

Q3 2023 Quarterly report

Elmera Group



Q3 Highlights

Strategic highlights:

- Volume growth YoY in both the Consumer and Business segment.
- Price increase in the Consumer segment during the quarter, with effects into Q4.
- Improved brand reputation and increased rating on smart phone application.
- De-risk of the Nordic segment progressing as planned.

Financial highlights:

- Net revenue adj. NOK 350m (NOK 424m) and EBIT adj. NOK 53m (NOK 121m), driven by product mix changes in the Consumer segment.
- Strong revenue growth in New Growth Initiatives, partly driven by migration specific revenue in the Mobile business.
- Opex adj. NOK 297m in Q3 (NOK 303m). Cost efficiency process continues.
- Strong FCF in the quarter and reduced financing costs from Q2.
- QoQ reduction in NWC and NIBD due to seasonally lower volumes and reduced elspot prices.

Key figures Q3

NOK in thousands	Q3 2023	Q3 2022 <i>Restated</i>	Full year 2022
Revenue adjusted	1 672 196	6 260 279	26 806 277
Direct cost of sales adjusted	(1 322 213)	(5 836 540)	(25 095 275)
Net revenue adjusted	349 983	423 739	1 711 002
Personnel and other operating expenses adjusted	(230 633)	(238 188)	(993 315)
Depreciation and amortisation adjusted	(66 255)	(64 516)	(257 633)
Total operating expenses adjusted	(296 888)	(302 704)	(1 250 948)
Operating profit adjusted	53 095	121 035	460 054
Acquisition related costs	-	-	-
Other one-off items	(2 330)	-	(2 660)
Depreciation of acquisitions	(30 948)	(32 775)	(132 323)
Estimate deviations	-	-	(4 472)
Unrealised gains and losses on derivatives	(173 157)	971 530	(47 791)
Change in provisions for onerous contracts	169 212	(1 067 974)	39 256
Impairment of intangible assets	9 957	-	(39 282)
Operating profit (EBIT)	25 828	(8 184)	272 781

Volume growth YoY and strong contribution from the New Growth Initiatives

In the third quarter of 2023, net revenue adjusted was NOK 350m and EBIT adj. was NOK 53m. Volume sold developed positively, with growth in both the Consumer and Business segment YoY as well as over the last twelve months. The elspot price was record high in Q3 2022 following the energy crisis and geopolitical situation in Europe, whereas the elspot price has been at a relatively low level through this quarter. Consumer behaviour and consumption are affected by the low price level, as can be seen from the 9% YoY increased average consumption per delivery in the Consumer segment. The market churn trend continued, with churn lower than the three previous years, likely also affected by the elspot price level.

According to Kantar's latest report, the Fjordkraft brand position has strengthened and stands out as the most attractive alternative for customers considering a new supplier. The brand is also number one on both top of mind and brand awareness, by a solid margin.

The revenue growth in New Growth Initiatives had a significantly positive impact on the group's results this quarter, mainly driven by positive effects related to the network migration from Telenor to Telia's network. After the migration, the group expects an annual improvement in EBIT adj. from the Mobile business of around NOK 30m compared to before the network migration.

Net working capital decreased by NOK 432m in the quarter and net interest-bearing

debt decreased by NOK 471m in the quarter, driven by low elspot prices as well as seasonally lower volumes.

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

Consumer

Volume sold was 1,212 GWh, an increase of 12% from Q3 2022. The number of electricity deliveries in the Consumer segment decreased by four thousand deliveries in the quarter, and was expected due to increased markups.

Adjusted net revenue amounted to NOK 159m (NOK 237m), adjusted operating expenses amounted to NOK 158m (NOK 175m) and EBIT adj. amounted to NOK 1m (NOK 62m). The change in product mix was the primary driver for the net revenue decrease.

Business

At the end of the quarter, the Business segment comprised 127 thousand electricity deliveries, stable from last quarter. The volume sold in the quarter was 1,350 GWh, an increase of 7% from Q3 2022.

Adjusted net revenue amounted to NOK 96m (NOK 107m), adjusted operating expenses amounted to NOK 66m (NOK 58m) and EBIT adj. amounted to NOK 30m (NOK 49m).

Nordic

The Nordic segment's customer portfolio decreased by three thousand deliveries in the quarter, driven by phase-out of non-strategic customers. Volume sold was 425 GWh in the quarter, a decrease of 21% from Q3 2022.

Adjusted net revenue amounted to NOK 38m (NOK 51m), adjusted operating expenses to NOK 38m (NOK 42m) and EBIT adjusted amounted to NOK 0m (NOK 9m).

New Growth Initiatives

At the end of the quarter, the number of mobile subscribers was 116 thousand, a decrease of 7 thousand from last quarter.

Alliance volume in the quarter was 489 GWh, which is a 32% YoY decrease following a decrease in number of Alliance partners. Two new Alliance partners were implemented in Q3 with effect from 1st October.

Adjusted net revenue in the New Growth Initiatives segment amounts to NOK 58m (NOK 28m). Adjusted operating expenses amounted to NOK 35m (NOK 27m) and EBIT adjusted amounted to NOK 23m (NOK 1m).

Financials

Gross revenue amounted to NOK 2,215m (NOK 6,211m), a decrease of 64%, due to electricity price development.

Adjusted net revenue amounted to NOK 350m (NOK 424m), a decrease of 17% YoY.

Adjusted operating expenses amounted to NOK 297m (NOK 303m).

Adjusted EBIT amounted to NOK 53m (NOK 121m) a decrease of 56% YoY due to the factors described above.

Net financial income amounted to NOK -22m (NOK -32m).

Profit for the period amounted to NOK 3m (NOK -55m) in the quarter due to the factors described above.

Consolidated cash flow

Net cash from operating activities was NOK 485m (NOK 91m). Net cash used in investing activities was NOK -10m (NOK -6m). Net cash from financing activities was NOK -442m (NOK 15m).

Financial position

The total equity as of 30.09.2023 was NOK 1,397m (NOK 1,422m)

The total capital as of 30.09.2023 was NOK 5,210m (NOK 17,189m).

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 is exposed to volume and profile risk on certain fixed price contracts in the Nordic segment. In events where consumption volumes or profile costs deviate significantly from expected levels, this might have a negative impact on the Group's results. The volume of fixed price contracts with profile risk was significantly reduced as from Q2 2023.

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

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

Outlook

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

Condensed interim financial statements

Condensed consolidated statement of profit or loss

NOK in thousands	Note	Q2 2023	Q3 2023	Q3 2022 <i>Restated</i>	YTD 2023	YTD 2022 <i>Restated</i>	Full year 2022
Continuing operations							
Revenue	2,3	3 512 686	2 214 790	6 210 748	13 760 817	17 003 565	25 521 514
Direct cost of sales	2,4	(3 147 664)	(1 868 750)	(5 883 451)	(12 539 852)	(15 742 896)	(23 823 519)
Personnel expenses	2	(84 078)	(117 625)	(109 598)	(324 541)	(296 967)	(421 029)
Other operating expenses	2	(144 504)	(115 341)	(128 592)	(416 523)	(420 218)	(574 946)
Depreciation and amortisation	2,7	(97 569)	(97 202)	(97 292)	(293 354)	(288 843)	(389 956)
Impairment of intangible assets and cost to obtain contracts	2,4,7	5 182	9 957	-	28 029	-	(39 282)
Operating profit		44 053	25 828	(8 184)	214 576	254 641	272 781
Income/loss from investments in associates and joint ventures		301	(215)	(548)	1 103	160	429
Interest income		9 915	3 000	4 819	21 427	15 979	26 952
Interest expense lease liability		(416)	(391)	(467)	(1 257)	(1 497)	(1 934)
Interest expense	11	(43 099)	(22 829)	(33 283)	(105 447)	(80 802)	(156 876)
Other financial items, net		(3 250)	(2 041)	(2 538)	(2 208)	(7 252)	(12 660)
Net financial income/(cost)		(36 549)	(22 477)	(32 018)	(86 381)	(73 412)	(144 089)
Profit/ (loss) before tax		7 504	3 351	(40 201)	128 194	181 229	128 692
Income tax (expense)/income	5	1 883	(627)	(14 449)	(19 582)	(63 027)	(54 845)
Profit/ (loss) for the period		9 387	2 724	(54 650)	108 612	118 202	73 847
Profit/(loss) for the period attributable to:							
Non-controlling interest		(98)	4 365	-	4 268	-	-
Equity holders of Elmera Group ASA		9 484	(1 642)	(54 650)	104 344	118 202	73 847
Basic earnings per share (in NOK)	6	0,09	(0,02)	(0,50)	0,96	1,06	0,67
Diluted earnings per share (in NOK)	6	0,09	(0,01)	(0,50)	0,94	1,04	0,66

Condensed consolidated statement of comprehensive income

NOK in thousands	Q2 2023	Q3 2023	Q3 2022 <i>Restated</i>	YTD 2023	YTD 2022 <i>Restated</i>	Full year 2022
Profit/ (loss) for the period	9 387	2 724	(54 650)	108 612	118 202	73 847
Other comprehensive income/ (loss):						
Items which may be reclassified over profit or loss in subsequent periods:						
Hedging reserves (net of tax, note 10)	(1 904)	(3 681)	(72 838)	51 038	40 452	16 209
Currency translation differences	(826)	(14 367)	7 845	26 920	10 686	(756)
Total	(2 731)	(18 048)	(64 994)	77 959	51 137	15 454
Items that will not be reclassified to profit or loss:						
Actuarial gain/(loss) on pension obligations (net of tax)	13 772	20 185	39 647	13 259	107 787	3 610
Total	13 772	20 185	39 647	13 259	107 787	3 610
Total other comprehensive income/(loss) for the period, net of tax	11 041	2 136	(25 347)	91 217	158 924	19 064
Total comprehensive income/ (loss) for the period	20 428	4 860	(79 996)	199 829	277 127	92 911
Total comprehensive income/(loss) for the period attributable to:						
Non-controlling interest	(98)	4 365	-	4 268	-	-
Equity holders of Elmera Group ASA	20 526	495	(79 996)	195 561	277 127	92 911

Condensed consolidated statement of financial position

NOK in thousands	Note	30 June 2023	30 September 2023	30 September 2022 <i>Restated</i>	31 December 2022
Assets:					
Non-current assets					
Deferred tax assets		37 478	36 581	35 695	34 990
Right-of-use assets property, plant and equipment		61 911	57 462	71 212	66 195
Property, plant and equipment		6 818	5 881	8 359	8 198
Goodwill	7	1 439 625	1 432 102	1 424 603	1 418 776
Intangible assets	7	517 436	479 445	593 490	558 325
Cost to obtain contracts		294 076	284 928	328 933	295 980
Investments in associates and joint ventures		15 552	15 337	13 965	14 234
Derivative financial instruments and firm commitments	9,10	917 191	775 178	1 963 853	1 863 551
Net plan assets of defined benefit pension plans		8 476	28 830	100 864	4 178
Other non-current financial assets		44 634	43 060	73 385	48 285
Total non-current assets		3 343 197	3 158 805	4 614 360	4 312 711
Current assets					
Intangible assets		13 611	3 239	12 061	763
Inventories		731	589	2 977	460
Trade receivables	8,13	1 813 334	1 105 127	4 590 741	7 551 433
Derivative financial instruments and firm commitments	9,10	1 050 235	733 280	7 630 070	2 370 117
Other current assets		37 244	31 073	104 828	66 025
Cash and cash equivalents		145 122	177 466	233 967	70 548
Total current assets		3 060 276	2 050 774	12 574 644	10 059 347
Total assets		6 403 474	5 209 579	17 189 004	14 372 058
Equity and liabilities:					
Equity					
Share capital		32 590	32 597	32 590	32 590
Share premium		993 294	993 294	993 294	993 294
Retained earnings		247 819	249 479	395 882	214 241
Non-controlling interests		115 358	121 185	-	-
Total equity		1 389 061	1 396 556	1 421 766	1 240 126

**Condensed consolidated statement
of financial position**

NOK in thousands	Note	30 June 2023	30 September 2023	30 September 2022 <i>Restated</i>	31 December 2022
Non-current liabilities					
Net employee defined benefit plan liabilities		95 462	73 533	62 937	79 780
Interest-bearing long term debt	11	583 748	560 981	651 879	629 169
Deferred tax liabilities		74 148	77 908	126 244	100 280
Lease liability - long term		44 970	42 160	53 779	49 477
Derivative financial instruments and firm commitments	9,10	822 951	732 134	1 422 976	1 492 743
Onerous contract provisions	4	239 559	51 563	1 922 579	784 239
Other provisions for liabilities		32 447	29 113	19 584	29 619
Total non-current liabilities		1 893 284	1 567 392	4 259 977	3 165 307
Current liabilities					
Trade and other payables	13	804 678	461 842	3 333 470	5 828 373
Overdraft facilities	11	525 786	110 932	606 852	534 112
Interest-bearing short term debt	11	368 700	368 700	368 700	368 700
Current income tax liabilities		49 455	51 051	67 793	50 506
Derivative financial instruments and firm commitments	9,10	897 973	741 801	4 512 690	1 692 584
Social security and other taxes		81 295	107 526	91 133	313 504
Lease liability - short term		20 422	18 603	21 030	20 284
Onerous contract provisions	4	14 517	3 376	1 799 596	285 336
Other current liabilities	12	358 302	381 800	705 994	873 227
Total current liabilities		3 121 129	2 245 631	11 507 260	9 966 625
Total liabilities		5 014 413	3 813 023	15 767 237	13 131 932
Total equity and liabilities		6 403 474	5 209 579	17 189 004	14 372 058

The Board of Elmera Group ASA, Bergen, 31 October 2023


Steinar Sonstebj
Chairman



Anne Marit Steen
Board member



Frank Økland
Board member



Magnhild K. B. Uglem
Board member



Heidi Theresa Ose
Board member



Live Bertha Haukvik
Board member



Per Oluf Solbraa
Board member



Stian Madsen
Board member



Rolf Barmen
CEO

Condensed consolidated statement of changes in equity

NOK in thousands	Issued capital	Treasury shares	Share premium	Hedging reserves	Foreign currency translation reserve	Retained earnings	Attributable to owners of parent	Non-controlling interests	Total
Balance at 1 January 2022	34 291	-	992 094	(71 347)	(67 775)	787 005	1 674 268	-	1 674 269
Profit/(loss) for the period	-	-	-	-	-	118 202	172 852	-	118 202
Share-based payment	-	-	-	-	-	2 214	2 214	-	2 214
Other comprehensive income/(loss) for the period, net of tax	-	-	-	40 452	10 686	107 787	184 271	-	158 924
Total comprehensive income/(loss) for the period incl. share-based payment	-	-	-	40 452	10 686	228 203	358 801	-	279 340
Share buyback	-	(1 715)	-	-	-	(131 112)	(132 827)	-	(132 827)
Share capital increase (note 6)	15	-	1 200	-	-	-	1 215	-	1 215
Dividends paid (note 6)	-	-	-	-	-	(400 231)	(400 231)	-	(400 231)
Transactions with owners	15	(1 715)	1 200	-	-	(531 343)	(531 843)	-	(531 843)
Balance at 30 September 2022	34 306	(1 715)	993 294	(30 895)	(57 089)	483 865	1 501 228	-	1 421 766
Balance at 1 January 2023	34 306	(1 715)	993 294	(55 137)	(68 531)	337 909	1 240 126	-	1 240 126
Profit/(loss) for the period	-	-	-	-	-	104 344	104 344	4 268	108 612
Share-based payment	-	-	-	-	-	2 145	2 145	-	2 145
Other comprehensive income/(loss) for the period, net of tax	-	-	-	51 038	26 920	13 259	91 217	-	91 217
Total comprehensive income/(loss) for the period incl. share-based payment	-	-	-	51 038	26 920	119 748	197 707	4 268	201 975
Sale of treasury shares	-	7	-	-	-	483	490	-	490
Transactions with non-controlling interests	-	-	-	-	-	-	-	116 917	116 917
Dividends paid (note 6)	-	-	-	-	-	(162 951)	(162 951)	-	(162 951)
Transactions with owners	-	7	-	-	-	(162 469)	(162 461)	116 917	(45 544)
Balance at 30 September 2023	34 306	(1 708)	993 294	(4 099)	(41 611)	295 189	1 275 372	121 185	1 396 556

Condensed consolidated statement of cash flows

NOK in thousands	Note	Q2 2023	Q3 2023	Q3 2022 <i>Restated</i>	YTD 2023	YTD 2022 <i>Restated</i>	Full year 2022
Operating activities							
Profit/(loss) before tax		7 504	3 351	(40 201)	128 194	181 229	128 692
<i>Adjustments for:</i>							
Depreciation	7	43 078	42 282	45 989	129 199	138 277	183 760
Depreciation right-of-use assets		5 259	5 078	4 982	15 612	15 325	20 303
Amortisation of cost to obtain contracts		49 233	49 842	46 321	148 543	135 242	185 893
Impairment of intangible assets and cost to obtain contracts	4,7	(5 182)	(9 957)	-	(28 029)	-	39 282
Interest income		(9 915)	(3 000)	(4 819)	(21 427)	(15 979)	(26 952)
Interest expense lease liability		416	391	467	1 257	1 497	1 934
Interest expense		43 099	22 829	33 283	105 447	80 802	156 876
Income/loss from investments in associates and joint ventures		(301)	215	548	(1 103)	(160)	(429)
Change in long-term receivables		(472)	(447)	(22 513)	(1 475)	(24 293)	25
Share-based payment expense		675	683	535	2 145	2 214	4 790
Change in post-employment liabilities		1 322	(16 405)	2 245	(13 901)	6 425	(13 607)
Payments to obtain a contract		(37 676)	(33 924)	(67 367)	(112 535)	(176 664)	(237 550)
<i>Changes in working capital (non-cash effect)</i>							
Impairment loss recognised in trade receivables	8	(17 890)	(2 654)	6 653	(3 219)	29 652	4 402
Provision for onerous contracts	4	(59 080)	(169 212)	1 067 974	(1 066 481)	2 597 634	(39 256)
Change in fair value of derivative financial instruments	4,9,10	73 090	177 555	(1 002 524)	1 130 722	(2 550 069)	12 182
<i>Changes in working capital</i>							
Inventories		(234)	142	1 048	(129)	(830)	1 686
Trade receivables	8	2 076 965	713 327	(2 035 092)	6 468 088	559 870	(2 385 823)
Purchase of el-certificates, GoOs and Climate Quotas		(41 854)	(11 903)	(1 664)	(64 522)	(38 201)	(38 527)
Non-cash effect from cancelling el-certificates, GoOs and Climate Quotas		31 007	22 275	9 127	62 047	33 810	45 373
Other current assets		100 584	6 051	(115)	35 607	(64 712)	(26 609)
Trade and other payables		(1 615 916)	(338 240)	1 671 756	(5 339 362)	(1 180 085)	1 297 999
Other current liabilities	12	(188 240)	50 262	402 965	(698 880)	129 989	515 278
Cash generated from operations		455 472	508 540	119 599	875 799	(139 029)	(170 276)
Interest paid		(48 516)	(26 655)	(33 571)	(145 663)	(78 704)	(123 449)
Interest received		9 915	3 000	4 819	21 427	15 979	26 952
Income tax paid	5	-	-	(189)	(61 843)	(109 900)	(103 339)
Net cash from operating activities		416 871	484 885	90 659	689 719	(311 654)	(370 112)

**Condensed consolidated statement
of cash flows**

NOK in thousands	Note	Q2 2023	Q3 2023	Q3 2022 <i>Restated</i>	YTD 2023	YTD 2022 <i>Restated</i>	Full year 2022
Investing activities							
Purchase of property, plant and equipment		(35)	(111)	(73)	(331)	(2 608)	(3 325)
Purchase of intangible assets	7	(12 828)	(8 667)	(8 616)	(37 532)	(28 674)	(41 007)
Net (outflow)/proceeds from non-current receivables		2 922	2 020	1 546	6 700	5 691	6 474
Net (outflow)/proceeds from other long-term liabilities		2 272	(2 806)	865	(1 293)	2 878	13 485
Net cash used in investing activities		(7 669)	(9 564)	(6 278)	(32 456)	(22 712)	(24 373)
Financing activities							
Proceeds from overdraft facilities	11	(131 309)	(414 854)	13 531	(423 180)	606 852	534 112
Proceeds from revolving credit facility	11	-	-	-	150 000	275 000	275 000
Repayment of revolving credit facility	11	(150 000)	-	-	(150 000)	-	-
Proceeds from issuance of shares		-	-	-	-	1 215	1 215
Dividends paid		(162 951)	-	-	(162 951)	(400 231)	(400 231)
Purchase of treasury shares		-	-	-	-	(132 827)	(132 827)
Sale of treasury shares		-	490	-	490	-	-
Instalments of long term debt	11	(23 425)	(23 425)	(23 425)	(70 275)	(70 275)	(93 700)
Transactions with non-controlling interests		115 455	1 462	-	116 917	-	-
Payment of lease liability		(5 325)	(5 260)	(4 994)	(15 897)	(15 283)	(20 245)
Net cash from financing activities		(357 555)	(441 587)	(14 888)	(554 896)	264 451	163 324
Net change in cash and cash equivalents		51 647	33 734	69 492	102 368	(69 915)	(231 162)
Cash and cash equivalents at start of period		94 835	145 122	161 896	70 548	306 627	306 627
Effects of exchange rate changes on cash and cash equivalents		(1 359)	(1 390)	2 579	4 550	(2 744)	(4 918)
Cash and cash equivalents at end of period		145 122	177 466	233 967	177 466	233 967	70 548

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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 31 October 2023.

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 informa-

tion as the annual financial statements and should therefore be read in conjunction with the annual financial statements for the year ended 31 December 2022, 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 2022, with the exception of fair value hedge accounting principles which was not described in the annual report. See note 10 for information regarding fair value hedge accounting.

There are not any new or amended accounting standards or interpretations of which application is mandatory for reporting periods commencing 1 January 2023, 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 2022, except for defined benefit obligations.

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

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. See information in the 2022 annual

report regarding restatement of comparative figures due to prior period adjustment requirements. In addition, the following changes have been made in comparative figures at 30 September 2022 and 31 December 2022:

Presentation of instalments on long term loan due within 12 months

The instalments on term loans that are due within 12 months from the reporting date has in previous reporting been reported in Other current liabilities in the statement of financial position. From the Q1 2023 quarterly report and going forward the amounts of term loan that are due within the next 12 months will be reported in Interest-bearing short term debt. Comparative figures have been reclassified to align with current presentation increasing Interest-bearing short term debt / decreasing Other current liabilities with NOKt 93 700 at 30 September 2022 and 31 December 2022.

Note 2

Segment information

Disaggregation of revenue from contracts with customers

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

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

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

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

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

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

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

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

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

Note 2
Segment information

Q2 2023						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	1 438 938	1 579 539	376 710	3 395 187	70 605	3 465 792
Direct cost of sales adjusted	(1 263 738)	(1 464 148)	(317 853)	(3 045 739)	(44 202)	(3 089 941)
Net revenue adjusted	175 200	115 391	58 857	349 448	26 403	375 851
Personnel and other operating expenses adjusted	(101 672)	(54 123)	(26 433)	(182 228)	(21 548)	(203 776)
Depreciation and amortisation adjusted	(43 840)	(6 818)	(14 404)	(65 062)	(1 509)	(66 571)
Total operating expenses adjusted	(145 512)	(60 941)	(40 837)	(247 290)	(23 057)	(270 347)
Operating profit adjusted	29 688	54 450	18 020	102 158	3 346	105 504
Acquisition related costs						-
Other one-off items						(24 808)
Depreciation of acquisitions *						(30 998)
Estimate deviations						(4 276)
Unrealised gains and losses on derivatives						(65 631)
Change in provisions for onerous contracts						59 080
Impairment of intangible assets and cost to obtain contracts						5 182
Operating profit (EBIT)						44 053
*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 2023
TrønderEnergi Marked acquisition						(1 232)
Oppdal Everk Kraftomsetning acquisition						(319)
Vesterålskraft Strøm acquisition						(272)
Innlandskraft acquisition						(16 727)
Troms Kraft Strøm acquisition						(9 090)
Other customer acquisitions						(3 358)
Depreciation of acquisitions						(30 998)

Note 2
Segment information

Q3 2022 *Restated*

NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	2 724 345	2 946 842	486 843	6 158 030	102 249	6 260 279
Direct cost of sales adjusted	(2 487 446)	(2 839 366)	(435 878)	(5 762 690)	(73 850)	(5 836 540)
Net revenue adjusted	236 899	107 476	50 965	395 340	28 399	423 739
Personnel and other operating expenses adjusted	(130 391)	(50 887)	(30 991)	(212 269)	(25 919)	(238 188)
Depreciation and amortisation adjusted	(44 271)	(7 510)	(11 199)	(62 980)	(1 536)	(64 516)
Total operating expenses adjusted	(174 662)	(58 397)	(42 190)	(275 249)	(27 455)	(302 704)
Operating profit adjusted	62 237	49 079	8 775	120 091	944	121 035
Acquisition related costs						-
Other one-off items						-
Depreciation of acquisitions *						(32 775)
Estimate deviations						-
Unrealised gains and losses on derivatives						971 530
Change in provisions for onerous contracts						(1 067 974)
Impairment of intangible assets and cost to obtain contracts						-
Operating profit (EBIT)						(8 184)

*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 2022
TrønderEnergi Marked acquisition	(1 436)
Oppdal Everk Kraftomsetning acquisition	(425)
Vesterålskraft Strøm acquisition	(329)
Innlandskraft acquisition	(20 624)
Troms Kraft Strøm acquisition	(8 105)
Other customer acquisitions	(1 856)
Depreciation of acquisitions	(32 775)

Note 2
Segment information

YTD 2022 <i>Restated</i>						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	8 829 807	7 464 110	1 490 815	17 784 732	256 578	18 041 310
Direct cost of sales adjusted	(8 075 458)	(7 073 024)	(1 380 952)	(16 529 434)	(172 650)	(16 702 084)
Net revenue adjusted	754 349	391 086	109 863	1 255 298	83 928	1 339 226
Personnel and other operating expenses adjusted	(416 650)	(146 551)	(77 559)	(640 760)	(76 424)	(717 184)
Depreciation and amortisation adjusted	(131 618)	(22 149)	(31 761)	(185 528)	(3 964)	(189 492)
Total operating expenses adjusted	(548 268)	(168 700)	(109 320)	(826 288)	(80 388)	(906 676)
Operating profit adjusted	206 081	222 386	543	429 010	3 540	432 550
Acquisition related costs						-
Other one-off items						-
Depreciation of acquisitions *						(99 351)
Estimate deviations						-
Unrealised gains and losses on derivatives						2 519 076
Change in provisions for onerous contracts						(2 597 634)
Impairment of intangible assets and cost to obtain contracts						-
Operating profit (EBIT)						254 641
*Depreciation of acquisitions consists of depreciations of customer portfolios acquired separately and recognised as intangible assets, and depreciations of customer portfolios and other intangible assets recognised as part of a business combination.						
NOK in thousands						YTD 2022
TrønderEnergi Marked acquisition						(4 302)
Oppdal Everk Kraftomsetning acquisition						(1 276)
Vesterålskraft Strøm acquisition						(1 162)
Innlandskraft acquisition						(62 295)
Troms Kraft Strøm acquisition						(24 277)
Other customer acquisitions						(6 038)
Depreciation of acquisitions						(99 351)

Note 2
Segment information

Full year 2022						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	13 122 968	11 095 287	2 228 015	26 446 270	360 006	26 806 277
Direct cost of sales adjusted	(12 215 674)	(10 535 045)	(2 100 425)	(24 851 144)	(244 130)	(25 095 275)
Net revenue adjusted	907 294	560 242	127 590	1 595 126	115 876	1 711 002
Personnel and other operating expenses adjusted	(565 940)	(209 153)	(114 243)	(889 336)	(103 979)	(993 315)
Depreciation and amortisation adjusted	(175 347)	(28 983)	(47 712)	(252 042)	(5 591)	(257 633)
Total operating expenses adjusted	(741 287)	(238 136)	(161 955)	(1 141 378)	(109 570)	(1 250 948)
Operating profit adjusted	166 007	322 106	(34 365)	453 748	6 306	460 054
Acquisition related costs						-
Other one-off items						(2 660)
Depreciation of acquisitions *						(132 323)
Estimate deviations						(4 472)
Unrealised gains and losses on derivatives						(47 791)
Change in provisions for onerous contracts						39 256
Impairment of intangible assets and cost to obtain contracts						(39 282)
Operating profit (EBIT)						272 781

*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 2022
TrønderEnergi Marked acquisition	(5 761)
Oppdal Everk Kraftomsetning acquisition	(1 702)
Vesterålskraft Strøm acquisition	(1 492)
Innlandskraft acquisition	(83 343)
Troms Kraft Strøm acquisition	(32 572)
Other customer acquisitions	(7 453)
Depreciation of acquisitions	(132 323)

Note 3

Revenue recognition

The following table summarises revenue from contracts with customers:

Timing of revenue recognition

Over time:

NOK in thousands	Q2 2023	Q3 2023	Q3 2022 <i>Restated</i>	YTD 2023	YTD 2022 <i>Restated</i>	Full year 2022
Revenue - Consumer segment	1 418 724	491 435	2 698 376	5 008 625	8 756 192	13 025 916
Revenue - Business segment	1 562 375	728 280	2 932 856	5 347 135	7 422 405	11 041 944
Revenue - Nordic	376 710	339 496	486 843	1 315 588	1 490 815	2 228 015
Revenue - New growth initiatives	62 923	81 933	97 023	238 922	244 067	340 764
Total revenue recognised over time	3 420 732	1 641 144	6 215 098	11 910 270	17 913 479	26 636 639

At a point in time:

NOK in thousands	Q2 2023	Q3 2023	Q3 2022 <i>Restated</i>	YTD 2023	YTD 2022 <i>Restated</i>	Full year 2022
Revenue - Consumer segment	20 214	13 334	25 969	56 181	73 615	97 053
Revenue - Business segment	17 164	10 346	13 986	41 372	41 705	53 343
Revenue - Nordic	-	-	-	-	-	-
Revenue - New growth initiatives	7 682	7 372	5 226	17 556	12 511	19 242
Total revenue recognised at a point in time	45 060	31 052	45 181	115 109	127 831	169 638

Total revenue from contracts with customers (Revenue adjusted)	3 465 792	1 672 196	6 260 279	12 025 379	18 041 310	26 806 277
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Other revenue:

Estimate deviations	3 769	-	-	3 769	-	-
Unrealised gains and losses on derivative customer contracts	43 126	542 594	(49 532)	1 731 670	(1 037 744)	(1 284 761)
Total revenue	3 512 686	2 214 790	6 210 748	13 760 817	17 003 565	25 521 514

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 2023	30 September 2023	30 September 2022	31 December 2022
Onerous contract provisions - Non-current	239 559	51 563	1 922 579	784 239
Onerous contract provisions - Current	14 517	3 376	1 799 596	285 336
Onerous contract provisions - Total	254 076	54 939	3 722 175	1 069 575

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	Q2 2023	Q3 2023	Q3 2022 <i>Restated</i>	YTD 2023	YTD 2022 <i>Restated</i>	Full year 2022
Impairment and provisions for onerous contracts:						
Change in provisions for onerous contracts	59 080	169 212	(1 067 974)	1 066 481	(2 597 634)	39 256
Impairment and reversal of impairment of cost to obtain contracts	5 182	9 957	-	28 029	-	(39 282)
Total impairment and provisions for onerous contracts:	64 262	179 169	(1 067 974)	1 094 510	(2 597 634)	(26)
Unrealised gains and losses on derivatives related to fixed price customer contracts	(60 074)	(173 094)	981 504	(1 065 329)	2 542 266	(6 439)
Net unrealised gain/loss recognised in statement of profit or loss	4 188	6 074	(86 470)	29 181	(55 368)	(6 465)

Change in provisions for onerous contracts includes both release of provisions for (parts of) contracts which have been delivered in the period, and change in provisions for new and remaining contracts. Forward market prices decreased significantly during the first three quarters of 2023.

The remaining volume of fixed price power contracts has also decreased during 2023 due to a movement towards spot based products for new customers and existing fixed price customer contracts being delivered. These effects has lead to a significant decrease in provisions for onerous contracts and the unrealised gains on the corresponding portfolios of derivative hedge contracts.

Market conditions in 2022, with high and volatile power prices, lead to high profile costs and expectations of high profile costs going forward. This effect caused negative estimated margins on some fixed price customer contracts, leading to a corresponding impairment of the cost to obtain these contracts. As parts of these fixed price contracts with negative estimated margins were delivered in the first three quarters of 2023, a corresponding reversal of the impairment of cost to obtain contracts was recognised.

The net impact in the statement of profit or loss, which is an unrealised net gain in the first three quarters of 2023 of NOKt 29 181 (YTD 2022: NOKt 55 368 net loss, Full year 2022: NOKt 6 465 net loss) is mainly caused by improved margins in the customer contracts and imbalance between the portfolios of customer contracts, and the corresponding portfolios of derivative hedge contracts. Change in provision for onerous contracts and unrealised gains and losses on derivatives related to fixed price customer contracts are both presented as Direct cost of sales in the statement of profit or loss, while impairment and reversal of impairment of cost to obtain contracts is presented on a separate line.

Note 5

Income tax

NOK in thousands	Q2 2023	Q3 2023	Q3 2022 <i>Restated</i>	YTD 2023	YTD 2022 <i>Restated</i>	Full year 2022
Profit before tax	7 504	3 351	(40 201)	128 194	181 229	128 692
Tax expense	1 883	(627)	(14 449)	(19 582)	(63 027)	(54 845)
<i>Average tax rate</i>	-25,1 %	18,7 %	-35,9 %	15,3 %	34,8 %	42,6 %
Tax payable	14 771	680	17 344	61 516	83 426	64 623
Adjustments to prior years tax payable	-	-	(15)	-	(15)	(15)
Change in deferred tax	(16 654)	(52)	(2 880)	(41 934)	(20 383)	(9 762)
Tax expense recognised in statement of profit or loss	(1 883)	627	14 449	19 582	63 027	54 845

Note 6

Earnings per share

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

Ordinary shares outstanding	30 June 2023	30 September 2023	30 September 2022	31 December 2022
Total number of ordinary shares in issue	114 351 800	114 351 800	114 351 800	114 351 800
Treasury shares	5 717 590	5 693 521	5 717 590	5 717 590
Total number of ordinary shares outstanding	108 634 210	108 658 279	108 634 210	108 634 210

Basic earnings per share

	Q2 2023	Q3 2023	Q3 2022 <i>Restated</i>	YTD 2023	YTD 2022 <i>Restated</i>	Full year 2022
Profit/(loss) attributable to shareholders *	9 484	(1 642)	(54 650)	104 344	118 202	73 847
Total comprehensive income attributable to shareholders *	20 526	495	(79 996)	195 561	277 127	92 911
Weighted average number of ordinary shares outstanding	108 634 210	108 624 102	108 634 210	108 630 828	111 577 014	110 833 229
Earnings per share in NOK	0,09	(0,02)	(0,50)	0,96	1,06	0,67
Total comprehensive income per share in NOK	0,19	0,00	(0,74)	1,80	2,48	0,84
Share options	1 959 000	1 945 668	1 710 000	1 945 668	1 710 000	1 710 000
Diluted earnings per share in NOK	0,09	(0,01)	(0,50)	0,94	1,04	0,66
Dividend per share in NOK	1,50	-	-	1,50	3,50	3,50

*NOK in thousands

Note 7 Intangible assets

Intangible assets

Q2 2023

NOK in thousands	Software and development projects	Construction in progress	Customer portfolios	Fixed price customer contracts*	Other intangible assets	Total non-current intangible assets, excl. goodwill	Goodwill	Total non-current intangible assets
Accumulated cost 1 April 2023	392 686	15 688	817 479	251 667	147 689	1 625 208	1 440 315	3 065 523
Additions - Purchase	1 399	11 162	-	-	-	12 561	-	12 561
Additions - Internally generated	287	(21)	-	-	-	266	-	266
Transferred from construction in progress	11 396	(11 396)	-	-	-	-	-	-
Government grants (SkatteFUNN)	-	-	-	-	-	-	-	-
Currency translation differences	138	1	2 407	2 155	149	4 850	(689)	4 161
Accumulated cost 30 June 2023	405 905	15 434	819 886	253 822	147 838	1 642 886	1 439 625	3 082 511
Accumulated depreciation 1 April 2023	(282 075)	-	(480 836)	(54 616)	(43 097)	(860 624)	-	(860 624)
Depreciation for the period	(11 178)	-	(29 158)	-	(1 857)	(42 193)	-	(42 193)
Currency translation differences	(77)	-	(627)	(468)	-	(1 173)	-	(1 173)
Accumulated depreciation 30 June 2023	(293 330)	-	(510 621)	(55 084)	(44 954)	(903 988)	-	(903 989)
Accumulated impairment 1 April 2023	(22 724)	-	-	(197 051)	-	(219 774)	-	(219 774)
Impairment for the period	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	(1 688)	-	(1 688)	-	(1 688)
Accumulated impairment 30 June 2023	(22 724)	-	-	(198 739)	-	(221 462)	-	(221 462)
Carrying amount 30 June 2023	89 852	15 434	309 265	-	102 884	517 436	1 439 625	1 957 061

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

Note 7

Intangible assets

Intangible assets

Q3 2023								
NOK in thousands	Software and development projects	Construction in progress	Customer portfolios	Fixed price customer contracts*	Other intangible assets	Total non-current intangible assets, excl. goodwill	Goodwill	Total non-current intangible assets
Accumulated cost 1 July 2023	405 905	15 434	819 886	253 822	147 838	1 642 886	1 439 625	3 082 511
Additions - Purchase	1 986	6 455	-	-	-	8 440	-	8 440
Additions - Internally generated	226	-	-	-	-	226	-	226
Additions from business combinations	-	-	-	-	-	-	-	-
Transferred from construction in progress	9 965	(9 965)	-	-	-	-	-	-
Government grants (SkatteFUNN)	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Currency translation differences	(324)	92	(7 507)	(7 478)	(716)	(15 933)	(7 523)	(23 457)
Accumulated cost 30 September 2023	417 758	12 016	812 379	246 344	147 122	1 635 619	1 432 102	3 067 721
Accumulated depreciation 1 July 2023	(293 330)	-	(510 621)	(55 084)	(44 954)	(903 988)	-	(903 989)
Depreciation for the period	(10 670)	-	(28 824)	-	(1 857)	(41 350)	-	(41 350)
Currency translation differences	31	-	3 117	1 623	-	4 771	-	4 771
Accumulated depreciation 30 September 2023	(303 969)	-	(536 327)	(53 461)	(46 810)	(940 567)	-	(940 569)
Accumulated impairment 1 July 2023	(22 724)	-	-	(198 739)	-	(221 462)	-	(221 462)
Impairment for the period	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	5 855	-	5 855	-	5 855
Accumulated impairment 30 September 2023	(22 724)	-	-	(192 884)	-	(215 607)	-	(215 607)
Carrying amount 30 September 2023	91 066	12 016	276 052	-	100 311	479 445	1 432 102	1 911 547

* 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

YTD 2023								
NOK in thousands	Software and development projects	Construction in progress	Customer portfolios	Fixed price customer contracts*	Other intangible assets	Total non-current intangible assets, excl. goodwill	Goodwill	Total non-current intangible assets
Accumulated cost 1 January 2023	382 472	9 446	799 668	233 569	145 888	1 571 044	1 418 775	2 989 819
Additions - Purchase	5 855	30 930	-	-	-	36 785	-	36 785
Additions - Internally generated	746	-	-	-	-	746	-	746
Additions from business combinations	-	-	-	-	-	-	-	-
Transferred from construction in progress	28 473	(28 473)	-	-	-	-	-	-
Government grants (SkatteFUNN)	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Currency translation differences	212	112	12 712	12 775	1 233	27 044	13 327	40 370
Accumulated cost 30 September 2023	417 758	12 016	812 379	246 344	147 122	1 635 619	1 432 102	3 067 721
Accumulated depreciation 1 January 2023	(269 527)	-	(445 660)	(50 688)	(41 240)	(807 117)	-	(807 117)
Depreciation for the period	(34 370)	-	(86 580)	-	(5 570)	(126 520)	-	(126 520)
Currency translation differences	(72)	-	(4 087)	(2 772)	-	(6 931)	-	(6 931)
Accumulated depreciation 30 September 2023	(303 969)	-	(536 327)	(53 461)	(46 810)	(940 568)	-	(940 568)
Accumulated impairment 1 January 2023	(22 724)	-	-	(182 881)	-	(205 604)	-	(205 604)
Impairment for the period	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	(10 002)	-	(10 002)	-	(10 002)
Accumulated impairment 30 September 2023	(22 724)	-	-	(192 883)	-	(215 607)	-	(215 607)
Carrying amount 30 September 2023	91 066	12 016	276 052	-	100 311	479 445	1 432 102	1 911 547

* 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

Full year 2022

NOK in thousands	Software and development projects	Construction in progress	Customer portfolios	Fixed price customer contracts*	Other intangible assets	Total non-current intangible assets excl. Goodwill	Goodwill	Total non-current intangible assets
Accumulated cost 1 January 2022	345 582	5 339	796 218	229 668	145 607	1 522 414	1 419 451	2 941 866
Additions - Purchase	8 910	32 439	4	-	-	41 353	-	41 353
Additions - Internally generated	858	105	-	-	-	963	-	963
Transferred from construction in progress	28 294	(28 294)	-	-	-	-	-	-
Government grants (SkatteFUNN)	(1 308)	-	-	-	-	(1 308)	-	(1 308)
Currency translation differences	136	(143)	3 446	3 901	281	7 621	(675)	6 946
Accumulated cost 31 December 2022	382 472	9 446	799 668	233 569	145 888	1 571 044	1 418 775	2 989 819
Accumulated depreciation 1 January 2022	(221 534)	-	(321 346)	(49 842)	(32 514)	(625 237)	-	(625 237)
Depreciation for the period	(47 861)	-	(123 977)	-	(8 726)	(180 565)	-	(180 565)
Currency translation differences	(131)	-	(337)	(847)	-	(1 315)	-	(1 315)
Accumulated depreciation 31 December 2022	(269 527)	-	(445 660)	(50 688)	(41 240)	(807 117)	-	(807 117)
Accumulated impairment 1 January 2022	(22 724)	-	-	(179 826)	-	(202 550)	-	(202 550)
Impairment for the period	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	(3 054)	-	(3 054)	-	(3 054)
Accumulated impairment 31 December 2022	(22 724)	-	-	(182 881)	-	(205 604)	-	(205 604)
Carrying amount 31 December 2022	90 221	9 446	354 007	-	104 648	558 324	1 418 775	1 977 100

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

Note 8

Trade receivables

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

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

There 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 2023	30 September 2023	30 September 2022 <i>Restated</i>	Full year 2022
Gross nominal amount	960 822	674 448	1 467 501	1 771 569
Loss allowance provision	(49 331)	(46 499)	(74 907)	(49 408)
Trade receivables, net	911 492	627 949	1 392 594	1 722 161

* The presentation of trade receivables in this note is changed compared to prior years as contract assets are no longer included in gross nominal amount. Comparable figures have been changed accordingly.

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 2023	Q3 2023	Q3 2022	YTD 2023	YTD 2022	Full year 2022
Loss allowance provision, opening balance	67 485	49 331	68 173	49 408	45 213	45 213
Change in loss allowance recognised in profit or loss for the period	(17 890)	(2 654)	6 653	(3 219)	29 653	4 403
Currency translation difference	(265)	(179)	81	310	41	(208)
Loss allowance provision, balance at end of period	49 331	46 499	74 907	46 499	74 907	49 408

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 2023	Q3 2023	Q3 2022	YTD 2023	YTD 2022	Full year 2022
Receivables written off	29 370	6 172	920	35 959	1 448	39 518
Movement in provision for impairment	(17 890)	(2 654)	6 653	(3 219)	29 653	4 403
Received payment on previously written off receivables	(1 200)	(2 383)	(831)	(5 455)	(2 406)	(3 663)
Net impairment expense recognised on trade receivables	10 281	1 135	6 743	27 285	28 696	40 258

Note 9

Derivatives and fair value measurement of financial instruments

Derivatives

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

NOK in thousands	30 June 2023	30 September 2023	30 September 2022 <i>Restated</i>	31 December 2022
Derivative financial assets and firm commitments				
<i>Designated as hedging instruments for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	-	-	2 077
Electricity derivatives - Customer contracts	-	71 853	-	-
<i>Classified as held for trading for accounting purposes</i>				
Electricity derivatives - Hedge contracts	872 707	322 093	5 877 387	2 745 315
Electricity derivatives - Customer contracts	935 401	1 006 540	3 716 536	1 486 276
Other derivatives	319	14	-	-
<i>Hedged item in fair value hedge</i>				
Firm commitments	158 998	107 957	-	-
Total derivative financial assets and firm commitments	1 967 426	1 508 458	9 593 923	4 233 668
Derivative financial liabilities and firm commitments				
<i>Designated as hedging instruments for accounting purposes</i>				
Electricity derivatives - Hedge contracts	536	5 255	37 976	72 772
Electricity derivatives - Customer contracts	158 998	107 957	-	-
<i>Classified as held for trading for accounting purposes</i>				
Electricity derivatives - Hedge contracts	278 331	492 181	1 110 961	129 552
Electricity derivatives - Customer contracts	1 283 059	796 689	4 786 435	2 982 676
Other derivatives	-	-	295	328
<i>Hedged item in fair value hedge</i>				
Firm commitments	-	71 853	-	-
Total derivative financial liabilities and firm commitments	1 720 924	1 473 935	5 935 667	3 185 327

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 and firm commitments that are recognised and measured at fair value in the financial statements. The table below provides details for the Group's financial instruments measured at fair value. The Group also has financial instruments which are not measured at fair value in the statement of financial position. For the majority of these instruments, the fair 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 2023.

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 2023**

NOK in thousands	Level 1	Level 2	Level 3	Total
Derivative financial assets and firm commitments				
<i>Designated as hedging instruments for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	-	-	-
Electricity derivatives - Customer contracts	-	57 936	13 918	71 853
<i>Classified as held for trading for accounting purpose</i>				
Electricity derivatives - Hedge contracts	-	284 915	37 178	322 093
Electricity derivatives - Customer contracts	-	995 280	11 260	1 006 540
Other derivatives	-	14	-	14
<i>Hedged item in fair value hedge</i>				
Firm commitments	-	82 651	25 307	107 957
Total financial assets and firm commitments at fair value	-	1 420 796	87 662	1 508 458
Derivative financial liabilities and firm commitments				
<i>Designated as hedging instruments for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	5 255	-	5 255
Electricity derivatives - Customer contracts	-	82 651	25 307	107 957
<i>Classified as held for trading for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	479 007	13 174	492 181
Electricity derivatives - Customer contracts	-	759 145	37 544	796 689
Other derivatives	-	-	-	-
<i>Hedged item in fair value hedge</i>				
Firm commitments	-	57 936	13 918	71 853
Total financial liabilities and firm commitments at fair value	-	1 383 994	89 942	1 473 935

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 2023, hence all level 3 derivatives are long term area price contracts.

Note 10 Hedge Accounting

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

Cash flow hedge

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

Fair value hedge

From Q1 2023 the group designates certain

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

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

or loss resulting from hedge ineffectiveness during the quarter.

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

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

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

NOK in thousands	Q2 2023	Q3 2023	Q3 2022	YTD 2023	YTD 2022	Full year 2022
Cash flow hedge of highly probable power purchase:						
Ineffective portion, recognised in P&L, total	-	-	(3 264)	5	(10 874)	(12 513)
Effective portion, recognised in OCI, total	(2 441)	(4 719)	(93 383)	65 434	51 861	20 781
Change in fair value, total	(2 441)	(4 719)	(96 647)	65 439	40 987	8 268
<i>Effective portion, recognised in OCI, net of tax (22 %)</i>	<i>(1 904)</i>	<i>(3 681)</i>	<i>(72 838)</i>	<i>51 038</i>	<i>40 452</i>	<i>16 209</i>

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

Note 10
Hedge Accounting

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

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

NOK in thousands	Fair value of hedge instrument	Effective portion of change in fair value, recognised in OCI	Effective portion of change in fair value, recognised in OCI, net of tax	Ineffectiveness recognised in P&L	Hedged volume, subsequent quarter, in MWh	Hedged volume beyond subsequent quarter, in MWh
30 June 2023						
South Norway (NO1, NO2, NO5)	(273)	(273)	(213)	-	5 848	-
Trondheim (NO3)	(228)	(228)	(178)	-	10 509	-
Tromsø (NO4)	(35)	(35)	(27)	-	612	-
30 June 2023 - Total	(536)	(536)	(418)	-	16 969	-
30 September 2023						
South Norway (NO1, NO2, NO5)	(3 535)	(3 535)	(2 757)	-	13 620	-
Trondheim (NO3)	(1 557)	(1 557)	(1 215)	-	11 512	-
Tromsø (NO4)	(162)	(162)	(127)	-	1 604	-
30 September 2023 - Total	(5 255)	(5 255)	(4 099)	-	26 736	-
30 September 2022						
South Norway (NO1, NO2, NO5)	(35 984)	(35 984)	(28 068)	-	136 437	10 760
Trondheim (NO3)	(843)	(1 962)	(1 530)	3 387	26 370	2 998
Tromsø (NO4)	(1 149)	(1 663)	(1 297)	1 511	6 912	4 998
30 September 2022 - Total	(37 976)	(39 609)	(30 895)	4 898	169 719	18 755
31 December 2022						
South Norway (NO1, NO2, NO5)	(71 809)	(71 809)	(56 011)	-	60 944	146
Trondheim (NO3)	2 099	2 103	1 640	(3)	29 114	763
Tromsø (NO4)	(984)	(983)	(766)	(2)	7 894	967
31 December 2022 - Total	(70 694)	(70 689)	(55 137)	(5)	97 952	1 876

Note 10
Hedge Accounting

Fair value hedges

NOK in thousands

Q2 2023

Hedged items:

Fixed price purchase contracts (Firm commitments)	Derivative financial instruments and firm commitments (assets)	843 128	158 998	158 998	47 148
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Hedging instruments:

Fixed price sales contracts (Electricity derivatives)	Derivative financial instruments (liabilities)	843 128	(158 998)	-	(47 148)
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Q3 2023

Hedged items:

Fixed price purchase contracts (Firm commitments)	Derivative financial instruments and firm commitments (assets)	717 895	107 957	107 957	(51 041)
	Derivative financial instruments and firm commitments (liabilities)	640 755	(71 853)	(71 853)	(71 853)

Hedging instruments:

Fixed price sales contracts (Electricity derivatives)	Derivative financial instruments and firm commitments (assets)	640 755	71 853	-	51 041
	Derivative financial instruments and firm commitments (liabilities)	717 895	(107 957)	-	71 853

YTD 2023

Hedged items:

Fixed price purchase contracts (Firm commitments)	Derivative financial instruments and firm commitments (assets)	717 895	107 957	107 957	107 957
	Derivative financial instruments and firm commitments (liabilities)	640 755	(71 853)	(71 853)	(71 853)

Hedging instruments:

Fixed price sales contracts (Electricity derivatives)	Derivative financial instruments and firm commitments (assets)	640 755	71 853	-	(107 957)
	Derivative financial instruments and firm commitments (liabilities)	717 895	(107 957)	-	71 853

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

Hedged volumes in MWh	0 - 3 months	3 - 12 months	1 - 5 years	5 + years	Total
30 June 2023					
Fixed price sales contracts (Electricity derivatives)	32 289	168 396	573 197	69 246	843 128
30 September 2023					
Fixed price sales contracts (Electricity derivatives)	46 375	252 264	906 806	153 206	1 358 650

Note 11

Credit facilities

NOK in thousands	Effective interest rate	30 June 2023	30 September 2023	30 September 2022	31 December 2022
Term loan	NIBOR 3 months + 1,75 %	679 325	655 900	749 600	726 175
Revolving credit facility	NIBOR 3 months + 1,75 %	275 000	275 000	275 000	275 000
Total principal amounts		954 325	930 900	1 024 600	1 001 175

Credit facilities agreement

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

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

The termination date of the term loan facility, the revolving credit facility, and the guarantee facility has been extended until 31 December 2024. For more information regarding the credit facilities agreement, see the 2022 annual report.

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

At 30 September 2023 the remaining term loan principal balance is NOKt 655 900. The loan instalments of NOKt 93 700 that are due the next twelve months are reported in interest-bearing short term debt in the statement of financial position.

The revolving credit facility - NOKt 500 000 - The RCF

The Group drew NOKt 275 000 on this facility in 2022, and another NOKt 150 000 in Q1 2023. The latter was repaid in Q2 2023, thus NOKt 225 000 remains undrawn at 30 September 2023. 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 2023 guarantees of total NOKt 2 039 944 were issued under the guarantee facility.

The overdraft facility - NOKt 1 300 000

The overdraft facility was increased from NOKt 1 000 000 to NOKt 1 300 000 in 2022. At 30 September 2023 the Group had drawn NOKt 110 932 on the overdraft facility

Financial covenant

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

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

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

Note 12

Other current liabilities

NOK in thousands	Note	30 June 2023	30 September 2023	30 September 2022 <i>Restated</i>	31 December 2022
El-certificate cancellation liabilities		4 223	4 990	8 435	9 641
Accrued power purchase		197 280	100 239	540 759	731 799
Prepayments from customers		43 673	67 373	72 922	46 656
Payroll liabilities		47 362	53 171	44 288	58 537
Other		65 764	156 028	39 590	26 594
Total Other current liabilities		358 302	381 800	705 994	873 227

Note 13

Related party transactions

Per 30 September 2023, the Group's related parties include major shareholders, Board of Directors, associated company and key management.

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

Expenses to related parties

Related party	Relation	Purpose of transactions	Q2 2023	Q3 2023	Q3 2022	YTD 2023	YTD 2022	Full Year 2022
Telia Norge AS	Major shareholder*	Purchase of telecom services	-	27 634	-	27 634	-	-
Metzum AS	Associated company	Purchase of other services	9 948	9 314	8 202	31 251	29 811	38 500
Atea AS	Other**	Purchase of products and other services	1 321	1 916	2 541	5 748	7 307	9 922

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

Purchase of assets

Related party	Relation	Purpose of transactions	Q2 2023	Q3 2023	Q3 2022	YTD 2023	YTD 2022	Full Year 2022
Metzum AS	Associated company	Research and development	189	44	16	344	2 290	2 666
Atea AS	Other**	Products and development	71	122	40	464	183	481

Current liabilities to related parties

Related party	Relation	Purpose of transactions	30 June 2023	30 September 2023	30 September 2022	31 December 2022
Telia Norge AS	Major shareholder*	Telecom services	-	36 503	-	-
Metzum AS	Associated company	Research and development	4 226	7 255	292	959
Atea AS	Other**	Products and development	769	685	735	138

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

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

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

Note 14

Events after the reporting period

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

Appendix

Alternative performance measures

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

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

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

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

acquisitions to illustrate the Group's organic maintenance capex.

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

EBIT adjusted

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

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

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

EBIT reported margin is EBIT divided by *Net revenue*. This APM is a measure of the profitability and 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 substantial proportion of the Group's final settlement of sales and distribution of electricity is made after the Group has finalised its financial statements. At the date of reporting, the Group recognises revenue from sale of electrical power and the associated cost of sales, based on a best estimate approach. Thus, any estimate deviation related to the previous reporting period is recognised in the following reporting period
- **Unrealised gains and losses on derivatives:** Consist of unrealised gains and losses on derivative financial instruments associated with the purchase and sale of electricity.

Alternative performance measures

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

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

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

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 and *Cash and cash equivalents*. The trade payables related to the group's power purchase are interest-bearing, but classified as Net working capital.

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

Non-cash NWC elements and other items

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

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

OpFCF before tax and change in NWC

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

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

Alternative performance measures

Financial statements with APM's

Reported amounts:

NOK in thousands	Q2 2023	Q3 2023	Q3 2022 <i>Restated</i>	YTD 2023	YTD 2022 <i>Restated</i>	Full year 2022
Revenue	3 512 686	2 214 790	6 210 748	13 760 817	17 003 565	25 521 514
Direct cost of sales	(3 147 664)	(1 868 750)	(5 883 451)	(12 539 852)	(15 742 896)	(23 823 519)
Net revenue	365 022	346 039	327 298	1 220 965	1 260 669	1 697 995
Personnel expenses	(84 078)	(117 625)	(109 598)	(324 541)	(296 967)	(421 029)
Other operating expenses	(144 504)	(115 341)	(128 592)	(416 523)	(420 218)	(574 946)
Impairment of intangible assets and cost to obtain contracts	5 182	9 957	-	28 029	-	(39 282)
Operating expenses	(223 400)	(223 009)	(238 190)	(713 035)	(717 185)	(1 035 258)
EBITDA	141 622	123 030	89 108	507 930	543 484	662 737
Depreciation & amortisation	(97 569)	(97 202)	(97 292)	(293 354)	(288 843)	(389 956)
EBIT reported (Operating profit)	44 053	25 828	(8 184)	214 576	254 641	272 781
Net financials	(36 549)	(22 477)	(32 018)	(86 381)	(73 412)	(144 089)
Profit/ (loss) before taxes	7 504	3 351	(40 201)	128 194	181 229	128 692
Taxes	1 883	(627)	(14 449)	(19 582)	(63 027)	(54 845)
Profit/ (loss) for the period	9 387	2 724	(54 650)	108 612	118 203	73 847
EBIT reported margin	12 %	7%	-3%	18%	20%	16%

Alternative performance measures

Adjusted amounts:

NOK in thousands	Q2 2023	Q3 2023	Q3 2022 <i>Restated</i>	YTD 2023	YTD 2022 <i>Restated</i>	Full year 2022
Net revenue	365 022	346 039	327 298	1 220 965	1 260 669	1 697 995
Other one-off items	-	-	-	-	-	-
Estimate deviations previous periods	4 276	-	-	4 276	-	4 472
Unrealised gains and losses on derivatives	65 631	173 157	(971 530)	1 100 631	(2 519 076)	47 791
Change in provisions for onerous contracts	(59 080)	(169 212)	1 067 974	(1 066 481)	2 597 634	(39 256)
Net revenue adjusted	375 851	349 983	423 739	1 259 391	1 339 226	1 711 002
EBITDA	141 622	123 030	89 108	507 930	543 484	662 737
Acquisition related costs	-	-	-	-	-	-
Other one-off items	24 808	2 330	-	39 035	-	2 660
Estimate deviations previous periods	4 276	-	-	4 276	-	4 472
Impairment of intangible assets and cost to obtain contracts	(5 182)	(9 957)	-	(28 029)	-	39 282
Unrealised gains and losses on derivatives	65 631	173 157	(971 530)	1 100 631	(2 519 076)	47 791
Change in provisions for onerous contracts	(59 080)	(169 212)	1 067 974	(1 066 481)	2 597 634	(39 256)
EBITDA adjusted	172 075	119 349	185 551	557 362	622 042	717 685
EBIT reported (Operating profit)	44 053	25 828	(8 184)	214 576	254 641	272 781
Acquisition related costs	-	-	-	-	-	-
Other one-off items	24 808	2 330	-	39 035	-	2 660
Estimate deviations previous periods	4 276	-	-	4 276	-	4 472
Impairment of intangible assets and cost to obtain contracts	(5 182)	(9 957)	-	(28 029)	-	39 282
Unrealised gains and losses on derivatives	65 631	173 157	(971 530)	1 100 631	(2 519 076)	47 791
Change in provisions for onerous contracts	(59 080)	(169 212)	1 067 974	(1 066 481)	2 597 634	(39 256)
Depreciation of acquisitions	30 998	30 948	32 775	92 401	99 351	132 323
EBIT adjusted	105 504	53 095	121 035	356 410	432 550	460 054
EBIT margin adjusted	28%	15%	29%	28%	32%	27%

Alternative performance measures

Other financial APM's

Net interest bearing debt (cash)

NOK thousands	30 June 2023	30 September 2023	30 September 2022	31 December 2022
Interest-bearing long term debt	583 748	560 981	651 879	629 169
Interest-bearing short term debt	368 700	368 700	368 700	368 700
Transaction costs recognised as part of amortised cost of Interest-bearing long term debt	1 877	1 219	4 021	3 306
Overdraft facilities	525 786	110 932	606 852	534 112
Cash and cash equivalents	(145 122)	(177 466)	(233 967)	(70 548)
Net interest bearing debt (cash)	1 334 990	864 366	1 397 485	1 464 739

Financial position related APM's

NOK thousands	Q2 2023	Q3 2023	Q3 2022 <i>Restated</i>	YTD 2023	YTD 2022 <i>Restated</i>	Full year 2022
Net working capital	550 768	119 206	491 185	119 206	491 185	532 789
OpFCF before tax and change in NWC	121 536	76 646	109 495	406 965	414 101	435 807
Capex excl. M&A	12 863	8 778	8 689	37 862	31 278	44 328

Non-financial APM's

Deliveries

Numbers in thousands	Q2 2023	Q3 2023	Q3 2022 <i>Restated</i>	YTD 2023	YTD 2022 <i>Restated</i>	Full year 2022
Electrical deliveries Consumer segment	678	674	664	674	664	685
Electrical deliveries Business segment	127	127	117	127	117	120
Electrical deliveries Nordic segment	131	128	162	128	162	149
Total number of electrical deliveries*	936	930	943	930	943	954
Number of mobile subscriptions	123	116	143	116	143	144

* Number of deliveries excl. Extended Alliance deliveries. Number of deliveries incl. Extended Alliance deliveries: 1 003 thousand in Q3 2023.

Volume in GWh	Q2 2023	Q3 2023	Q3 2022	YTD 2023	YTD 2022	Full year 2022
Consumer segment	1 612	1 212	1 086	5 572	5 322	7 648
Business segment	1 579	1 350	1 263	5 325	4 991	6 978
Nordic segment	470	425	539	1 551	2 139	2 879
Total volume	3 661	2 987	2 888	12 448	12 452	17 506