

Q4 2023
Quarterly report

Elmera Group



Q4 Highlights

- Net revenue adj. NOK 474m (NOK 372m) and EBIT adj. NOK 157m (NOK 28m). YoY improvements primarily from the Consumer and Nordic segments.
- Volume growth YoY in the Consumer and Business segments due to lower-than-normal temperatures and reduced elspot prices.
- Cost performance in line with target, annualised run-rate reduced by NOK ~100m compared to year-end 2022.
- Proposed dividend of NOK 2.3 per share.

Key figures Q4

NOK in thousands	Q4 2023	Q4 2022	Full Year 2023
Revenue adjusted	5 297 516	8 764 966	17 322 895
Direct cost of sales adjusted	(4 823 909)	(8 393 190)	(15 589 897)
Net revenue adjusted	473 607	371 776	1 732 998
Personnel and other operating expenses adjusted	(254 360)	(276 131)	(956 388)
Depreciation and amortisation adjusted	(62 486)	(68 141)	(263 439)
Total operating expenses adjusted	(316 846)	(344 272)	(1 219 827)
Operating profit adjusted	156 761	27 504	513 171
Other one-off items	32 601	(2 660)	(6 434)
Depreciation of acquisitions	(30 679)	(32 972)	(123 080)
Estimate deviations	2 352	(4 472)	(1 924)
Unrealised gains and losses on derivatives	15 387	(2 566 865)	(1 085 244)
Change in provisions for onerous contracts	(18 315)	2 636 891	1 048 166
Impairment of intangible assets	(13 482)	(39 282)	14 548
Operating profit (EBIT)	144 626	18 141	359 202

Strong operational performance across all segments

In the fourth quarter of 2023, net revenue adjusted was NOK 474m and EBIT adj. was NOK 157m, a substantial improvement compared to the fourth quarter of 2022. The temperatures in Norway were lower than normal in the quarter, particularly in November and December. While the elspot price was extraordinarily high in fourth quarter 2022, driven by the energy crisis and geopolitical situation in Europe, the elspot price in Q4 2023 was more in line with the historical normal. The combination of lower elspot price and colder temperatures resulted in increased consumption per delivery in both the Consumer and Business segments YoY.

Churn rates in the Norwegian market continued the trend from 2023 and were considerably lower than the previous years included in the statistics. The reduced churn rates allowed a reduction of the Group's cash spend related to external sales commissions, which was reduced by NOK 33m YoY.

In the Consumer segment, the price on a substantial share of spot contracts was successfully increased, and the customer churn related to the price increase was in line with expectations. Through the changes in the product portfolio over the last year, the segment has become more robust, with substantially reduced price and volume risk.

The Business segment delivered strong results in the quarter, despite less favourable price development in the quarter, and maintains the position as the leading player in the Norwegian B2B market.

The Nordic segment is developing according to plan, with significant improvement in both financial performance YoY and in customer satisfaction.

Within the Group's New Growth Initiatives, the number of mobile customers has stabilised after a period of churn related to network migration, and the profitability developed in line with pre-migration guidance.

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

Consumer

Volume sold was 2,497 GWh, an increase of 7% from Q4 2022. The number of electricity deliveries in the Consumer segment decreased by seven thousand deliveries in the quarter, in line with expectations due to increased prices.

Adjusted net revenue amounted to NOK 211m (NOK 153m), adjusted operating expenses amounted to NOK 161m (NOK 193m) and EBIT adj. amounted to NOK 50m (NOK -40m). The main driver was the loss on variable contracts in Q4 2022.

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 2,284 GWh, an increase of 15% from Q4 2022.

Adjusted net revenue amounted to NOK 161m (NOK 169m), adjusted oper-

ating expenses amounted to NOK 73m (NOK 69m) and EBIT adj. amounted to NOK 89m (NOK 100m). The reduction YoY was driven by reduced credit compensation due to lower elspot prices.

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 644 GWh in the quarter, a decrease of 13% from Q4 2022.

Adjusted net revenue amounted to NOK 60m (NOK 18m), adjusted operating expenses to NOK 50m (NOK 53m) and EBIT adjusted amounted to NOK 10m (NOK -35m). The improvement was primarily driven by changed product mix following the phase-out strategy of legacy fixed price contracts.

New Growth Initiatives

At the end of the quarter, the number of mobile subscribers was 115 thousand, a decrease of one thousand from last quarter. The trend during the quarter was positive.

Alliance volume in the quarter was 1,090 GWh, which is a 10% YoY decrease following a temporary decrease in number of Alliance partners.

Adjusted net revenue in the New Growth Initiatives segment amounts to NOK 41m (NOK 32m). Adjusted operating expenses amounted to NOK 34m (NOK 29m) and EBIT adjusted amounted to NOK 8m (NOK 3m).

Financials

Gross revenue amounted to NOK 5,160m (NOK 8,518m), a decrease of 39%, due to electricity price development.

Adjusted net revenue amounted to NOK 474m (NOK 372m), an increase of 27% YoY.

Adjusted operating expenses amounted to NOK 317m (NOK 344m).

Adjusted EBIT amounted to NOK 157m (NOK 28m) an increase of 470% YoY due to the factors described above.

Net financial income amounted to NOK -35m (NOK -71m).

Profit for the period amounted to NOK 88m (NOK -44m) in the quarter due to the factors described above.

Consolidated cash flow

Net cash from operating activities was NOK 329m (NOK -58m). Net cash used in investing activities was NOK -33m (NOK -2m). Net cash from financing activities was NOK -139m (NOK -101m).

Financial position

The total equity as of 31.12.2023 was NOK 1,519m (NOK 1,240m).

The total capital as of 31.12.2023 was NOK 8,362m (NOK 14,372m).

Events after the reporting period

The Board of Directors has in the Board Meeting on 14 February 2024 proposed a dividend to the shareholders of NOK 2.30 per share. The proposed dividend is subject to approval by the general meeting.

There are no other significant events after the reporting period that have 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	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Continuing operations						
Revenue	2,3	2 214 790	5 159 781	8 517 949	18 920 598	25 521 514
Direct cost of sales	2,4	(1 868 750)	(4 652 674)	(8 080 624)	(17 192 526)	(23 823 519)
Personnel expenses	2	(117 625)	(130 080)	(124 062)	(454 622)	(421 029)
Other operating expenses	2	(115 341)	(125 754)	(154 728)	(542 277)	(574 946)
Depreciation and amortisation	2,7	(97 202)	(93 164)	(101 112)	(386 519)	(389 956)
Impairment of intangible assets and cost to obtain contracts	2,4,7	9 957	(13 482)	(39 282)	14 548	(39 282)
Operating profit		25 828	144 626	18 141	359 202	272 781
Income/loss from investments in associates and joint ventures		(215)	(354)	269	750	429
Interest income		3 000	10 642	10 973	32 069	26 952
Interest expense lease liability		(391)	(365)	(437)	(1 621)	(1 934)
Interest expense	11	(22 829)	(42 820)	(76 075)	(148 268)	(156 876)
Other financial items, net		(2 041)	(2 347)	(5 408)	(4 555)	(12 660)
Net financial income/(cost)		(22 477)	(35 244)	(70 677)	(121 625)	(144 089)
Profit/ (loss) before tax		3 351	109 383	(52 536)	237 577	128 692
Income tax (expense)/income	5	(627)	(21 448)	8 181	(41 030)	(54 845)
Profit/ (loss) for the period		2 724	87 934	(44 355)	196 546	73 847
Profit/(loss) for the period attributable to:						
Non-controlling interest		4 365	(10)	-	4 258	-
Equity holders of Elmera Group ASA		(1 642)	87 944	(44 355)	192 288	73 847
Basic earnings per share (in NOK)	6	(0,02)	0,81	(0,41)	1,77	0,67
Diluted earnings per share (in NOK)	6	(0,01)	0,80	(0,40)	1,74	0,66

Condensed consolidated statement of comprehensive income

NOK in thousands	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Profit/ (loss) for the period	2 724	87 934	(44 355)	196 546	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)	(3 681)	6 232	(24 242)	57 270	16 209
Currency translation differences	(14 367)	16 002	(11 441)	42 923	(756)
Total	(18 084)	22 271	(35 683)	100 193	15 454
Items that will not be reclassified to profit or loss:					
Actuarial gain/(loss) on pension obligations (net of tax)	20 185	11 245	(104 177)	24 504	3 610
Total	20 185	11 245	(104 177)	24 504	3 610
Total other comprehensive income/(loss) for the period, net of tax	2 136	33 481	(139 860)	124 698	19 064
Total comprehensive income/ (loss) for the period	4 860	121 415	(184 215)	321 244	92 911
Total comprehensive income/(loss) for the period attributable to:					
Non-controlling interest	4 365	(10)	-	4 258	-
Equity holders of Elmera Group ASA	495	121 424	(184 215)	316 986	92 911

Condensed consolidated statement of financial position

NOK in thousands	Note	30 September 2023	31 December 2023	31 December 2022
Assets:				
Non-current assets				
Deferred tax assets		36 581	37 466	34 990
Right-of-use assets property, plant and equipment		57 462	57 121	66 195
Property, plant and equipment		5 881	5 315	8 198
Goodwill	7	1 432 102	1 439 389	1 418 776
Intangible assets	7	479 445	454 051	558 325
Cost to obtain contracts		284 928	265 350	295 980
Investments in associates and joint ventures		15 337	21 484	14 234
Derivative financial instruments and firm commitments	9,10	775 178	878 524	1 863 551
Net plan assets of defined benefit pension plans		28 830	30 900	4 178
Other non-current financial assets		43 060	133 665	48 285
Total non-current assets		3 158 805	3 323 265	4 312 711
Current assets				
Intangible assets		3 239	3 854	763
Inventories		589	371	460
Trade receivables	8,13	1 105 127	4 016 961	7 551 433
Derivative financial instruments and firm commitments	9,10	733 280	666 196	2 370 117
Other current assets		31 073	12 471	66 025
Cash and cash equivalents		177 466	338 746	70 548
Total current assets		2 050 774	5 038 600	10 059 347
Total assets		5 209 579	8 361 864	14 372 058
Equity and liabilities:				
Equity				
Share capital		32 597	32 601	32 590
Share premium		993 294	993 294	993 294
Other equity		249 479	371 839	214 241
Non-controlling interests		121 185	121 175	-
Total equity		1 396 555	1 518 911	1 240 126

**Condensed consolidated statement
of financial position**

NOK in thousands	Note	30 September 2023	31 December 2023	31 December 2022
Non-current liabilities				
Net employee defined benefit plan liabilities		73 533	63 921	79 780
Interest-bearing long term debt	11	560 981	537 617	629 169
Deferred tax liabilities		77 908	82 843	100 280
Lease liability - long term		42 160	40 945	49 477
Derivative financial instruments and firm commitments	9,10	732 134	872 366	1 492 743
Onerous contract provisions	4	51 563	68 383	784 239
Other provisions for liabilities		29 113	132 884	29 619
Total non-current liabilities		1 567 392	1 798 961	3 165 307
Current liabilities				
Trade and other payables	13	461 842	3 246 231	5 828 373
Overdraft facilities	11	110 932	-	534 112
Interest-bearing short term debt	11	368 700	368 700	368 700
Current income tax liabilities		51 051	82 910	50 506
Derivative financial instruments and firm commitments	9,10	741 801	599 909	1 692 584
Social security and other taxes		107 526	125 608	313 504
Lease liability - short term		18 603	19 391	20 284
Onerous contract provisions	4	3 376	24 879	285 336
Other current liabilities	12	381 800	576 365	873 227
Total current liabilities		2 245 631	5 043 993	9 966 625
Total liabilities		3 813 023	6 842 954	13 131 932
Total equity and liabilities		5 209 579	8 361 864	14 372 058

The Board of Elmera Group ASA, Bergen, 14 February 2024


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	-	-	-	-	-	73 847	172 852	-	73 847
Share-based payment	-	-	-	-	-	4 790	2 214	-	4 790
Other comprehensive income/(loss) for the period, net of tax	-	-	-	16 209	(756)	3 610	184 271	-	19 063
Total comprehensive income/(loss) for the period incl. share-based payment	-	-	-	16 209	(756)	82 247	358 801	-	97 700
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 31 December 2022	34 306	(1 715)	993 294	(55 137)	(68 531)	337 909	1 240 126	-	1 240 126
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	-	-	-	-	-	192 288	192 288	4 258	196 546
Share-based payment	-	-	-	-	-	2 828	2 828	-	2 828
Other comprehensive income/(loss) for the period, net of tax	-	-	-	57 270	42 923	24 504	124 698	-	124 698
Total comprehensive income/(loss) for the period incl. share-based payment	-	-	-	57 270	42 923	219 620	319 814	4 258	324 072
Sale of treasury shares	-	11	-	-	-	736	747	-	747
Transactions with non-controlling interests	-	-	-	-	-	-	-	116 917	116 917
Dividends paid (note 6)	-	-	-	-	-	(162 951)	(162 951)	-	(162 951)
Transactions with owners	-	11	-	-	-	(162 215)	(162 204)	116 917	(45 287)
Balance at 31 December 2023	34 306	(1 704)	993 294	2 133	(25 608)	395 315	1 397 736	121 175	1 518 911

Condensed consolidated statement of cash flows

NOK in thousands	Note	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Operating activities						
Profit/(loss) before tax		3 351	109 383	(52 536)	237 577	128 692
<i>Adjustments for:</i>						
Depreciation	7	42 282	43 080	45 483	172 280	183 760
Depreciation right-of-use assets		5 078	4 618	4 978	20 230	20 303
Amortisation of cost to obtain contracts		49 842	45 465	50 651	194 008	185 893
Impairment of intangible assets and cost to obtain contracts	4,7	(9 957)	13 481	39 282	(14 548)	39 282
Interest income		(3 000)	(6 259)	(10 973)	(27 686)	(26 952)
Interest expense lease liability		391	365	437	1 621	1 934
Interest expense		22 829	38 437	76 075	143 884	156 876
Income/loss from investments in associates and joint ventures		215	354	(269)	(750)	(429)
Change in long-term receivables		(447)	23 161	24 317	21 686	25
Share-based payment expense		683	683	2 577	2 828	4 790
Change in post-employment liabilities		(16 405)	2 736	(20 031)	(11 165)	(13 607)
Payments to obtain a contract		(33 924)	(28 455)	(60 886)	(140 991)	(237 550)
<i>Changes in working capital (non-cash effect)</i>						
Impairment loss recognised in trade receivables	8	(2 654)	(7 026)	(25 250)	(10 245)	4 402
Provision for onerous contracts	4	(169 212)	18 315	(2 636 891)	(1 048 166)	(39 256)
Change in fair value of derivative financial instruments	4,9,10	177 555	(10 025)	2 562 251	1 120 697	12 182
<i>Changes in working capital</i>						
Inventories		142	219	2 517	90	1 686
Trade receivables	8	713 327	(2 898 940)	(2 945 692)	3 569 148	(2 385 823)
Purchase of el-certificates, GoOs and Climate Quotas		(11 903)	(28 778)	(324)	(93 300)	(38 527)
Non-cash effect from cancelling el-certificates, GoOs and Climate Quotas		22 275	28 162	11 564	90 209	45 373
Other current assets		6 051	18 865	38 103	54 472	(26 609)
Trade and other payables		(338 240)	2 767 715	2 478 085	(2 571 647)	1 297 999
Other current liabilities	12	50 262	197 356	385 290	(501 524)	515 278
Cash generated from operations		508 540	332 910	(31 246)	1 208 709	(170 276)
Interest paid		(26 655)	(21 999)	(44 745)	(167 662)	(123 449)
Interest received		3 000	6 259	10 973	27 686	26 952
Income tax paid	5	-	11 508	6 561	(50 336)	(103 339)
Net cash from operating activities		484 885	328 678	(58 457)	1 018 397	(370 112)

**Condensed consolidated statement
of cash flows**

NOK in thousands	Note	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Investing activities						
Purchase of property, plant and equipment		(111)	(296)	(717)	(627)	(3 325)
Purchase of intangible assets	7	(8 667)	(14 593)	(12 333)	(52 124)	(41 007)
Net cash outflow on investments in associates		-	(6 500)	-	(6 500)	-
Net (outflow)/proceeds from non-current receivables		2 020	(113 766)	783	(107 066)	6 474
Net (outflow)/proceeds from other long-term liabilities		(2 806)	102 634	10 607	101 340	13 485
Net cash used in investing activities		(9 564)	(32 522)	(1 661)	(64 977)	(24 373)
Financing activities						
Proceeds from overdraft facilities	11	(414 854)	(110 932)	(72 741)	(534 112)	534 112
Proceeds from revolving credit facility	11	-	-	-	150 000	275 000
Repayment of revolving credit facility	11	-	-	-	(150 000)	-
Proceeds from issuance of shares		-	-	-	-	1 215
Dividends paid		-	-	-	(162 951)	(400 231)
Purchase of treasury shares		-	-	-	-	(132 827)
Sale of treasury shares		490	257	-	747	-
Instalments of long term debt	11	(23 425)	(23 425)	(23 425)	(93 700)	(93 700)
Transactions with non-controlling interests		1 462	-	-	116 917	-
Payment of lease liability		(5 260)	(4 709)	(4 962)	(20 606)	(20 245)
Net cash from financing activities		(441 587)	(138 809)	(101 127)	(693 705)	163 324
Net change in cash and cash equivalents		33 734	157 347	(161 245)	259 715	(231 162)
Cash and cash equivalents at start of period		145 122	177 466	233 968	70 548	306 627
Effects of exchange rate changes on cash and cash equivalents		(1 390)	3 933	(2 173)	8 483	(4 918)
Cash and cash equivalents at end of period		177 466	338 746	70 548	338 746	70 548

Notes to the condensed consolidated financial statements

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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 14 February 2024.

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 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.

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 comparative figures at 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 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

Q3 2023						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	504 769	738 626	339 496	1 582 891	89 305	1 672 196
Direct cost of sales adjusted	(346 092)	(642 987)	(301 657)	(1 290 736)	(31 477)	(1 322 213)
Net revenue adjusted	158 677	95 639	37 839	292 155	57 828	349 983
Personnel and other operating expenses adjusted	(114 742)	(59 197)	(23 050)	(196 989)	(33 644)	(230 633)
Depreciation and amortisation adjusted	(43 283)	(6 816)	(14 514)	(64 613)	(1 642)	(66 255)
Total operating expenses adjusted	(158 025)	(66 013)	(37 564)	(261 602)	(35 286)	(296 888)
Operating profit adjusted	652	29 626	275	30 553	22 542	53 095
Other one-off items						(2 330)
Depreciation of acquisitions *						(30 948)
Estimate deviations						-
Unrealised gains and losses on derivatives						(173 157)
Change in provisions for onerous contracts						169 212
Impairment of intangible assets and cost to obtain contracts						9 957
Operating profit (EBIT)						25 828

*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 2023
TrønderEnergi Marked acquisition	(1 232)
Oppdal Everk Kraftomsetning acquisition	(319)
Vesterålskraft Strøm acquisition	(275)
Innlandskraft acquisition	(16 727)
Troms Kraft Strøm acquisition	(8 797)
Other customer acquisitions	(3 598)
Depreciation of acquisitions	(30 948)

Note 2
Segment information

Q4 2023						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	2 344 728	2 318 007	558 352	5 221 087	76 429	5 297 516
Direct cost of sales adjusted	(2 133 970)	(2 156 640)	(498 354)	(4 788 964)	(34 945)	(4 823 909)
Net revenue adjusted	210 758	161 367	59 998	432 123	41 484	473 607
Personnel and other operating expenses adjusted	(120 727)	(66 164)	(35 489)	(222 380)	(31 980)	(254 360)
Depreciation and amortisation adjusted	(40 119)	(6 606)	(14 218)	(60 943)	(1 543)	(62 486)
Total operating expenses adjusted	(160 846)	(72 770)	(49 707)	(283 323)	(33 523)	(316 846)
Operating profit adjusted	49 912	88 597	10 291	148 800	7 961	156 761
Other one-off items						32 601
Depreciation of acquisitions *						(30 679)
Estimate deviations						2 352
Unrealised gains and losses on derivatives						15 387
Change in provisions for onerous contracts						(18 315)
Impairment of intangible assets and cost to obtain contracts						(13 482)
Operating profit (EBIT)						144 626
*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						Q4 2023
TrønderEnergi Marked acquisition						(1 232)
Oppdal Everk Kraftomsetning acquisition						(319)
Vesterålskraft Strøm acquisition						(275)
Innlandskraft acquisition						(16 727)
Troms Kraft Strøm acquisition						(9 085)
Other customer acquisitions						(3 041)
Depreciation of acquisitions						(30 679)

Note 2

Segment information

Q4 2022						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	4 293 161	3 631 177	737 200	8 661 538	103 428	8 764 966
Direct cost of sales adjusted	(4 140 216)	(3 462 021)	(719 473)	(8 321 710)	(71 480)	(8 393 190)
Net revenue adjusted	152 945	169 156	17 727	339 828	31 948	371 776
Personnel and other operating expenses adjusted	(149 290)	(62 602)	(36 684)	(248 576)	(27 555)	(276 131)
Depreciation and amortisation adjusted	(43 729)	(6 834)	(15 951)	(66 514)	(1 627)	(68 141)
Total operating expenses adjusted	(193 019)	(69 436)	(52 635)	(315 090)	(29 182)	(344 272)
Operating profit adjusted	(40 074)	99 720	(34 908)	24 738	2 766	27 504
Other one-off items						(2 660)
Depreciation of acquisitions *						(32 972)
Estimate deviations						(4 472)
Unrealised gains and losses on derivatives						(2 566 865)
Change in provisions for onerous contracts						2 636 891
Impairment of intangible assets and cost to obtain contracts						(39 282)
Operating profit (EBIT)						18 141

*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	Q4 2022
TrønderEnergi Marked acquisition	(1 459)
Oppdal Everk Kraftomsetning acquisition	(426)
Vesterålskraft Strøm acquisition	(330)
Innlandskraft acquisition	(21 048)
Troms Kraft Strøm acquisition	(8 295)
Other customer acquisitions	(1 415)
Depreciation of acquisitions	(32 972)

Note 2
Segment information

Full year 2023						
NOK in thousands	Consumer	Business	Nordic	Total reportable segments	New growth initiatives	Total segments
Revenue adjusted	7 409 534	7 706 514	1 873 940	16 989 988	332 907	17 322 895
Direct cost of sales adjusted	(6 588 585)	(7 157 803)	(1 667 498)	(15 413 886)	(176 011)	(15 589 897)
Net revenue adjusted	820 949	548 711	206 442	1 576 102	156 896	1 732 998
Personnel and other operating expenses adjusted	(468 820)	(251 824)	(114 829)	(835 473)	(120 915)	(956 388)
Depreciation and amortisation adjusted	(172 370)	(28 575)	(56 546)	(257 491)	(5 948)	(263 439)
Total operating expenses adjusted	(641 190)	(280 399)	(171 375)	(1 092 964)	(126 863)	(1 219 827)
Operating profit adjusted	179 759	268 312	35 067	483 138	30 033	513 171
Other one-off items						(6 434)
Depreciation of acquisitions *						(123 080)
Estimate deviations						(1 924)
Unrealised gains and losses on derivatives						(1 085 244)
Change in provisions for onerous contracts						1 048 166
Impairment of intangible assets and cost to obtain contracts						14 548
Operating profit (EBIT)						359 202
*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 2023
TrønderEnergi Marked acquisition						(4 927)
Oppdal Everk Kraftomsetning acquisition						(1 275)
Vesterålskraft Strøm acquisition						(1 093)
Innlandskraft acquisition						(66 907)
Troms Kraft Strøm acquisition						(35 620)
Other customer acquisitions						(13 258)
Depreciation of acquisitions						(123 080)

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
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

Timing of revenue recognition

Revenue adjusted

Over time:

NOK in thousands	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Revenue - Consumer segment	491 435	2 332 321	4 269 724	7 340 946	13 025 916
Revenue - Business segment	728 280	2 302 912	3 619 539	7 650 047	11 041 944
Revenue - Nordic	339 496	558 352	737 200	1 873 940	2 228 015
Revenue - New growth initiatives	81 933	72 503	96 697	311 425	340 764
Total revenue adjusted recognised over time	1 641 144	5 266 088	8 723 160	17 176 358	26 636 639

At a point in time:

NOK in thousands	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Revenue - Consumer segment	13 334	12 407	23 438	68 588	97 053
Revenue - Business segment	10 346	15 095	11 638	56 467	53 343
Revenue - Nordic	-	-	-	-	-
Revenue - New growth initiatives	7 372	3 926	6 731	21 482	19 242
Total revenue adjusted recognised at a point in time	31 052	31 428	41 807	146 537	169 638
Total revenue adjusted	1 672 196	5 297 516	8 764 966	17 322 895	26 806 276

Other revenue

Over time:

NOK in thousands	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Estimate deviations	-	5 197	-	8 965	-
Unrealised gains and losses on derivative customer contracts	542 594	(177 036)	(247 016)	1 554 634	(1 284 761)
Total other revenue recognised over time	542 594	(171 839)	(247 016)	1 563 599	(1 284 761)

At a point in time:

NOK in thousands	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Other revenue – Nordic Segment*	-	34 104	-	34 104	-
Total other revenue recognised at a point in time	-	34 104	-	34 104	-
Total other revenue	542 594	(137 735)	(247 016)	1 597 703	(1 284 761)

Total revenue	2 214 790	5 159 781	8 517 949	18 920 597	25 521 514
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* Other revenue – Nordic Segment is related to customers in the Nordic segment that have breached their agreement with Nordic Green Energy, where Nordic Green Energy is entitled to a termination fee.

Note 4

Onerous contract provisions

Fixed price customer contracts

The Group has 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 September 2023	31 December 2023	31 December 2022
Onerous contract provisions - Non-current	51 563	68 383	784 239
Onerous contract provisions - Current	3 376	24 879	285 336
Onerous contract provisions - Total	54 939	93 263	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	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Impairment and provisions for onerous contracts:					
Change in provisions for onerous contracts	169 212	(18 315)	2 636 891	1 048 166	39 256
Impairment and reversal of impairment of cost to obtain contracts	9 957	(13 482)	(39 282)	14 548	(39 282)
Total impairment and provisions for onerous contracts:	179 169	(31 797)	2 597 608	1 062 714	(26)
Unrealised gains and losses on derivatives related to fixed price customer contracts	(173 094)	35 891	(2 548 705)	(1 029 437)	(6 439)
Net unrealised gain/loss recognised in statement of profit or loss	6 074	4 095	48 903	33 277	(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 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 have led 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. In the fourth quarter the estimates have been updated, leading to an impairment cost in the quarter. The net effect in 2023 is a reversal of NOKt 14 548.

The net impact in the statement of profit or loss, which is an unrealised net gain in 2023 of NOKt 33 277 (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	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Profit before tax	3 351	109 382	(52 536)	237 577	128 692
Tax expense	(627)	(21 448)	8 181	(41 030)	(54 845)
<i>Average tax rate</i>	18,7 %	19,6 %	15,6 %	17,3 %	42,6 %
Tax payable	680	21 412	(18 803)	82 929	64 623
Adjustments to prior years tax payable	-	55	-	55	(15)
Change in deferred tax	(52)	(20)	10 622	(41 953)	(9 762)
Tax expense recognised in statement of profit or loss	627	21 448	(8 181)	41 030	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 September 2023	31 December 2023	31 December 2022
Total number of ordinary shares in issue	114 351 800	114 351 800	114 351 800
Treasury shares	5 693 521	5 680 189	5 717 590
Total number of ordinary shares outstanding	108 658 279	108 671 611	108 634 210

Basic earnings per share

	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Profit/(loss) attributable to shareholders *	(1 642)	87 944	(44 355)	192 288	73 847
Total comprehensive income attributable to shareholders *	495	121 424	(184 215)	316 986	92 911
Weighted average number of ordinary shares outstanding	108 624 102	108 601 497	108 634 210	108 623 439	110 833 229
Earnings per share in NOK	(0,02)	0,81	(0,41)	1,77	0,67
Total comprehensive income per share in NOK	0,00	1,12	(1,70)	2,92	0,84
Share options	1 945 668	1 932 336	1 710 000	1 932 336	1 710 000
Diluted earnings per share in NOK	(0,01)	0,80	(0,40)	1,74	0,66
Dividend per share in NOK	-	-	-	1,50	3,50

*NOK in thousands

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
Transferred from construction in progress	9 965	(9 965)	-	-	-	-	-	-
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)
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 to note 4 for more information regarding fixed price customer contracts.

Note 7

Intangible assets

Intangible assets

Q4 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 October 2023	417 758	12 016	812 379	246 344	147 122	1 635 619	1 432 102	3 067 721
Additions - Purchase	2 319	10 541	274	-	-	13 134	-	13 134
Additions - Internally generated	859	601	-	-	-	1 460	-	1 460
Additions from business combinations	-	-	-	-	-	-	-	-
Transferred from construction in progress	9 509	(9 509)	-	-	-	-	-	-
Currency translation differences	400	19	3 239	3 609	419	7 687	7 287	14 973
Accumulated cost 31 December 2023	430 845	13 668	815 892	249 953	147 541	1 657 899	1 439 389	3 097 288
Accumulated depreciation 1 October 2023	(303 969)	-	(536 327)	(53 461)	(46 810)	(940 567)	-	(940 569)
Depreciation for the period	(11 189)	-	(29 151)	-	(1 857)	(42 197)	-	(42 197)
Currency translation differences	(310)	-	(1 559)	(783)	-	(2 652)	-	(2 652)
Accumulated depreciation 31 December 2023	(315 468)	-	(567 037)	(54 244)	(48 667)	(985 417)	-	(985 417)
Accumulated impairment 1 October 2023	(22 724)	-	-	(192 884)	-	(215 607)	-	(215 607)
Currency translation differences	-	-	-	(2 826)	-	(2 826)	-	(2 826)
Accumulated impairment 31 December 2023	(22 724)	-	-	(195 710)	-	(218 433)	-	(218 433)
Carrying amount 31 December 2023	92 654	13 668	248 855	-	98 874	454 051	1 439 389	1 893 440

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

Note 7

Intangible assets

Intangible assets

Q4 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 October 2022	370 475	9 406	800 509	237 106	146 273	1 563 768	1 424 603	2 988 371
Additions - Purchase	2 251	10 031	-	-	-	12 282	-	12 282
Additions - Internally generated	767	(715)	-	-	-	52	-	52
Additions from business combinations	-	-	-	-	-	-	-	-
Transferred from construction in progress	9 086	(9 086)	-	-	-	-	-	-
Currency translation differences	(106)	(190)	(841)	(3 537)	(385)	(5 059)	(5 827)	(10 886)
Accumulated cost 31 December 2022	382 472	9 446	799 668	233 569	145 888	1 571 044	1 418 776	2 989 819
Accumulated depreciation 1 October 2022	(257 887)	-	(413 458)	(51 456)	(39 102)	(761 904)	-	(761 904)
Depreciation for the period	(11 595)	-	(30 938)	-	(2 137)	(44 671)	-	(44 671)
Currency translation differences	(44)	-	(1 264)	767	-	(541)	-	(541)
Accumulated depreciation 31 December 2022	(269 527)	-	(445 660)	(50 688)	(41 239)	(807 117)	-	(807 116)
Accumulated impairment 1 October 2022	(22 724)	-	-	(185 650)	-	(208 374)	-	(208 374)
Currency translation differences	-	-	-	2 770	-	2 770	-	2 770
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	558 325	1 418 776	1 977 100

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

Note 7

Intangible assets

Intangible assets

Full year 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	8 174	41 471	274	-	-	49 919	-	49 919
Additions - Internally generated	1 605	601	-	-	-	2 206	-	2 206
Additions from business combinations	-	-	-	-	-	-	-	-
Transferred from construction in progress	37 983	(37 983)	-	-	-	-	-	-
Currency translation differences	612	132	15 950	16 384	1 652	34 731	20 613	55 344
Accumulated cost 31 December 2023	430 845	13 668	815 892	249 953	147 541	1 657 899	1 439 389	3 097 288
Accumulated depreciation 1 January 2023	(269 527)	-	(445 660)	(50 688)	(41 240)	(807 117)	-	(807 117)
Depreciation for the period	(45 560)	-	(115 731)	-	(7 427)	(168 717)	-	(168 717)
Currency translation differences	(382)	-	(5 646)	(3 556)	-	(9 584)	-	(9 584)
Accumulated depreciation 31 December 2023	(315 468)	-	(567 037)	(54 244)	(48 667)	(985 417)	-	(985 417)
Accumulated impairment 1 January 2023	(22 724)	-	-	(182 881)	-	(205 604)	-	(205 604)
Currency translation differences	-	-	-	(12 828)	-	(12 828)	-	(12 828)
Accumulated impairment 31 December 2023	(22 724)	-	-	(195 709)	-	(218 433)	-	(218 433)
Carrying amount 31 December 2023	92 654	13 668	248 855	-	98 874	454 051	1 439 389	1 893 440

* Refer to 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	1 418 776	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)
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	558 325	1 418 776	1 977 100

* Refer to 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 have 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 September 2023	31 December 2023	31 December 2022
Gross nominal amount	674 448	1 427 186	1 771 569
Loss allowance provision	(46 499)	(39 947)	(49 408)
Trade receivables, net	627 949	1 387 238	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	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Loss allowance provision, opening balance	49 331	46 499	74 907	49 408	45 213
Change in loss allowance recognised in profit or loss for the period	(2 654)	(7 025)	(25 250)	(10 245)	4 403
Currency translation difference	(179)	473	(249)	784	(208)
Loss allowance provision, balance at end of period	46 499	39 947	49 408	39 947	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	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Receivables written off	6 172	17 215	38 070	53 174	39 518
Movement in provision for impairment	(2 654)	(7 025)	(25 250)	(10 245)	4 403
Received payment on previously written off receivables	(2 383)	(2 861)	(1 257)	(8 316)	(3 663)
Net impairment expense recognised on trade receivables	1 135	7 330	11 562	34 613	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 September 2023	31 December 2023	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	118 924	-
<i>Classified as held for trading for accounting purposes</i>			
Electricity derivatives - Hedge contracts	322 093	444 722	2 745 315
Electricity derivatives - Customer contracts	1 006 540	717 417	1 486 276
Other derivatives	14	-	-
<i>Hedged item in fair value hedge</i>			
Firm commitments	107 957	263 657	-
Total derivative financial assets and firm commitments	1 508 458	1 544 720	4 233 668
Derivative financial liabilities and firm commitments			
<i>Designated as hedging instruments for accounting purposes</i>			
Electricity derivatives - Hedge contracts	5 255	(2 735)	72 772
Electricity derivatives - Customer contracts	107 957	273 933	-
<i>Classified as held for trading for accounting purposes</i>			
Electricity derivatives - Hedge contracts	492 181	401 027	129 552
Electricity derivatives - Customer contracts	796 689	691 402	2 982 676
Other derivatives	-	-	328
<i>Hedged item in fair value hedge</i>			
Firm commitments	71 853	108 648	-
Total derivative financial liabilities and firm commitments	1 473 935	1 472 275	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 value 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 value is 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. Significant differences between fair value and carrying amount at 31 December 2023 have not been identified.

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 below the table.

Recurring fair value measurements**At 31 December 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	-	96 778	22 146	118 924
<i>Classified as held for trading for accounting purpose</i>				
Electricity derivatives - Hedge contracts	-	404 360	40 362	444 722
Electricity derivatives - Customer contracts	-	704 117	13 300	717 417
Other derivatives	-	-	-	-
<i>Hedged item in fair value hedge</i>				
Firm commitments	-	228 483	35 174	263 657
Total financial assets and firm commitments at fair value	-	1 433 738	110 982	1 544 720
Derivative financial liabilities and firm commitments				
<i>Designated as hedging instruments for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	(2 735)	-	(2 735)
Electricity derivatives - Customer contracts	-	237 802	36 131	273 933
<i>Classified as held for trading for accounting purposes</i>				
Electricity derivatives - Hedge contracts	-	384 135	16 892	401 027
Electricity derivatives - Customer contracts	-	652 229	39 173	691 402
Other derivatives	-	-	-	-
<i>Hedged item in fair value hedge</i>				
Firm commitments	-	87 459	21 189	108 648
Total financial liabilities and firm commitments at fair value	-	1 358 890	113 384	1 472 275

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 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 consist of expected power prices for delivery periods without an 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 31 December 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 items 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 are summarized in the table below.

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

NOK in thousands	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Cash flow hedge of highly probable power purchase:					
Ineffective portion, recognised in P&L, total	-	-	(1 639)	5	(12 513)
Effective portion, recognised in OCI, total	(4 719)	7 990	(31 080)	73 424	20 781
Change in fair value, total	(4 719)	7 990	(32 719)	73 429	8 268
<i>Effective portion, recognised in OCI, net of tax (22 %)</i>	<i>(3 681)</i>	<i>6 232</i>	<i>(24 242)</i>	<i>57 270</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 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	-
31 December 2023						
South Norway (NO1, NO2, NO5)	270	270	211	-	21 641	-
Trondheim (NO3)	2 309	2 309	1 801	-	20 554	-
Tromsø (NO4)	156	156	122	-	2 137	-
31 December 2023 - Total	2 735	2 735	2 133	-	44 332	-
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	Item in Statement of financial position	Nominal amounts, hedged volume in MWh	Carrying amount at end of period	Accumulated fair value ad- justment of the hedged items at end of period	Changes in fair value used for calculating hedge ineffec- tiveness
Q3 2023					
<i>Hedged items:</i>					
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)
<i>Hedging instruments:</i>					
Fixed price sales contracts (Electricity derivatives)	Derivative financial instruments (liabilities)	640 755	71 853	-	51 041
	Derivative financial instruments and firm commitments (liabilities)	717 895	(107 957)	-	71 853
Q4 2023					
<i>Hedged items:</i>					
Fixed price purchase contracts (Firm commitments)	Derivative financial instruments and firm commitments (assets)	1 407 953	263 657	263 657	155 700
	Derivative financial instruments and firm commitments (liabilities)	958 610	(108 648)	(108 648)	(36 795)
<i>Hedging instruments:</i>					
Fixed price sales contracts (Electricity derivatives)	Derivative financial instruments and firm commitments (assets)	942 889	118 924	-	47 070
	Derivative financial instruments and firm commitments (liabilities)	1 423 674	(273 933)	-	(165 976)
Full year 2023					
<i>Hedged items:</i>					
Fixed price purchase contracts (Firm commitments)	Derivative financial instruments and firm commitments (assets)	1 407 953	263 657	263 657	263 657
	Derivative financial instruments and firm commitments (liabilities)	958 610	(108 648)	(108 648)	(108 648)
<i>Hedging instruments:</i>					
Fixed price sales contracts (Electricity derivatives)	Derivative financial instruments and firm commitments (assets)	942 889	118 924	-	118 924
	Derivative financial instruments and firm commitments (liabilities)	1 423 674	(273 933)	-	(273 933)

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 September 2023					
Fixed price sales contracts (Electricity derivatives)	46 375	252 264	906 806	153 206	1 358 650
31 December 2023					
Fixed price sales contracts (Electricity derivatives)	141 613	484 567	1 591 371	149 010	2 366 562

Note 11

Credit facilities

NOK in thousands	Effective interest rate	30 September 2023	31 December 2023	31 December 2022
Term loan	NIBOR 3 months + 1,75 %	655 900	632 475	726 175
Revolving credit facility	NIBOR 3 months + 1,75 %	275 000	275 000	275 000
Total principal amounts		930 900	907 475	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. The agreement also includes an option to extend the termination date to 2 January 2025. For more information regarding the credit facilities agreement, see the 2022 annual report.

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

At 31 December 2023 the remaining term loan principal balance is NOKt 632 475. 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. As the agreement includes an option to extend the termination date to 2 January 2025, the remaining balance is reported as interest-bearing long term debt.

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 31 December 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 31 December 2023 guarantees of total NOKt 2 093 015 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 31 December 2023 the Group had not drawn 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 EBIT-DA 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	30 September 2023	31 December 2023	31 December 2022
El-certificate cancellation liabilities	4 990	6 475	9 641
Accrued power purchase	100 239	373 463	731 799
Prepayments from customers	67 373	68 028	46 656
Payroll liabilities	53 171	68 988	58 537
Other	156 028	59 410	26 594
Total Other current liabilities	381 800	576 365	873 227

Note 13

Related party transactions

Per 31 December 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	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Telia Norge AS	Major shareholder*	Purchase of telecom services	27 634	38 262	-	65 896	-
Metzum AS	Associated company	Purchase of other services	9 314	8 984	8 689	40 234	38 500
Atea AS	Other**	Purchase of products and other services	1 916	2 724	2 615	8 472	9 922

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

Purchase of assets

Related party	Relation	Purpose of transactions	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Metzum AS	Associated company	Research and development	44	-	377	344	2 666
Atea AS	Other**	Products and development	122	461	298	925	481

Current liabilities to related parties

Related party	Relation	Purpose of transactions	30 September 2023	31 December 2023	31 December 2022
Telia Norge AS	Major shareholder*	Telecom services		36 503	29 809
Metzum AS	Associated company	Research and development		7 255	6 836
Atea AS	Other**	Products and development		685	1 943

* 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

The Board of Directors has in the Board Meeting on 14 February 2024 proposed a dividend to the shareholders of NOK 2.30 per share. The proposed dividend is subject to approval by the general meeting.

There are no other significant events after the reporting period that have 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	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Revenue	2 214 790	5 159 781	8 517 949	18 920 598	25 521 514
Direct cost of sales	(1 868 750)	(4 652 674)	(8 080 624)	(17 192 526)	(23 823 519)
Net revenue	346 039	507 107	437 326	1 728 071	1 697 995
Personnel expenses	(117 625)	(130 080)	(124 062)	(454 622)	(421 029)
Other operating expenses	(115 341)	(125 754)	(154 728)	(542 277)	(574 946)
Impairment of intangible assets and cost to obtain contracts	9 957	(13 482)	(39 282)	14 548	(39 282)
Operating expenses	(223 009)	(269 316)	(318 073)	(982 351)	(1 035 258)
EBITDA	123 030	237 791	119 253	745 721	662 737
Depreciation & amortisation	(97 202)	(93 164)	(101 112)	(386 519)	(389 956)
EBIT reported (Operating profit)	25 828	144 626	18 141	359 202	272 781
Net financials	(22 477)	(35 244)	(70 677)	(121 625)	(144 089)
Profit/ (loss) before taxes	3 351	109 383	(52 536)	237 577	128 692
Taxes	(627)	(21 448)	8 181	(41 030)	(54 845)
Profit/ (loss) for the period	2 724	87 934	(44 355)	196 546	73 847
EBIT reported margin	7 %	29%	4 %	21%	16%

Alternative performance measures

Adjusted amounts:

NOK in thousands	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Net revenue	346 039	507 107	437 326	1 728 071	1 697 995
Other one-off items	-	(34 076)	-	(34 076)	-
Estimate deviations previous periods	-	(2 352)	4 472	1 924	4 472
Unrealised gains and losses on derivatives	173 157	(15 387)	2 566 865	1 085 244	47 791
Change in provisions for onerous contracts	(169 212)	18 315	(2 636 891)	(1 048 166)	(39 256)
Net revenue adjusted	349 983	473 607	371 776	1 732 998	1 711 002
EBITDA	123 030	237 791	119 253	745 721	662 737
Acquisition related costs	-	-	-	-	-
Other one-off items	2 330	(32 601)	2 660	6 434	2 660
Estimate deviations previous periods	-	(2 352)	4 472	1 924	4 472
Impairment of intangible assets and cost to obtain contracts	(9 957)	13 482	39 282	(14 548)	39 282
Unrealised gains and losses on derivatives	173 157	(15 387)	2 566 865	1 085 244	47 791
Change in provisions for onerous contracts	(169 212)	18 315	(2 636 891)	(1 048 166)	(39 256)
EBITDA adjusted	119 349	219 247	95 642	776 610	717 685
EBIT reported (Operating profit)	25 828	144 626	18 141	359 202	272 781
Acquisition related costs	-	-	-	-	-
Other one-off items	2 330	(32 601)	2 660	6 434	2 660
Estimate deviations previous periods	-	(2 352)	4 472	1 924	4 472
Impairment of intangible assets and cost to obtain contracts	(9 957)	13 482	39 282	(14 548)	39 282
Unrealised gains and losses on derivatives	173 157	(15 387)	2 566 865	1 085 244	47 791
Change in provisions for onerous contracts	(169 212)	18 315	(2 636 891)	(1 048 166)	(39 256)
Depreciation of acquisitions	30 948	30 679	32 972	123 080	132 323
EBIT adjusted	53 095	156 761	27 504	513 171	460 054
EBIT margin adjusted	15%	33%	7%	29%	27%

Alternative performance measures

Other financial APM's

Net interest bearing debt (cash)

NOK thousands	30 September 2023	31 December 2023	31 December 2022
Interest-bearing long term debt	560 981	537 617	629 169
Interest-bearing short term debt	368 700	368 700	368 700
Transaction costs recognised as part of amortised cost of Interest-bearing long term debt	1 219	1 158	3 306
Overdraft facilities	110 932	-	534 112
Cash and cash equivalents	(177 466)	(338 746)	(70 548)
Net interest bearing debt (cash)	864 366	568 729	1 464 739

Financial position related APM's

NOK thousands	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Net working capital	119 206	(16 847)	532 789	(16 847)	532 789
OpFCF before tax and change in NWC	76 647	176 177	21 705	583 142	435 807
Capex excl. M&A	8 778	14 615	13 050	52 477	44 328

Non-financial APM's

Deliveries

Numbers in thousands	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Electrical deliveries Consumer segment	674	667	685	667	685
Electrical deliveries Business segment	127	127	120	127	120
Electrical deliveries Nordic segment	128	125	149	125	149
Total number of electrical deliveries*	930	920	954	920	954
Number of mobile subscriptions	116	115	144	115	144

* Number of deliveries excl. Extended Alliance deliveries. Number of deliveries incl. Extended Alliance deliveries: 1 003 thousand in Q4 2023.

Volume in GWh	Q3 2023	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Consumer segment	1 212	2 497	2 327	8 069	7 648
Business segment	1 350	2 284	1 987	7 609	6 978
Nordic segment	425	644	740	2 195	2 879
Total volume*	2 987	5 425	5 054	17 873	17 506

* Volume excl. Extended Alliance. Volume incl. Extended Alliance: 6 515 GWh in Q4 2023.