 3 735        | 2 073        | 1 549        | 5 808         | 3 877        | 8 144          |
| Business segment    | 2 635        | 1 569        | 1 249        | 4 204         | 3 075        | 6 275          |
| Nordic segment      | 1 005        | 682          | -            | 1 687         | -            | 497            |
| <b>Total volume</b> | <b>7 376</b> | <b>4 324</b> | <b>2 798</b> | <b>11 700</b> | <b>6 952</b> | <b>14 916</b>  |