

Q3 2022
Quarterly report

Elmera Group



Q3 Highlights

- Strong financial results across all reporting segments. Group net revenue of 424 NOKm (+15% YoY) and EBIT adj. of 121 NOKm (+33% YoY).
- Customer growth of 3.5k deliveries in the Consumer segment in the quarter. The trend was positive through the quarter – and has accelerated so far in Q4.
- Positive volume effect from fixed price contracts in the Nordic segment has offset negative effects from profile costs in the quarter.
- Business matrix organisation fully implemented. High activity across brands and borders and all-time high pipeline Q422 and Q123.
- More than 400.000 customers and alliance partners' customers now use the group's mobile apps.

Key figures Q3

Revenue			
NOK in thousands	Q3 2022	Q3 2021	Full year 2021
Revenue adjusted	6 260 279	2 393 928	15 200 165
Direct cost of sales adjusted	(5 836 540)	(2 024 434)	(13 475 788)
Net revenue adjusted	423 739	369 494	1 724 378
Personnel and other operating expenses adjusted	(238 188)	(222 298)	(899 993)
Depreciation and amortisation adjusted	(64 516)	(56 033)	(214 455)
Total operating expenses adjusted	(302 704)	(278 332)	(1 114 448)
Operating profit adjusted	121 035	91 163	609 930
Acquisition related costs	-	-	(1 034)
Other one-off items	-	-	3 387
Depreciation of acquisitions	(32 775)	(46 295)	(188 629)
Estimate deviations	-	(10 210)	11 515
Unrealised gains and losses on derivatives	1 051 400	433 727	1 088 469
Change in provisions for onerous contracts	(1 067 974)	(428 736)	(996 739)
Impairment of intangible assets	-	62	(9 762)
Operating profit (EBIT)	71 686	39 709	517 138

Strong quarter in a challenging market

The third quarter of 2022 was a strong quarter for Elmera Group. The Group's net revenue adj. was 424 NOKm, a growth of 15% YoY, while EBIT adj. was 121 NOKm in the quarter, an increase of 33% YoY. Electricity prices have been high, but also very volatile, driven by the geopolitical situation in combination with reduced nuclear power generation and weak hydrology. The peak/off-peak price differences and area price differences are still significant and continue to impact profile costs in the Nordic segment, but positive volume effects offset the negative impact from profile costs in the segment this quarter.

In the Consumer segment, the positive trend in customer development continues from the last quarters, and in Q3 the growth was 3 500 deliveries. The sales activity was also high across the brands in the Business segment, and the pipeline for the next quarters is at an all-time high level. Solar panel solutions continue to be in high demand, and the sales capacity has been increased to meet the increased demand.

The interest expense for credit related to electricity purchase from Statkraft Energi AS, the Group's main supplier of electrical power, has in previous reporting been recorded in Direct cost of sales. From this quarterly report and going forward the interest compensation will be reported in Interest expense. Comparable figures have been adjusted accordingly. Further details can be found in the appendix to the quarterly presentation.

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

Consumer

Number of electricity deliveries in the Consumer segment increased by 3.5 thousand deliveries in the quarter, to 664 thousand deliveries. The trend was positive at quarter end, and the effect has accelerated into Q4. Volume sold was 1,086 GWh, a decrease of 30% from Q3 2021, primarily driven by high elspot prices and changes in consumption behaviour.

Adjusted net revenue amounted to 237 NOKm (230 NOKm), adjusted operating expenses amounted to 175 NOKm (187 NOKm) and EBIT adj. amounted to 62 NOKm (43 NOKm).

Business

At the end of third quarter 2022, the Business segment comprised 117 thousand electricity deliveries, a flat development from last quarter. The volume sold in the quarter was 1,263 GWh, an increase of 3% from Q3 2021.

Adjusted net revenue amounted to 107 NOKm (89 NOKm), adjusted operating expenses amounted to 58 NOKm (50 NOKm) and EBIT adj. amounted to 49 NOKm (40 NOKm).

Nordic

The Nordic segment's customer portfolio decreased by 2 thousand deliveries in the quarter. Volume sold was 539 GWh in the quarter, a decrease of 13% from Q3 2021.

Adjusted net revenue amounted to 51 NOKm, adjusted operating expenses to 42 NOKm and EBIT adjusted amounted to 9 NOKm. Positive effects from lower volumes

offset negative effects from peak/off-peak price differences.

New Growth Initiatives

At the end of third quarter 2022, the number of mobile subscribers was 143 000, a decrease of 5 000 subscribers from last quarter.

Alliance volume in the quarter was 664 GWh, which is a 17% YoY decrease. The Extended Alliance deliveries decreased by 5 000 in the quarter.

Adjusted net revenue in the New Growth Initiatives segment amounts to 28 NOKm, a YoY increase of 9 NOKm. Adjusted operating expenses amounted to 27 NOKm (23 NOKm), while EBIT adjusted amounted to 1 NOKm (-4 NOKm).

Financials

Gross revenue amounted to 6,291 NOKm (2,360 NOKm), an increase of 167%, due to higher elspot prices.

Adjusted net revenue amounted to 424 NOKm (369 NOKm), an increase of 15% YoY.

Adjusted operating expenses amounted to 303 NOKm (278 NOKm).

Adjusted EBIT amounted to 121 NOKm (91 NOKm), an increase of 33% YoY due to the factors described above.

Net financial income amounted to -32 NOKm (-11 NOKm).

Profit for the period amounted to 26 NOKm (22 NOKm) in the quarter due to the factors described above.

Consolidated cash flow

Net cash generated from operating activities was 91 NOKm (91 NOKm). Net cash used in investing activities was -6 NOKm (-12 NOKm). Net cash used in financing activities was NOK -15 NOKm (-77 NOKm).

Financial position

The total capital as of 30.09.2022 was 17,315 NOKm (6,194 NOKm).

Events after the reporting period

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

Risks and uncertainties

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

The group revised its risk management strategy and policy for power purchases in the Norwegian group entities in July 2021. In the revised strategy the Group will seek to reduce price variability for a higher percentage of the future power purchases in Norway. The hedging activities can be done with both forward contracts, futures, and options. The Group uses different derivatives to reduce var-

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

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

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

Outlook

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

Condensed interim financial statements

Condensed consolidated statement of profit or loss

NOK in thousands	Note	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full Year 2021
Continuing operations							
Revenue	2,3	4 106 418	6 290 618	2 359 743	17 115 331	8 889 549	15 170 991
Direct cost of sales	2	(3 688 064)	(5 883 451)	(1 995 468)	(15 765 636)	(7 563 847)	(13 343 369)
Personnel expenses	2	(76 052)	(109 598)	(111 242)	(296 967)	(302 584)	(409 123)
Other operating expenses	2	(141 756)	(128 592)	(111 056)	(420 218)	(358 236)	(488 517)
Depreciation and amortisation	2,7	(95 432)	(97 292)	(102 329)	(288 843)	(299 204)	(403 084)
Impairment of intangible assets	2,7	-	-	62	-	(9 761)	(9 762)
Operating profit		105 113	71 686	39 709	343 667	355 916	517 138
Income/loss from investments in associates and joint ventures		470	(548)	380	160	2 302	2 637
Interest income		5 786	4 819	2 933	15 979	9 556	12 801
Interest expense lease liability		(499)	(467)	(576)	(1 497)	(1 829)	(2 374)
Interest expense	12	(29 120)	(33 283)	(11 351)	(80 802)	(36 838)	(66 464)
Other financial items, net		5 380	(2 538)	(2 751)	(7 252)	(16 768)	(19 219)
Net financial income/(cost)		(17 983)	(32 018)	(11 364)	(73 412)	(43 576)	(72 619)
Profit/ (loss) before tax		87 130	39 669	28 345	270 255	312 341	444 519
Income tax (expense)/income	5	(12 488)	(14 114)	(6 391)	(60 011)	(57 531)	(102 150)
Profit/ (loss) for the period		74 643	25 555	21 954	210 245	254 810	342 369
Basic earnings per share (in NOK)	6	0,67	0,24	0,19	1,88	2,23	3,00
Diluted earnings per share (in NOK)	6	0,66	0,23	0,19	1,86	2,20	2,96

Condensed consolidated statement of comprehensive income

NOK in thousands	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full year 2021
Profit/ (loss) for the period	74 643	25 555	21 954	210 245	254 810	342 369
Other comprehensive income/ (loss):						
Items which may be reclassified over profit or loss in subsequent periods:						
Hedging reserves (net of tax, note 10)	18 481	(72 838)	(97 738)	40 452	(97 738)	(71 347)
Currency translation differences	22 289	7 845	(6 496)	10 686	(34 347)	(56 574)
Total	40 770	(64 994)	(104 234)	51 137	(132 085)	(127 921)
Items that will not be reclassified to profit or loss:						
Actuarial gain/(loss) on pension obligations (net of tax)	9 235	39 647	(33 192)	107 787	(9 443)	17 577
Total	9 235	39 647	(33 192)	107 787	(9 443)	17 577
Total other comprehensive income/(loss) for the period, net of tax	50 005	(25 347)	(137 426)	158 924	(141 529)	(110 343)
Total comprehensive income/ (loss) for the period	124 647	208	(115 472)	369 169	113 281	232 026

Condensed consolidated statement of financial position

NOK in thousands	Note	30 June 2022	30 September 2022	30 September 2021	31 December 2021
Assets:					
Non-current assets					
Deferred tax assets		35 262	35 695	35 904	35 092
Right-of-use assets property, plant and equipment		76 185	71 212	86 939	82 806
Property, plant and equipment		9 119	8 359	8 509	8 098
Goodwill	7	1 420 963	1 424 603	1 428 246	1 419 451
Intangible assets	7	626 996	593 490	719 119	694 630
Cost to obtain contracts		306 755	328 933	246 459	287 728
Investments in associates and joint ventures		14 513	13 965	13 470	13 805
Derivative financial instruments	9,10	1 679 090	1 991 250	277 499	365 611
Net plan assets of defined benefit pension plans	11	57 086	100 864	-	-
Other non-current financial assets		52 418	73 385	45 790	54 784
Total non-current assets		4 278 385	4 641 757	2 861 934	2 962 003
Current assets					
Intangible assets		19 331	12 061	5 319	7 518
Inventories		4 025	2 977	5 833	2 146
Trade receivables	8,12,14	2 630 896	4 663 873	2 048 036	5 256 259
Derivative financial instruments	9,10	4 807 188	7 655 774	949 127	1 661 225
Other current assets		104 458	104 828	61 636	38 847
Cash and cash equivalents		161 896	233 967	262 140	306 627
Total current assets		7 727 794	12 673 479	3 332 091	7 272 622
Total assets		12 006 179	17 315 236	6 194 025	10 234 624
Equity and liabilities:					
Equity					
Share capital		32 590	32 590	34 289	34 291
Share premium		993 294	993 294	991 998	992 094
Retained earnings		593 394	594 138	634 352	754 097
Total equity		1 619 278	1 620 022	1 660 640	1 780 482

**Condensed consolidated statement
of financial position**

NOK in thousands	Note	30 June 2022	30 September 2022	30 September 2021	31 December 2021
Non-current liabilities					
Net employee defined benefit plan liabilities	11	67 744	62 937	126 747	93 837
Interest-bearing long term debt	12	674 589	651 879	743 984	720 009
Deferred tax liabilities		150 029	137 926	91 702	118 318
Lease liability - long term		58 761	53 779	69 552	65 259
Derivative financial instruments	9,10	1 185 501	1 337 369	164 094	238 481
Onerous contract provisions	4	1 239 540	1 922 579	349 064	321 814
Other provisions for liabilities		18 578	19 584	17 159	16 740
Total non-current liabilities		3 394 742	4 186 052	1 562 301	1 574 458
Current liabilities					
Trade and other payables	14	1 655 296	3 333 470	1 415 035	4 516 589
Overdraft facilities	12	593 322	606 852	87 178	-
Interest-bearing short term debt	12	275 000	275 000	-	-
Current income tax liabilities		65 067	81 910	77 329	108 400
Derivative financial instruments	9,10	2 489 848	4 491 513	507 415	719 946
Social security and other taxes		78 120	91 133	85 894	116 390
Lease liability - short term		21 020	21 030	20 813	21 055
Onerous contract provisions	4	1 397 077	1 799 596	282 843	744 473
Other current liabilities	13	417 409	808 657	494 577	652 831
Total current liabilities		6 992 158	11 509 162	2 971 085	6 879 684
Total liabilities		10 386 901	15 695 214	4 533 386	8 454 142
Total equity and liabilities		12 006 179	17 315 236	6 194 025	10 234 624

The Board of Elmera Group ASA, Bergen, 2 November 2022


Steinar Sørstebj
Chairman



Tone Wille
Board member



Frank Økland
Board member



Elisabeth M. Norberg
Board member



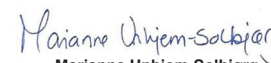
Heidi Theresa Ose
Board member



Live Bertha Haukvik
Board member



Per Oluf Solbraa
Board member



Marianne Unhjem-Solbjørg
Board member



Rolf Barmen
CEO

Condensed consolidated statement of changes in equity

NOK in thousands	Share capital	Treasury shares	Share premium	Hedging reserves	Foreign currency translation reserve	Retained earnings	Total
Balance at 1 January 2021	34 285	-	991 614	-	(11 201)	929 348	1 944 047
Profit/(loss) for the period	-	-	-	-	-	254 810	254 810
Share-based payment	-	-	-	-	-	2 909	2 909
Other comprehensive income/(loss) for the period, net of tax	-	-	-	(97 738)	(34 347)	(9 443)	(141 529)
Total comprehensive income/(loss) for the period incl. share-based payment	-	-	-	(97 738)	(34 347)	248 275	116 190
Share capital increase	5	-	384	-	-	-	389
Dividends paid	-	-	-	-	-	(399 986)	(399 986)
Transactions with owners	5	-	384	-	-	(399 986)	(399 598)
Balance at 30 September 2021	34 289	-	991 998	(97 738)	(45 548)	777 637	1 660 640
Balance at 1 January 2022	34 291	-	992 094	(71 347)	(67 775)	893 218	1 780 482
Profit/(loss) for the period	-	-	-	-	-	210 245	210 245
Share-based payment	-	-	-	-	-	2 214	2 214
Other comprehensive income/(loss) for the period, net of tax	-	-	-	40 452	10 686	107 787	158 924
Total comprehensive income/(loss) for the period incl. share-based payment	-	-	-	40 452	10 686	320 245	371 382
Share buyback	-	(1 715)	-	-	-	(131 112)	(132 827)
Share capital increase (note 6)	15	-	1 200	-	-	-	1 215
Dividends paid (note 6)	-	-	-	-	-	(400 231)	(400 231)
Transactions with owners	15	(1 715)	1 200	-	-	(531 343)	(531 843)
Balance at 30 September 2022	34 306	(1 715)	993 294	(30 895)	(57 089)	682 120	1 620 022

Condensed consolidated statement of cash flows

NOK in thousands	Note	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full year 2021
Operating activities							
Profit/(loss) before tax		87 130	39 669	28 345	270 255	312 341	444 519
<i>Adjustments for:</i>							
Depreciation	7	45 554	45 989	58 325	138 277	177 732	236 624
Depreciation right-of-use assets		5 174	4 982	4 966	15 325	14 626	19 687
Amortisation of cost to obtain contracts		44 705	46 321	39 039	135 242	106 846	146 773
Impairment of intangible assets	4,7	-	-	(61)	-	9 762	9 762
Interest income		(5 786)	(4 819)	(2 934)	(15 979)	(9 556)	(12 801)
Interest expense lease liability		499	467	577	1 497	1 829	2 374
Interest expense		29 120	33 283	11 351	80 802	36 837	66 464
Income/loss from investments in associates and joint ventures		(470)	548	(380)	(160)	(2 302)	(2 637)
Change in long-term receivables		(883)	(22 513)	(119)	(24 293)	3 619	(3 882)
Share-based payment expense		661	535	1 001	2 214	2 909	3 910
Change in post-employment liabilities		2 117	2 245	(521)	6 425	3 812	5 544
Payments to obtain a contract		(53 409)	(67 367)	(72 064)	(176 664)	(181 136)	(264 152)
<i>Changes in working capital (non-cash effect)</i>							
Impairment loss recognised in trade receivables	8	16 718	6 653	(7 597)	29 652	(52 813)	(57 666)
Provision for onerous contracts	4	1 651 917	1 067 974	428 736	2 620 375	561 079	996 739
Change in fair value of derivative financial instruments	4,9,10	(1 651 109)	(1 082 394)	(433 727)	(2 661 836)	(603 792)	(1 088 469)
<i>Changes in working capital</i>							
Inventories		(1 899)	1 048	268	(830)	(3 435)	251
Trade receivables	8	2 003 118	(2 035 092)	(625 364)	559 870	(529 460)	(3 740 539)
Purchase of el-certificates		(8 806)	(114)	(123)	(8 992)	(86 315)	(86 044)
Non-cash effect from cancelling el-certificates		8 334	-	-	8 334	85 898	85 898
Purchase of guarantees of origination		(27 659)	(1 550)	(4 483)	(29 209)	(8 788)	(11 206)
Non-cash effect from disposal of guarantees of origination		14 701	9 127	802	25 476	7 028	7 028
Other current assets		(1 690)	(115)	3 424	(64 712)	105 173	127 465
Trade and other payables		(2 949 728)	1 671 756	550 386	(1 180 085)	394 770	3 505 284
Other current liabilities	13	(221 620)	402 965	119 841	129 989	(64 888)	167 198
Cash generated from operations		(1 013 311)	119 599	99 687	(139 028)	281 774	558 125
Interest paid		(26 866)	(33 571)	(12 042)	(78 704)	(37 079)	(67 860)
Interest received		5 786	4 819	2 933	15 979	9 556	12 801
Income tax paid	5	(9 718)	(189)	-	(109 900)	(122 145)	(123 774)
Net cash from operating activities		(1 044 109)	90 659	90 578	(311 654)	132 106	379 293

**Condensed consolidated statement
of cash flows**

NOK in thousands	Note	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full year 2021
Investing activities							
Purchase of property, plant and equipment		(2 375)	(73)	(894)	(2 608)	(2 497)	(2 742)
Purchase of intangible assets	7	(11 664)	(8 616)	(12 654)	(28 674)	(45 204)	(83 225)
Proceeds from sale of intangible assets	7	-	-	-	-	-	-
Net cash outflow on acquisition of subsidiaries	13	-	-	-	-	-	(42 674)
Net cash outflow on acquisition of shares in associates		-	-	-	-	-	-
Net (outflow)/proceeds from non-current receivables		2 197	1 546	1 150	5 691	14 467	12 975
Net (outflow)/proceeds from other long-term liabilities		1 997	865	872	2 878	3 143	3 164
Net cash used in investing activities		(9 845)	(6 278)	(11 525)	(22 712)	(30 090)	(112 502)
Financing activities							
Proceeds from overdraft facilities	12	593 322	13 531	(49 623)	606 852	57 778	(29 400)
Proceeds from revolving credit facility	12	125 000	-	-	275 000	-	-
Repayment of revolving credit facility	12	-	-	-	-	-	-
Proceeds from issuance of shares		-	-	-	1 215	389	486
Dividends paid		(400 231)	-	-	(400 231)	(399 986)	(399 986)
Purchase of treasury shares		(132 827)	-	-	(132 827)	-	-
Proceeds from long term debt	12	-	-	-	-	-	-
Instalments of long term debt	12	(23 425)	(23 425)	(23 425)	(70 275)	(70 275)	(93 700)
Repayment of long term debt	12	-	-	-	-	-	-
Payment of lease liability		(5 161)	(4 994)	(4 284)	(15 283)	(13 648)	(19 095)
Net cash used in financing activities		156 677	(14 888)	(77 331)	264 451	(425 742)	(541 696)
Net change in cash and cash equivalents		(897 277)	69 492	1 722	(69 915)	(323 726)	(274 905)
Cash and cash equivalents at start of period		1 063 717	161 896	261 282	306 627	599 348	599 348
Effects of exchange rate changes on cash and cash equivalents		(4 545)	2 579	(863)	(2 744)	(13 483)	(17 816)
Cash and cash equivalents at end of period		161 896	233 968	262 140	233 968	262 140	306 627

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Note 1

Accounting policies

General information

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

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

These interim financial statements, which are unaudited, were approved by the Board of Directors for issue on 2 November 2022.

Basis of preparation

These interim financial statements have been prepared in accordance with International Accounting Standard 34, "Interim financial reporting". These interim financial statements do not provide the same scope of information as the annual financial statements and should therefore be read in conjunction with the annual financial statements for the year ended 31 December 2021, which have been prepared in accordance with IFRS.

Going concern

The Group has adopted the going concern basis in preparing its consolidated financial statements. When assessing this assumption, management has assessed all available

information about the future. This comprises information about net cash flows from existing customer contracts and other service contracts, debt service and obligations. After making such assessments, management has a reasonable expectation that the Group has adequate resources to continue its operational existence for the foreseeable future.

Accounting policies

The accounting policies applied in preparing these interim financial statements are consistent with those described in the previous annual report for the financial year 2021, except that:

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

There are not any new or amended accounting standards or interpretations of which application is mandatory for reporting periods commencing 1 January 2022, that have had a material impact on these interim financial statements.

Use of estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities,

income and expense. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2021, except for income taxes and defined benefit obligations.

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

Present value of defined benefit obligations and the fair value of plan assets are at the end of each interim reporting period estimated by extrapolation of the pension expense in the latest annual actuarial valuation, and an estimate of actuarial gains and losses calculated using updated estimates for significant actuarial assumptions. In the annual financial statements however the present value of defined benefit obligations and the fair value of plan assets are estimated based on a complete set of annual actuarial valuations.

Comparable figures and reclassifications

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

Presentation of interest compensation for extended credit days for electricity purchases

The interest compensation for extended credit days related to electricity purchase from Statkraft Energi AS, the Group's main supplier of electrical power, has in previous reporting been recorded in Direct cost of sales. From this quarterly report and going forward the interest compensation will be reported in Interest expense.

Comparable figures for Q3 2021, YTD 2021, Full year 2021, and Q2 2022 have been restated with NOKt 2 351, NOKt 8 843, NOKt 23 882 and NOKt 15 677 respectively.

Presentation of derivative financial instruments in statement of financial position

All derivative financial instruments, including both derivative financial assets and derivative financial liabilities, have previously been presented as current assets or current liabilities respectively in the statement of financial position. From the annual report 2021 and going forward the derivative financial instruments that are not intended to be settled within 12 months of the reporting date are presented as non-current. At the same time, the unit

of account applied when offsetting financial assets and liabilities has been changed to the individual identifiable cash flows of the financial instruments. The unit of account for offsetting Electricity derivatives is thus monthly settlements of such derivatives.

The comparative figures for 30 Sep 2021 in the statement of financial position have been restated, with NOKt 277 499 for non-current Derivative financial assets, NOKt 949 127 for current Derivative financial assets, NOKt 164 094 for non-current Derivative financial liabilities, and NOKt 507 415 for current Derivative financial liabilities. Thus total derivative financial assets and total derivative financial liabilities are both increased by NOKt 153 979 compared to the figures reported in the Q3 2021 quarterly financial statement.

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

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

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

gains and losses on derivative financial instruments that are

- customer contracts are presented as Revenue (comparable figures for Q3 2021, YTD 2021, and Full year 2021 have been restated with NOKt -23 974 (losses), NOKt -135 200 (losses), and NOKt -37 596 (losses) respectively), and
- hedging contracts are presented as Direct cost of sales (comparable figures for Q3 2021, YTD 2021, and Full year 2021 have been restated with NOKt 457 700 (gains), NOKt 738 992 (gains), and NOKt 1 126 064 (gains) respectively).

Presentation of onerous contract provisions in statement of financial position

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

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

Changes in onerous contract provisions have previously been reported as part of Impairment and change in provision for onerous

contracts in the statement of profit or loss. From the annual report 2021 and going forward changes in onerous contract provisions relating to contracts for the purchase and sale of electricity are presented as Direct cost of sales. Comparable figures for Q3 2021, YTD 2021 and Full year 2021 have been restated with NOKt -428 736, NOKt -561 079 and NOKt -996 739 respectively.

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

Due to recalculation of the fair value of derivative financial instruments and onerous contract provisions, total assets and total liabilities at 31 December 2021 are both increased by NOKt 577 078, compared to the figures reported in the Q4 2021 quarterly financial statement.

Note 2

Segment information

Disaggregation of revenue from contracts with customers

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

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

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

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

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

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

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

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

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

Note 2
Segment information

Q2 2022						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	2 337 226	2 027 995	430 191	4 795 412	94 966	4 890 378
Direct cost of sales adjusted	(2 090 214)	(1 910 567)	(403 392)	(4 404 173)	(67 045)	(4 471 218)
Net revenue adjusted	247 012	117 428	26 799	391 239	27 921	419 160
Personnel and other operating expenses adjusted	(129 268)	(42 105)	(24 200)	(195 573)	(22 235)	(217 808)
Depreciation and amortisation adjusted	(44 235)	(7 318)	(9 775)	(61 328)	(1 242)	(62 570)
Total operating expenses adjusted	(173 503)	(49 423)	(33 975)	(256 901)	(23 477)	(280 378)
Operating profit adjusted	73 509	68 005	(7 176)	134 338	4 444	138 782
Acquisition related costs						-
Other one-off items						-
Depreciation of acquisitions *						(32 863)
Estimate deviations						-
Unrealised gains and losses on derivatives						1 651 108
Change in provisions for onerous contracts						(1 651 917)
Impairment of intangible assets						-
Operating profit (EBIT)						105 113
*Depreciation of acquisitions consists of depreciations of customer portfolios acquired separately and recognised as intangible assets, and depreciations of customer portfolios and other intangible assets recognised as part of a business combination.						
NOK in thousands						Q2 2022
TrønderEnergi Marked acquisition						(1 433)
Oppdal Everk Kraftomsetning acquisition						(425)
Vesterålskraft Strøm acquisition						(417)
Innlandskraft acquisition						(20 836)
Troms Kraft Strøm acquisition						(8 123)
Other customer acquisitions						(1 630)
Depreciation of acquisitions						(32 863)

Note 2
Segment information

Q3 2021						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	1 098 805	855 515	346 386	2 300 707	93 221	2 393 928
Direct cost of sales adjusted	(868 805)	(766 339)	(315 049)	(1 950 194)	(74 240)	(2 024 434)
Net revenue adjusted	230 001	89 176	31 337	350 513	18 981	369 494
Personnel and other operating expenses adjusted	(145 489)	(42 865)	(12 686)	(201 040)	(21 258)	(222 298)
Depreciation and amortisation adjusted	(41 283)	(6 731)	(6 721)	(54 735)	(1 298)	(56 033)
Total operating expenses adjusted	(186 771)	(49 597)	(19 407)	(255 775)	(22 556)	(278 332)
Operating profit adjusted	43 229	39 579	11 929	94 737	(3 575)	91 163
Acquisition related costs						-
Other one-off items						-
Depreciation of acquisitions *						(46 295)
Estimate deviations						(10 210)
Unrealised gains and losses on derivatives						433 727
Change in provisions for onerous contracts						(428 736)
Impairment of intangible assets						62
Operating profit (EBIT)						39 709
*Depreciation of acquisitions consists of depreciations of customer portfolios acquired separately and recognised as intangible assets, and depreciations of customer portfolios and other intangible assets recognised as part of a business combination.						
NOK in thousands						Q3 2021
TrønderEnergi Marked acquisition						(2 608)
Oppdal Everk Kraftomsetning acquisition						(572)
Vesterålskraft Strøm acquisition						(484)
Innlandskraft acquisition						(31 068)
Troms Kraft Strøm acquisition						(10 652)
Other customer acquisitions						(910)
Depreciation of acquisitions						(46 295)

Note 2
Segment information

YTD 2021						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	4 598 008	3 008 217	1 146 418	8 752 643	263 579	9 016 222
Direct cost of sales adjusted	(3 812 589)	(2 681 958)	(1 039 299)	(7 533 845)	(208 750)	(7 742 595)
Net revenue adjusted	785 419	326 260	107 119	1 218 798	54 829	1 273 627
Personnel and other operating expenses adjusted	(434 473)	(116 836)	(47 769)	(599 079)	(64 094)	(663 173)
Depreciation and amortisation adjusted	(119 051)	(19 953)	(13 593)	(152 598)	(3 806)	(156 404)
Total operating expenses adjusted	(553 525)	(136 789)	(61 362)	(751 677)	(67 901)	(819 578)
Operating profit adjusted	231 894	189 470	45 757	467 122	(13 072)	454 048
Acquisition related costs						(1 034)
Other one-off items						3 387
Depreciation of acquisitions *						(142 799)
Estimate deviations						9 362
Unrealised gains and losses on derivatives						603 792
Change in provisions for onerous contracts						(561 079)
Impairment of intangible assets						(9 761)
Operating profit (EBIT)						355 916
*Depreciation of acquisitions consists of depreciations of customer portfolios acquired separately and recognised as intangible assets, and depreciations of customer portfolios and other intangible assets recognised as part of a business combination.						
NOK in thousands						YTD 2021
TrønderEnergi Marked acquisition						(7 825)
Oppdal Everk Kraftomsetning acquisition						(1 717)
Vesterålskraft Strøm acquisition						(1 452)
Innlandskraft acquisition						(97 582)
Troms Kraft Strøm acquisition						(31 711)
Other customer acquisitions						(2 511)
Depreciation of acquisitions						(142 799)

Note 2
Segment information

Full year 2021						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	7 802 881	5 257 664	1 773 888	14 834 434	365 732	15 200 165
Direct cost of sales adjusted	(6 691 380)	(4 788 340)	(1 710 899)	(13 190 618)	(285 170)	(13 475 788)
Net revenue adjusted	1 111 502	469 324	62 989	1 643 815	80 562	1 724 378
Personnel and other operating expenses adjusted	(586 248)	(159 441)	(70 661)	(816 349)	(83 634)	(899 993)
Depreciation and amortisation adjusted	(164 206)	(27 213)	(17 931)	(209 350)	(5 105)	(214 455)
Total operating expenses adjusted	(750 454)	(186 654)	(88 592)	(1 025 699)	(88 740)	(1 114 448)
Operating profit adjusted	361 048	282 671	(25 603)	618 116	(8 177)	609 930
Acquisition related costs						(1 034)
Other one-off items						3 387
Depreciation of acquisitions *						(188 629)
Estimate deviations						11 515
Unrealised gains and losses on derivatives						1 088 469
Change in provisions for onerous contracts						(996 739)
Impairment of intangible assets						(9 762)
Operating profit (EBIT)						517 138

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

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

Note 3

Revenue recognition

The following table summarises revenue from contracts with customers:

Timing of revenue recognition

Over time:

NOK in thousands	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full year 2021
Revenue - Consumer segment	2 311 938	2 698 376	1 070 711	8 756 192	4 518 867	7 697 878
Revenue - Business segment	2 016 664	2 932 856	847 929	7 422 405	2 979 794	5 219 008
Revenue - Nordic	430 191	486 843	346 386	1 490 815	1 146 418	1 773 888
Revenue - New growth initiatives	90 480	97 023	91 764	244 067	259 584	360 175
Total revenue recognised over time	4 849 273	6 215 098	2 356 791	17 913 479	8 904 664	15 050 949

At a point in time:

NOK in thousands	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full year 2021
Revenue - Consumer segment	25 288	25 969	28 094	73 615	79 141	105 003
Revenue - Business segment	11 331	13 986	7 587	41 705	28 423	38 657
Revenue - Nordic	-	-	-	-	-	-
Revenue - New growth initiatives	4 486	5 226	1 457	12 511	3 995	5 557
Total revenue recognised at a point in time	41 105	45 181	37 137	127 831	111 558	149 217

Total revenue from contracts with customers (Revenue adjusted)	4 890 378	6 260 279	2 393 928	18 041 311	9 016 221	15 200 165
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Other revenue:

Estimate deviations	-	-	(10 210)	-	8 528	8 422
Unrealised gains and losses on derivative customer contracts	(783 960)	30 338	(23 973)	(925 978)	(135 200)	(37 596)
Total revenue	4 106 418	6 290 618	2 359 744	17 115 332	8 889 549	15 170 991

Note 4

Onerous contract provisions

Fixed price customer contracts

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

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

The Group has recognised the following provisions for onerous contracts:

NOK in thousands	30 June 2022	30 September 2022	30 September 2021	31 December 2021
Onerous contract provisions - Non-current	1 239 540	1 922 579	349 064	321 814
Onerous contract provisions - Current	1 397 077	1 799 596	282 843	744 473
Onerous contract provisions - Total	2 636 617	3 722 175	631 907	1 066 287

When the onerous contracts are intended to be settled within 12 months of the reporting date, the provisions are presented as current. The difference between the change in onerous contracts provisions in the statement of financial position and the corresponding amount recognised in the statement of profit or loss (see table below) is due to currency translation differences.

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

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

NOK in thousands	Note	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full year 2021
Impairment and provisions for onerous contracts:							
Change in provisions for onerous contracts		(1 651 917)	(1 067 974)	(428 736)	(2 620 375)	(561 079)	(996 739)
Depreciation of intangible assets - Fixed price customer contracts	7	-	-	-	-	-	-
Impairment of intangible assets - Fixed price customer contracts	7	-	-	62	-	(9 762)	(9 762)
Total depreciation, impairment and provisions for onerous contracts:		(1 651 917)	(1 067 974)	(428 675)	(2 620 375)	(570 840)	(1 006 500)
Unrealised gains and losses on derivatives related to fixed price customer contracts		1 657 118	981 504	433 727	2 542 266	603 792	1 029 510
Net unrealised gain/loss recognised in statement of profit or loss		5 201	(86 470)	5 052	(78 109)	32 952	23 010

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

Change in provisions for onerous contracts includes both release of provisions for (parts of) contracts which have been delivered in the period, and change in provisions for new and remaining contracts. The increase in forward market prices in 2020 and 2021 lead to significant changes in provisions for onerous contracts and an increase in the unrealised gains on the corresponding portfolios of derivative hedge contracts. Forward market prices has further increased significantly during the second and third quarter of 2022 which has led to a substantial increase in provisions for onerous contracts and the unrealised gains on the corresponding portfolios of derivative hedge contracts.

The net impact in the statement of profit or loss, which is an unrealised net loss YTD 2022 of NOKt 78 109 (YTD 2021: NOKt 32 952 net gain, Full year 2021: NOKt 23 010 net gain) is mainly caused by (negative) margins in the customer contracts and imbalance between the portfolios of customer contracts, and the corresponding portfolios of derivative hedge contracts. Negative margins are caused by expectations of profile costs. Change in provision for onerous contracts and unrealised gains and losses on derivatives related to fixed price customer contracts are both presented as Direct cost of sales in the statement of profit or loss.

Note 5 Income tax

NOK in thousands	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full year 2021
Profit before tax	87 130	39 669	28 345	270 255	312 341	444 519
Tax expense	(12 488)	(14 114)	(6 391)	(60 011)	(57 531)	(102 150)
<i>Average tax rate</i>	14,3 %	35,6 %	22,5 %	22,2 %	18,4 %	23,0 %
Tax payable	26 747	17 344	40 979	83 426	97 943	108 400
Adjustments to prior years tax payable	-	(15)	-	(15)	(4 914)	(4 968)
Change in deferred tax	(14 259)	(3 215)	(34 588)	(23 400)	(35 497)	(1 282)
Tax expense recognised in statement of profit or loss	12 488	14 114	6 391	60 011	57 531	102 150

Note 6 Earnings per share

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

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

Basic earnings per share	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full year 2021
Profit/(loss) attributable to shareholders *	74 643	25 555	21 954	210 245	254 810	342 369
Total comprehensive income attributable to shareholders *	124 647	208	(115 472)	369 169	113 281	232 026
Weighted average number of ordinary shares in issue	111 866 927	108 634 210	114 297 800	111 577 014	114 289 153	114 291 767
Earnings per share in NOK	0,67	0,24	0,19	1,88	2,23	3,00
Total comprehensive income per share in NOK	1,11	0,00	(1,01)	3,31	0,99	2,03
Share options	1 760 000	1 710 000	1 504 000	1 710 000	1 504 000	1 500 000
Diluted earnings per share in NOK	0,66	0,23	0,19	1,86	2,20	2,96
Dividend per share in NOK	3,50	3,50		3,50	3,50	3,50

*NOK in thousands

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

The change in share options from second quarter 2022 to third quarter 2022 is due to employees leaving the company and due to new share options issued to a new member of the option program.

Note 7

Intangible assets

Intangible assets

Q2 2022

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

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

Note 7
Intangible assets

Intangible assets

Q3 2022								
NOK in thousands	Software and development projects	Construction in progress	Customer portfolios	Fixed price customer contracts*	Other intangible assets	Total non-current intangible assets, excl. goodwill	Goodwill	Total non-current intangible assets
Accumulated cost 1 July 2022	360 525	10 413	800 143	233 347	145 916	1 550 345	1 420 962	2 971 308
Additions - Purchase	2 096	6 418	-	-	-	8 515	-	8 515
Additions - Internally generated	-	101	-	-	-	101	-	101
Additions from business combinations	-	-	-	-	-	-	-	-
Transferred from construction in progress	7 578	(7 578)	-	-	-	-	-	-
Government grants (SkatteFUNN)	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Currency translation differences	274	52	366	3 759	357	4 808	3 641	8 449
Accumulated cost 30 September 2022	370 475	9 406	800 509	237 106	146 273	1 563 768	1 424 603	2 988 371
Accumulated depreciation 1 July 2022	(245 552)	-	(384 761)	(50 640)	(36 964)	(717 918)	-	(717 919)
Depreciation for the period	(12 248)	-	(30 723)	-	(2 138)	(45 109)	-	(45 109)
Currency translation differences	(87)	-	2 027	(816)	-	1 124	-	1 124
Accumulated depreciation 30 September 2022	(257 887)	-	(413 458)	(51 456)	(39 102)	(761 903)	-	(761 903)
Accumulated impairment 1 July 2022	(22 724)	-	-	(182 707)	-	(205 431)	-	(205 431)
Impairment for the period	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	(2 943)	-	(2 943)	-	(2 943)
Accumulated impairment 30 September 2022	(22 724)	-	-	(185 650)	-	(208 374)	-	(208 374)
Carrying amount 30 September 2022	89 864	9 406	387 051	-	107 170	593 490	1 424 603	2 018 093

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

Note 7
Intangible assets

Intangible assets**Q3 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 July 2021	319 577	19 280	762 970	235 261	146 192	1 483 280	1 429 576	2 912 857
Additions - Purchase	-	12 149	(181)	-	-	11 969	-	11 969
Additions - Internally generated	686	-	-	-	-	686	-	686
Additions from business combinations*	-	-	-	-	-	-	-	-
Transferred from construction in progress	5 703	(5 703)	-	-	-	-	-	-
Government grants (SkatteFUNN)	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Currency translation differences	1	6	(669)	(728)	(82)	(1 470)	(1 330)	(2 801)
Accumulated cost 30 September 2021	325 967	25 732	762 121	234 533	146 110	1 494 464	1 428 246	2 922 711
Accumulated depreciation 1 July 2021	(220 419)	-	(236 015)	(235 261)	(27 001)	(718 696)	-	(718 696)
Depreciation for the period	(11 492)	-	(43 297)	-	(2 825)	(57 614)	-	(57 614)
Currency translation differences	(8)	-	243	666	-	901	-	901
Accumulated depreciation 30 September 2021	(231 919)	-	(279 069)	(234 595)	(29 826)	(775 409)	-	(775 409)
Accumulated impairment 1 July 2021	-	-	-	-	-	-	-	-
Impairment for the period	-	-	-	62	-	62	-	62
Currency translation differences	-	-	-	-	-	-	-	-
Accumulated impairment 30 September 2021	-	-	-	62	-	62	-	62
Carrying amount 30 September 2021	94 048	25 732	483 052	-	116 285	719 119	1 428 246	2 147 365

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

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

Note 7
Intangible assets

Intangible assets

YTD 2022								
NOK in thousands	Software and development projects	Construction in progress	Customer portfolios	Fixed price customer contracts*	Other intangible assets	Total non-current intangible assets, excl. goodwill	Goodwill	Total non-current intangible assets
Accumulated cost 1 January 2022	345 582	5 339	796 218	229 668	145 607	1 522 414	1 419 451	2 941 866
Additions - Purchase	5 351	22 408	4	-	-	27 763	-	27 763
Additions - Internally generated	91	820	-	-	-	911	-	911
Additions from business combinations	-	-	-	-	-	-	-	-
Transferred from construction in progress	19 208	(19 208)	-	-	-	-	-	-
Government grants (SkatteFUNN)	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Currency translation differences	242	47	4 287	7 438	666	12 679	5 152	17 832
Accumulated cost 30 September 2022	370 475	9 406	800 509	237 106	146 273	1 563 768	1 424 603	2 988 371
Accumulated depreciation 1 January 2022	(221 534)	-	(321 346)	(49 842)	(32 514)	(625 236)	-	(625 236)
Depreciation for the period	(36 266)	-	(93 039)	-	(6 589)	(135 894)	-	(135 894)
Currency translation differences	(87)	-	927	(1 614)	-	(774)	-	(774)
Accumulated depreciation 30 September 2022	(257 887)	-	(413 458)	(51 456)	(39 102)	(761 903)	-	(761 903)
Accumulated impairment 1 January 2022	(22 724)	-	-	(179 826)	-	(202 550)	-	(202 550)
Impairment for the period	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	(5 824)	-	(5 824)	-	(5 824)
Accumulated impairment 30 September 2022	(22 724)	-	-	(185 650)	-	(208 374)	-	(208 374)
Carrying amount 30 September 2022	89 864	9 406	387 051	-	107 170	593 491	1 424 603	2 018 095

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

Note 7
Intangible assets

Intangible assets**YTD 2021**

NOK in thousands	Software and development projects	Construction in progress	Customer portfolios	Fixed price customer contracts**	Other intangible assets	Total non-current intangible assets, excl. goodwill	Goodwill	Total non-current intangible assets
Accumulated cost price 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	43 447	-	-	-	43 787	-	43 787
Additions - Internally generated	1 417	-	-	-	-	1 417	-	1 417
Additions from business combinations *	-	-	-	-	-	-	(2 802)	(2 802)
Transferred from construction in progress	26 777	(26 777)	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Currency translation differences	(41)	-	(8 135)	(9 106)	(1 421)	(18 703)	(11 801)	(30 504)
Accumulated cost 30 September 2021	325 967	25 732	762 121	234 533	146 110	1 494 464	1 428 246	2 922 711
Accumulated depreciation 1 January 2021	(198 820)	-	(149 408)	(232 787)	(17 383)	(598 398)	-	(598 398)
Depreciation for the year	(33 082)	-	(130 122)	-	(12 443)	(175 647)	-	(175 647)
Currency translation differences	(17)	-	461	8 016	-	8 459	-	8 459
Accumulated depreciation 30 September 2021	(231 919)	-	(279 069)	(224 772)	(29 826)	(765 586)	-	(765 586)
Accumulated impairment 1 January 2021	-	-	-	-	-	-	-	-
Impairment for the year	-	-	-	(9 762)	-	(9 762)	-	(9 762)
Currency translation differences	-	-	-	-	-	-	-	-
Accumulated impairment 30 September 2021	-	-	-	(9 762)	-	(9 762)	-	(9 762)
Carrying amount 30 September 2021	94 048	25 732	483 052	-	116 285	719 119	1 428 246	2 147 365

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

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

Note 7
Intangible assets

Intangible assets

Full year 2021

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

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

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

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

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

Note 8

Trade receivables

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

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

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

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

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

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

NOK in thousands	30 June 2022	30 September 2022	30 September 2021	Full year 2021
Gross nominal amount	2 699 069	4 738 780	2 098 635	5 301 472
Loss allowance provision	(68 173)	(74 907)	(50 599)	(45 213)
Trade receivables, net	2 630 896	4 663 873	2 048 036	5 256 259

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

NOK in thousands	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full year 2021
Loss allowance provision, opening balance	51 268	68 173	58 234	45 213	105 080	105 080
Change in loss allowance recognised in profit or loss for the period	16 718	6 653	(7 620)	29 653	(54 296)	(59 543)
Currency translation difference	186	81	(15)	41	(184)	(324)
Loss allowance provision, balance at end of period	68 173	74 907	50 599	74 907	50 599	45 213

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

NOK in thousands	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full year 2021
Receivables written off	64	920	(496)	1 448	50 169	53 846
Movement in provision for impairment	16 718	6 653	(7 620)	29 653	(54 296)	(59 543)
Received payment on previously written off receivables	(870)	(831)	(1 498)	(2 406)	(7 420)	(16 651)
Net impairment expense recognised on trade receivables	15 913	6 743	(9 614)	28 696	(11 548)	(22 348)

Note 9

Derivatives and fair value measurement of financial instruments

Derivatives

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

NOK in thousands	30 June 2022	30 September 2022	30 September 2021	31 December 2021
Derivative financial assets				
<i>Designated as hedging instruments for accounting purposes</i>				
Electricity derivatives - Hedge contracts	19 741	-	-	-
<i>Classified as held for trading for accounting purposes</i>				
Electricity derivatives - Hedge contracts	4 234 500	5 877 387	782 242	1 451 547
Electricity derivatives - Customer contracts	2 232 036	3 769 636	444 385	575 289
Other derivatives	-	-	-	-
Total derivative financial assets	6 486 277	9 647 023	1 226 626	2 026 836
Derivative financial liabilities				
<i>Designated as hedging instruments for accounting purposes</i>				
Electricity derivatives - Hedge contracts	(38 930)	37 976	-	78 962
<i>Classified as held for trading for accounting purposes</i>				
Electricity derivatives - Hedge contracts	541 262	1 110 961	145 955	320 611
Electricity derivatives - Customer contracts	3 172 458	4 679 650	524 309	557 609
Other derivatives	559	295	1 244	1 245
Total derivative financial liabilities	3 675 349	5 828 881	671 509	958 427

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

This note explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. The table below provides details for the Group's financial instruments measured at fair value. The Group also has financial instruments which are not measured at fair value in the statement of financial position. For the majority of these instruments, the fair values are not materially different to their carrying amounts, since the interest receivable/payable is either close to current market rates or the instruments are short-term in nature. There has not been identified any significant difference between fair value and carrying amount at 30 September 2022.

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

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

NOK in thousands	Level 1	Level 2	Level 3	Total
Derivative financial assets				
<i>Designated as hedging instruments for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	-	-	-
<i>Classified as held for trading for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	5 769 710	107 677	5 877 387
Electricity derivatives - Customer contracts	-	3 739 438	30 199	3 769 636
Other derivatives	-	-	-	-
Total financial assets at fair value	-	9 509 148	137 876	9 647 023
Derivative financial liabilities				
<i>Designated as hedging instruments for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	37 976	-	37 976
<i>Classified as held for trading for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	1 099 419	11 542	1 110 961
Electricity derivatives - Customer contracts	-	4 573 590	106 059	4 679 650
Other derivatives	-	295	-	295
Total financial liabilities at fair value	-	5 711 280	117 601	5 828 881

Note 9
Derivatives and fair value measurement of financial instruments

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

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

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

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

Valuation techniques used to determine fair values

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

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

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

The Group does not hold electricity derivatives with maturities beyond the next 10 calendar years at 30 September 2022, hence all level 3 derivatives are long term area price contracts.

Note 10 Hedge Accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The group designates certain derivatives as hedges of a particular risk associated with the cash flows of highly probable forecast power purchase transactions in the five Norwegian price areas (cash flow hedges). While being considered as effective hedging instruments in Q3 and Q4 in 2021, Nordic system price forward contracts are no longer considered as effective hedging instruments from Q1 2022 if the hedged item includes all variability in the future cash flows related to future power purchases in price areas NO3 and NO4.

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

Fair value of hedging instruments where hedge accounting is applied

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

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

30 September 2022	Fair value hedge instrument*	Effective portion in OCI*	Ineffectiveness in P&L*	Hedged volume Q4 2022**	Hedged volume beyond Q4 2022**
Cash flow hedge of highly probable power purchase in price areas:					
South Norway (NO1, NO2, NO5)	(35 984)	(35 984)	-	136	11
Trondheim (NO3)	(843)	(1 962)	1 119	26	3
Tromsø (NO4)	(1 149)	(1 663)	514	7	5
Total	(37 976)	(39 609)	1 634	170	19
Tax effect		8 714			
Effective portion in OCI net of tax		(30 895)			

NOKt 0 of the Hedging reserves at 30 September 2022 relates to hedging relationships for which hedge accounting is no longer applied.

* NOK in thousands

** GWh in thousands

Note 10
Hedge Accounting

Fair value of hedging instruments where hedge accounting is applied

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

* NOK in thousands

** GWh in thousands

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

NOK in thousands	Q2 2022	Q3 2022	Q3 2021	YTD 2022	Full year 2021
Cash flow hedge of highly probable power purchase:					
Ineffective portion, recognised in P&L, total	1 648	(3 264)	(642)	(10 874)	12 508
Effective portion, recognised in OCI, total	23 694	(93 383)	(125 305)	51 861	(91 470)
Change in fair value, total	25 342	(96 647)	(125 947)	40 987	(78 962)
Effective portion, recognised in OCI, net of tax (22 %)	18 481	(72 838)	(97 738)	40 452	(71 347)

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

Note 11

Pension liabilities

Amounts recognised in Statement of financial position

NOK in thousands	30 June 2022	30 September 2022	30 September 2021	31 December 2021
Present value of funded obligations	292 231	251 619	380 046	361 192
Fair value of plan assets	348 408	351 506	331 848	345 243
Net deficit (plan assets) for funded plans	(56 177)	(99 887)	48 198	15 949
Present value of unfunded obligations	62 732	57 858	75 790	73 785
Total defined benefit pension plans	6 555	(42 029)	123 988	89 734
Other employee benefit obligations	4 103	4 103	2 759	4 103
Total employee benefit obligations, net	10 658	(37 927)	126 747	93 837

Presentation in Statement of financial position:

Net plan assets of defined benefit pension plans	57 086	100 864	-	-
Net employee defined benefit plan liabilities	67 744	62 937	126 747	93 837
Employee benefit obligations recognised in Statement of financial position, net	10 658	(37 927)	126 747	93 837

Significant actuarial assumptions

	30 June 2022	30 September 2022	30 September 2021	31 December 2021
Discount rate	3,10 %	3,80 %	1,50 %	1,70 %
Salary growth rate	2,75 %	2,75 %	2,50 %	2,50 %
Expected growth in base social security amount (G)	2,50 %	2,50 %	2,25 %	2,25 %
Estimated return on plan assets	3,10 %	3,80 %	1,50 %	1,70 %
Pension growth rate	1,75 %	1,75 %	1,50 %	1,50 %

Note 12

Credit facilities

NOK in thousands	Effective interest rate	30 June 2022	30 September 2022	30 September 2021	31 December 2021
Term loan	NIBOR 3 months + 1,75 %	773 025	749 600	843 300	819 875
Revolving credit facility	NIBOR 3 months + 1,75 %	275 000	275 000	-	-
Total principal amounts		1 048 025	1 024 600	843 300	819 875

Credit facilities agreement

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

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

In Q3 2022 the termination date of the term loan facility, the revolving credit facility, and the guarantee facility was extended by 12 months. The new termination date is in September 2025. For more information regarding the credit facilities agreement, see the 2021 annual report.

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

At 30 September 2022 the remaining term loan principal balance is NOKt 749 600.

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

The revolving credit facility - NOKt 500 000 - The RCF

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

The guarantee facility - NOKt 2 250 000

At 30 September 2022 guarantees of total NOKt 1 953 231 are issued under the guarantee facility.

The overdraft facility - NOKt 1 300 000

The overdraft facility was increased from NOKt 1 000 000 to NOKt 1 300 000 in Q3 2022. At 30 September 2022 the Group has drawn NOKt 606 852 on the overdraft facility.

Financial covenant

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

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

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

Note 13

Other current liabilities

NOK in thousands	Note	30 June 2022	30 September 2022	30 September 2021	31 December 2021
El-certificate cancellation liabilities		6 970	8 435	12 173	16 628
Accrued power purchase		223 017	549 722	195 790	416 391
Prepayments from customers		27 818	72 922	67 297	56 948
Instalments on long term loan due within 12 months	12	93 700	93 700	93 700	93 700
Payroll liabilities		35 761	44 288	60 346	57 727
Unsettled part of consideration for business combinations		-	-	48 812	-
Other		30 144	39 590	16 459	11 436
Total other current liabilities		417 409	808 657	494 577	652 831

Note 14

Related party transactions

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

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

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

Income from related parties

Related party	Relation	Purpose of transactions	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full Year 2021
Eviny AS and subsidiaries	Major shareholder	Sale of electrical power	-	-	-	-	31 131	31 131

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

Expenses to related parties

Related party	Relation	Purpose of transactions	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full Year 2021
Eviny AS and subsidiaries	Major shareholder	Purchase of electrical power	-	-	-	-	6 588	6 588
Eviny AS and subsidiaries	Major shareholder	Purchase of other services	-	-	-	-	12 726	12 726
Metzum AS	Associated company	Purchase of other services	10 834	8 202	9 198	29 811	19 162	38 743
Atea AS	Other*	Purchase of products and other services	2 592	2 541	-	7 307	3 734	8 853

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

Purchase of assets

Related party	Relation	Purpose of transactions	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full Year 2021
Eviny AS and subsidiaries	Major shareholder	Purchase of customer portfolio	-	-	-	-	181	181
Metzum AS	Associated company	Research and development	713	16	1 606	2 290	7 503	8 284
Atea AS	Other*	Products and development	91	40	-	183	289	4 077

Current receivables from related parties

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

Current liabilities to related parties

Related party	Relation	Purpose of transactions	30 June 2022	30 September 2022	30 September 2021	31 December 2021
Metzum AS	Associated company	Research and development	677	292	340	1 411
Atea AS	Other*	Products and development	232	735	-	1 956

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

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

Note 15

Events after the reporting period

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

Directors responsibility statement

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

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

The Board of Elmera Group ASA, Bergen, 2 November 2022



Steinar Songsteby

Chairman



Tone Wille

Board member



Frank Økland

Board member



Elisabeth M. Norberg

Board member



Heidi Theresa Ose

Board member



Live Bertha Haukvik

Board member



Per Oluf Solbraa

Board member



Marianne Unhjem-Solbjørg

Board member



Rolf Barmen

CEO

Appendix

Alternative performance measures

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

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

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

Capex excl. M&A is used to present the

capital expenditures excluding mergers and acquisitions to illustrate the Group's organic maintenance capex.

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

EBIT adjusted

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

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

period

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

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

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

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

EBITDA adjusted

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

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

Alternative performance measures

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

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

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

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

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

Net revenue adjusted

This APM presents *Net revenue* adjusted for:

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

Net working capital (NWC) is used to measure short-term liquidity and the ability to utilise assets in an efficient matter. NWC includes the following items from current assets: *Inventories, Intangible assets, Trade receivables* and *Other current assets* (that is, all current assets in the statement of financial position except *Derivative financial instruments* and *Cash and cash equivalents*); and the following items from current liabilities; *Trade payables, Current income tax liabilities, Social security and other taxes, Lease liability - short term*, and *other current liabili-*

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

Non-cash NWC elements and other items

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

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

OpFCF before tax and change in NWC

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

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

Alternative performance measures

Financial statements with APM's

Reported amounts:

NOK in thousands	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full year 2021
Operating income	4 106 418	6 290 618	2 359 743	17 115 331	8 889 549	15 170 991
Cost of sales	(3 688 064)	(5 883 451)	(1 995 468)	(15 765 636)	(7 563 847)	(13 343 369)
Net revenue	418 354	407 167	364 275	1 349 695	1 325 702	1 827 623
Personnel expenses	(76 052)	(109 598)	(111 242)	(296 967)	(302 584)	(409 123)
Other operating expenses	(141 756)	(128 592)	(111 056)	(420 218)	(358 236)	(488 517)
Impairment of intangible assets	-	-	62	-	(9 761)	(9 762)
Operating expenses	(217 808)	(238 190)	(222 237)	(717 185)	(670 582)	(907 401)
EBITDA	200 546	168 978	142 038	632 510	655 120	920 222
Depreciation & amortisation	(95 432)	(97 292)	(102 329)	(288 843)	(299 204)	(403 084)
EBIT reported (Operating profit)	105 113	71 686	39 709	343 667	355 916	517 138
Net financials	(17 983)	(32 018)	(11 364)	(73 412)	(43 576)	(72 619)
Profit/ (loss) before taxes	87 130	39 669	28 345	270 255	312 341	444 519
Taxes	(12 488)	(14 114)	(6 391)	(60 011)	(57 531)	(102 150)
Profit/ (loss) for the period	74 643	25 555	21 954	210 245	254 810	342 369
EBIT reported margin	25%	18%	11%	25%	27%	28%

Alternative performance measures

Adjusted amounts:

NOK in thousands	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full year 2021
Net revenue	418 354	407 167	364 275	1 349 695	1 325 702	1 827 623
Other one-off items	-	-	-	-	-	-
Estimate deviations previous periods	-	-	10 210	-	(9 362)	(11 515)
Unrealised gains and losses on derivatives	(1 651 108)	(1 051 400)	(433 727)	(2 630 841)	(603 792)	(1 088 469)
Change in provisions for onerous contracts	1 651 917	1 067 974	428 736	2 620 375	561 079	996 739
Net revenue adjusted	419 160	423 739	369 494	1 339 226	1 273 627	1 724 378
EBITDA	200 546	168 978	142 038	632 510	655 120	920 222
Acquisition related costs	-	-	-	-	1 034	1 034
Other one-off items	-	-	-	-	(3 387)	(3 387)
Estimate deviations previous periods	-	-	10 210	-	(9 362)	(11 515)
Impairment of intangible assets	-	-	(62)	-	9 761	9 762
Unrealised gains and losses on derivatives	(1 651 108)	(1 051 400)	(433 727)	(2 630 841)	(603 792)	(1 088 469)
Change in provisions for onerous contracts	1 651 917	1 067 974	428 736	2 620 375	561 079	996 739
EBITDA adjusted	201 352	185 551	147 196	622 042	610 452	824 385
EBIT reported (Operating profit)	105 113	71 686	39 709	343 667	355 916	517 138
Acquisition related costs	-	-	-	-	1 034	1 034
Other one-off items	-	-	-	-	(3 387)	(3 387)
Estimate deviations previous periods	-	-	10 210	-	(9 362)	(11 515)
Impairment of intangible assets	-	-	(62)	-	9 761	9 762
Unrealised gains and losses on derivatives	(1 651 108)	(1 051 400)	(433 727)	(2 630 841)	(603 792)	(1 088 469)
Change in provisions for onerous contracts	1 651 917	1 067 974	428 736	2 620 375	561 079	996 739
Depreciation of acquisitions	32 863	32 775	46 295	99 351	142 799	188 629
EBIT adjusted	138 782	121 035	91 163	432 550	454 048	609 930
EBIT margin adjusted	33%	29%	25%	32%	36%	35%

Alternative performance measures

Other financial APM's

Net interest bearing debt (cash)

NOK thousands	31 June 2022	30 September 2022	30 September 2021	31 December 2021
Interest-bearing long term debt	674 589	651 879	743 984	720 009
Interest-bearing short term debt	275 000	275 000	-	-
Transaction costs recognised as part of amortised cost of Interest-bearing long term debt	4 736	4 021	5 616	6 166
Reclassification of first year instalments long term debt	93 700	93 700	93 700	93 700
Overdraft facilities	593 322	606 852	87 178	-
Cash and cash equivalents	(161 896)	(233 967)	(262 140)	(306 627)
Net interest bearing debt (cash)	1 479 451	1 397 485	668 339	513 248

Financial position related APM's

NOK thousands	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full year 2021
Net working capital (NWC)*	615 499	541 237	120 876	541 237	120 876	(16 795)
OpFCF before tax and change in NWC	133 904	109 495	61 404	414 101	381 615	513 050
Capex excl. M&A	14 039	8 689	13 728	31 278	47 701	47 182

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

Non-financial APM's

Deliveries

Numbers in thousands	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full year 2021
Electrical deliveries Consumer segment	661	664	726	664	726	692
Electrical deliveries Business segment	117	117	112	117	111	111
Electrical deliveries Nordic segment	164	162	166	162	167	171
Total number of electrical deliveries*	942	943	1 004	943	1 004	975
Number of mobile subscriptions	148	143	131	143	131	160

* Number of deliveries excl. Extended Alliance deliveries. Number of deliveries incl. Extended Alliance deliveries: 1 026 thousand in Q3 2022.

Volume in GWh	Q2 2022	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Full year 2021
Consumer segment	1 594	1 086	1 556	5 322	7 365	9 486
Business segment	1 546	1 263	1 225	4 991	5 429	7 478
Nordic segment	632	539	616	2 139	2 304	3 229
Total volume	3 772	2 888	3 398	12 452	15 097	20 193