



Annual Report 2025

Contents

How to read this report

The report is structured into four sections: Introduction, Board of Directors Report, Financial Statement and Signatures. We have ensured compliance with the Corporate Sustainability Reporting Directive (CSRD) from the European Commission and Norwegian Accounting Act, presenting these requirements within relevant sections of the report. Throughout the report, you will find codes such as 'GOV-1' and 'SBM-3,' which denote specific disclosure requirements or data points as per the European Sustainability Reporting Standards (ESRS). For a detailed index of ESRS disclosure requirements and codes, please refer to page 55.

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Introduction

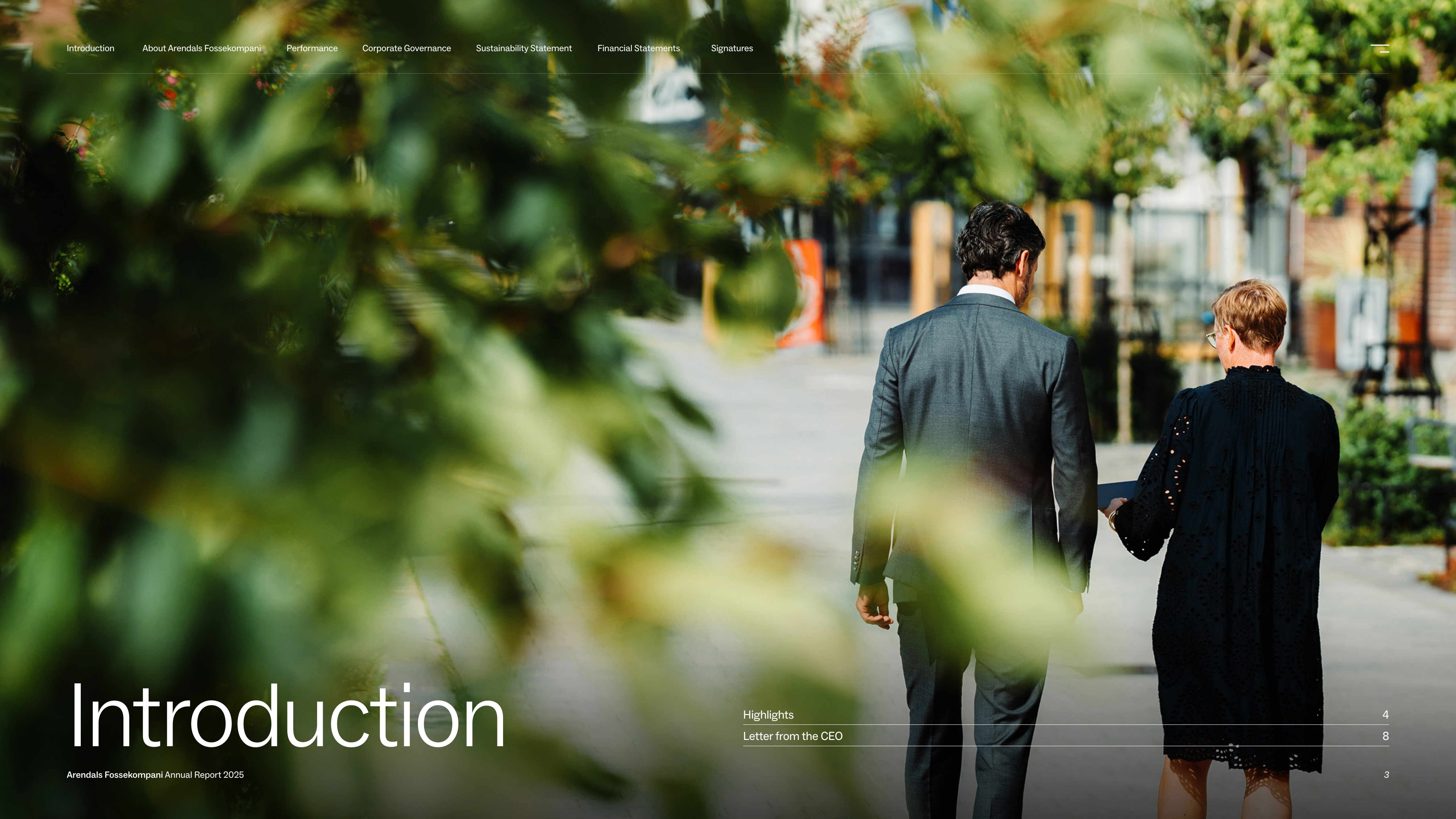
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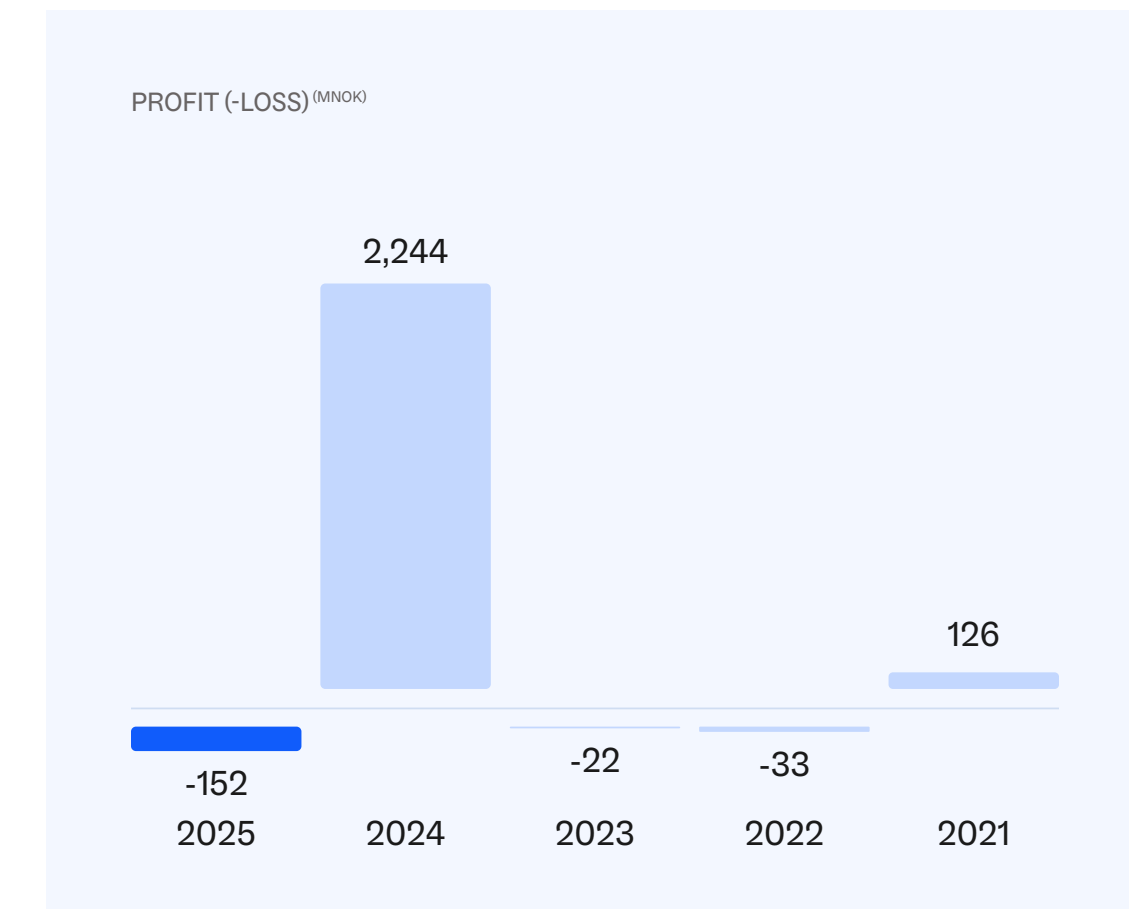
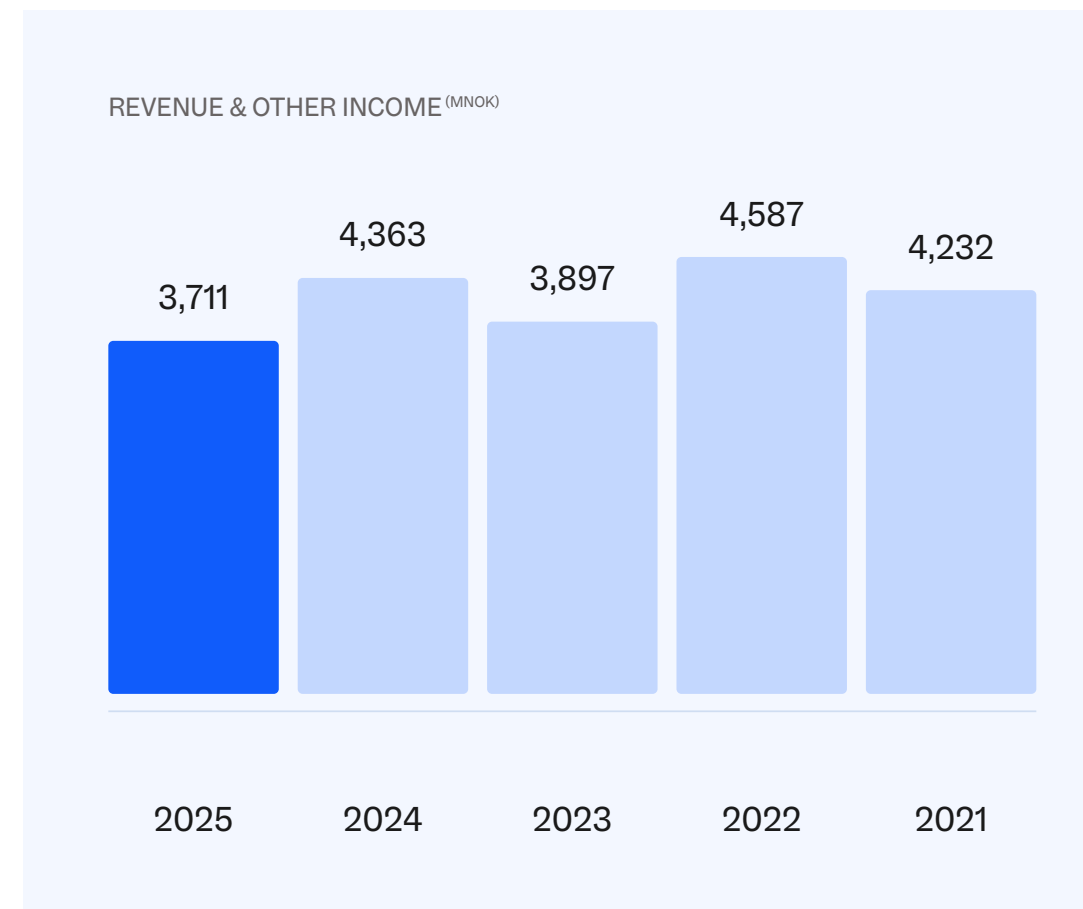
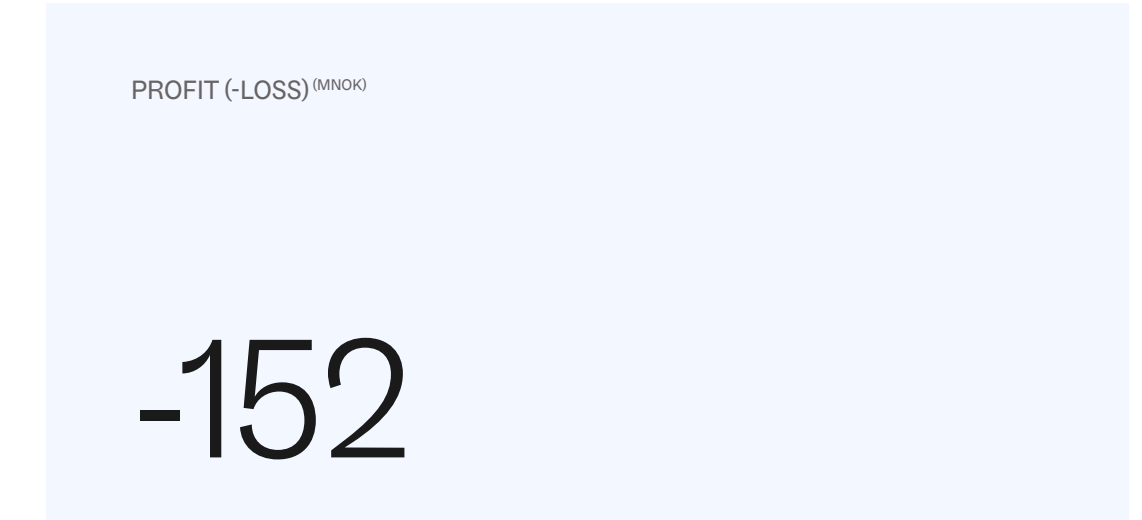
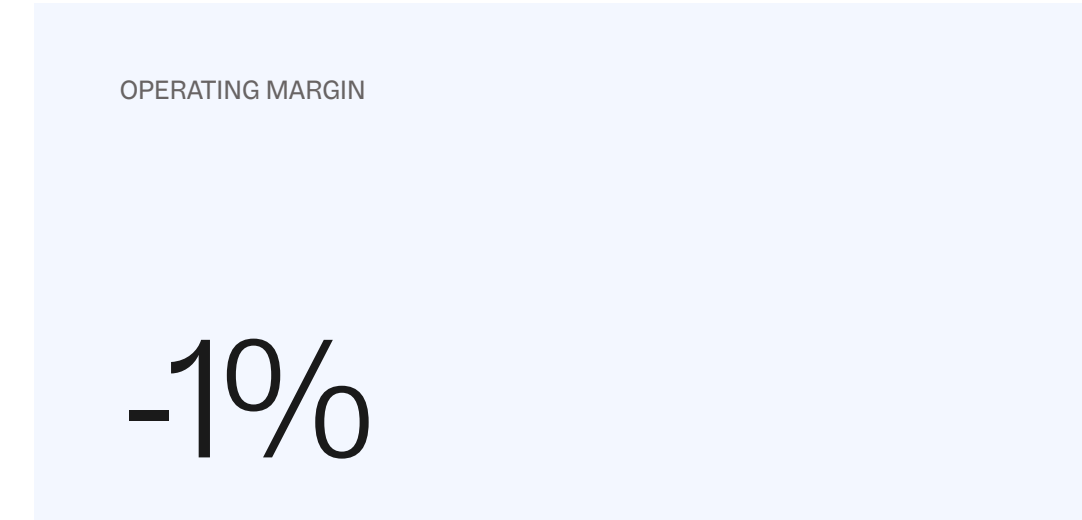
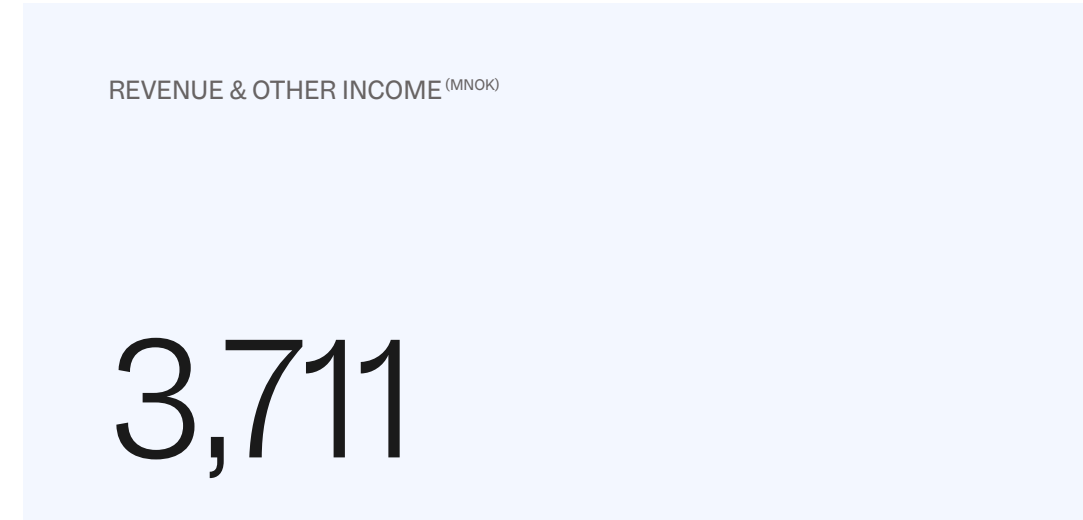
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Group financial highlights



Financial figures ^(MNOK)	2025	2024	2023	2022	2021
Arendals Fossekompani consolidated					
Revenue & other income	3,711	4,363	3,897	4,587	4,232
Operating profit (EBIT)	-19	394	444	429	450
Operating margin (%)	-1%	9%	11%	9%	11%
Earnings before tax (EBT)	61	227	456	426	332
Profit (-loss) cont. operations	-152	-42	61	-33	97
Profit (-loss)	-152	2,244	-22	-33	126

Group financial highlights

volue

OWNERSHIP 40% HEAD OFFICE Oslo, Norway EMPLOYEES 664 EQUITY VALUE IN AFK PARENT MNOK 2,571 DEBT TO AFK PARENT MNOK 0

Pro-forma figures Faraday TopCo AS (MNOK)	2025	2024	2023
Revenue	1,566	1,347	1,241
EBITDA	142	45	130
Adjusted EBITDA ¹	441	284	150
NIBD	-891	342	382
Recurring revenue	1,217	1,014	845
Adjusted cash EBITDA ²	294	76	64

The pro forma figures include financial information of PowerBot, SmartPulse, Quorum and Hakom Time Series as if these entities were consolidated for all periods presented. Similarly, the pro forma figures exclude financial information of Infrastructure and Scanmatic for all periods presented.

1. EBITDA less non-recurring items. In 2025, adjustments were related to company-wide restructuring, recruitment and operational turn around initiatives. 2. Adjusted EBITDA less capitalised R&D and leasing costs.

NSSLGlobal

OWNERSHIP 80% HEAD OFFICE London, UK EMPLOYEES 252 EQUITY VALUE IN AFK PARENT MNOK 273 DEBT TO AFK PARENT MNOK 0

MNOK	2025	2024	2023	2022	2021
Revenue	1,293	1,400	1,206	1,042	907
EBITDA	256	295	231	255	208
EBIT	222	263	211	209	166
NIBD	-524	-474	-346	-340	-299
Gov. & defence revenue	806	896	675	626	548
Paid dividend	137	138	131	118	106

VANNKRAFT

OWNERSHIP 100% HEAD OFFICE Froland, Norway EMPLOYEES 17

MNOK	2025	2024	2023	2022	2021
Revenue	360	363	511	606	373
EBITDA	258	259	425	545	308
EBIT	248	250	414	535	298
Avg. power price (EUR/MWh)	65	50	79	211	71
Production (GWh)	457	607	542	351	517

ENRX

OWNERSHIP 98% HEAD OFFICE Skien, Norway EMPLOYEES 952 EQUITY VALUE IN AFK PARENT MNOK 927 DEBT TO AFK PARENT MNOK 0

MNOK	2025	2024	2023	2022	2021
Operating revenue	1,657	1,914	1,800	1,338	1,171
EBITDA	20	222	198	75	143
EBIT	-373	134	116	-3	83
NIBD	596	1,066	777	559	171
Revenue (Heat)	1,651	1,859	1,750	1,331	1,171
EBIT (Heat)	69	182	139	40	83

TEKNA

OWNERSHIP 72% HEAD OFFICE Sherbrooke, Canada EMPLOYEES 158 EQUITY VALUE IN AFK PARENT MNOK 551 DEBT TO AFK PARENT MNOK 0

MNOK	2025	2024	2023	2022	2021
Operating revenue	264	292	320	199	184
Adjusted EBITDA	-10	-54	-32	-95	-32
EBIT	-59	-63	-97	-153	-89
NIBD	-73	172	125	-28	-211
Revenue Adv. Materials	207	209	201	140	123
Market Cap	717	414	1,039	739	4,345

EIENDOM

OWNERSHIP 100% HEAD OFFICE Arendal, Norway EMPLOYEES 5 EQUITY VALUE IN AFK PARENT MNOK 324 DEBT TO AFK PARENT MNOK 43

MNOK	2025	2024	2023	2022	2021
Revenue	53	295	18	35	510
EBITDA	15	29	2	6	40
EBIT	-19	13	-10	-7	27
NIBD	223	213	361	136	70

Key financial figures

Arendals Fossekompani Group (MNOK)

Profit & loss statement	2025	2024	2023	2022	2021
Revenue and other income	3,711	4,363	3,897	4,587	4,232
EBITDA	387	607	611	726	697
EBITDA margin (%)	10%	14%	16%	16%	16%
Operating profit (EBIT)	-19	394	444	429	450
Operating margin (%)	-1%	9%	11%	9%	11%
Net financial items	27	2,898	26	37	-106
Share of profit (loss) from associated companies	53	-34	-14	-40	-12
Earnings before tax (EBT)	61	227	456	426	332
Income tax expense	212	270	394	458	235
Profit (-loss) from continuing operations	-152	-42	61	-33	97
Profit (-loss) from discontinued operations	-	2,286	-84	-	29
Profit (-loss)	-152	2,244	-22	-33	126
Profit (-loss) attributable to equity holders	-114	2,238	40	6	107
Statement of financial position					
Non-current assets	5,133	5,133	4,247	3,277	2,432
Current assets	3,149	3,720	4,813	4,563	4,406
Equity excl. Non-controlling interests	4,812	5,497	3,021	3,127	3,368
Total equity	5,105	5,414	3,649	3,784	3,909
Non-current interest-bearing liabilities	969	1,528	2,482	1,053	806
Other non-current liabilities	76	300	269	1,827	1,206
Current interest-bearing liabilities	741	326	462	340	303
Other current liabilities	1,391	1,284	2,208	837	614
Total liabilities	3,177	3,438	5,421	4,056	2,929
Total assets / total equity & liabilities	8,283	8,852	9,060	7,840	6,838
Net interest-bearing debt¹	196	43	1,011	-946	-1,599
Liquidity and cash flow					
Cash and cash equivalents (31.12)	1,513	1,800	1,929	2,340	2,708
Net cash from operating activities	253	35	-435	483	848
Cash flow	-241	-888	-398	-392	1,006

Arendals Fossekompani Parent Company (MNOK)

Profit & loss statement	2025	2024	2023	2022	2021
Revenue and other income	376	377	519	628	382
EBITDA	185	188	350	463	249
Operating profit (EBIT)	172	174	335	449	236
Net financial items	3	2,388	175	547	1,345
Earnings before tax (EBT)	175	2,562	510	996	1,581
Income tax expense	147	138	299	392	159
Profit (-loss)	29	2,423	211	604	1,422
Statement of financial position					
Equity ratio (%)	85%	82%	61%	71%	79%
Book value of equity	5,193	5,267	3,026	3,027	2,872
Total assets / total equity & liabilities	6,090	6,391	4,947	4,238	3,629
Net interest-bearing debt ¹	104	-45	495	-430	-860
Intercompany loans and receivables	163	852	1,602	787	71
Liquidity and cash flow					
Cash and cash equivalents	570	913	1,064	1,160	1,411
Available liquidity ²	2,752	2,899	2,196	3,107	3,411
Net cash from operating activities	1	-72	-67	393	236
Key figures per share					
Share price (31.12, NOK)	135.0	142.4	164.8	250.5	440.0
Dividend per share (NOK)	2.00	4.00	3.95	7.55	37.08
Number of outstanding shares (31.12)	54,96	54,94	54,86	54,88	54,90

1. Intercompany loans are excluded from the Net Interest Bearing Debt (NIBD) definition. See Note 17 and 25 for further information.
2. Cash and cash equivalents plus undrawn credit facilities.

Operational highlights

Building resilience and positioning for long-term value creation

During the year, we developed value in existing companies, focused our portfolio, and strengthened our position to capture structural opportunities.



- Strong growth and margin expansion across geographies
- Completed transformation into a pure-play Energy and Power Grid software company, divesting Scanmatic and the Infrastructure division
- Acquired SmartPulse, Hakom, Quorum and Optimeering to strengthen capabilities and geographic reach
- After the close of the year Stephan Sieber was announced as new CEO and TA Associates entered as new strategic investment partner



- Delivered strong profitability and contract momentum across maritime, government and defence sectors
- Won a significant eight-year critical infrastructure project for a large European utility company, which includes Satlink hubs and sites
- Well positioned to benefit from accelerating European defence spending



- Solid performance driven by efficient operations and favourable power prices
- Kilandsfoss hydropower project on track for production start in 2026



- Strengthened position within Aerospace and Defence, delivering two consecutive EBITDA-positive quarters and record order intake in Materials
- Balance sheet reset through a NOK 300 million rights issue
- Received NADCAP accreditation for metallic powder manufacturing, as the first additive manufacturing company to achieve this milestone
- Claude Jean joined as new CEO



- Challenging market conditions for Heat, addressed through cost reductions and operational improvement
- Divestment of a 75% stake in Charge to enable full focus on the Heat business
- 2025 financials heavily impacted by impairments and provisions related to the Charge sale



- Construction commenced on a 7,500 sqm production facility for Kitron, scheduled for completion in 2026
- Continued development of Bryggebyen with the launch of Phase 4 in the transformation of a former shipyard into a new urban residential area

Letter from the CEO

2025 was characterised by the return of protectionism, geopolitical tensions, unstable tariff schemes, volatile energy prices and artificial intelligence driving global capital markets. As a result, Europe has accelerated investment in defence, energy independence and strategic autonomy. These market developments are creating both threats and opportunities for Arendals Fossekompani. Our response is to remain focused on long term value creation through continued execution of our key priorities: Developing our existing companies, optimising our portfolio, and capturing structural opportunities.

Optimising our portfolio and capturing structural opportunities

After the close of the fourth quarter, we announced that TA Associates will join as a new strategic investor in Volue. The transaction values Volue at approximately EUR 1.5 billion (NOK 17 billion) on a 100% basis, and Arendals Fossekompani's holding at NOK 6 billion, while further strengthening Volue's M&A capacity and talent attraction power. The transaction crystallised value for our shareholders and was a strong validation of Arendals Fossekompani's tried and proven approach to long-term value creation.

During the year, we also took measures to further focus and de-risk the portfolio. As part of this, we initiated a process to divest the majority of ENRX' Charge business, which was completed after the close of the fourth quarter. The transaction reduced ENRXs' exposure to early phase markets, reduced complexity, and freed the group to focus fully on its Heat business. In line with communicated strategy, we also reduced our exposure to early-phase investments, dissolving the Alytic team, selling Factlines to Position Green, and

recognising impairments on several early-phase engagements. These actions allow us to focus our attention on what we do best: active industrial ownership of technology companies in the growth equity phase.

Developing value in our existing companies

Group consolidated revenue for 2025 totalled NOK 3.7 billion compared with NOK 4.4 billion in 2024. The decline reflected weaker market conditions for ENRX, the ongoing business model transition in NSSLGlobal and lumpy property sales in 2024, which were not repeated in 2025. Group consolidated operating profit (EBIT) ended at NOK -19 million and was heavily influenced by impairments and provisions related to the divestment of ENRX' Charge business. Adjusted for these effects, the operating profit was NOK 207 million, corresponding to a 6% margin, indicating a mixed underlying portfolio performance.

Volue delivered revenue growth and margin expansion, cementing its position as a leading provider of energy software in Europe. The company completed its transformation

into a pure-play Energy and Power Grid software business, divesting Scanmatic and the Infrastructure division, while acquiring SmartPulse, Quorum and HAKOM Time Series to deepen its European platform. After the year's close, Stephan Sieber was announced as new CEO.

NSSLGlobal delivered another year of healthy profitability, with strong margins, new contracts across maritime, government and defence sectors, and the continued deep trust of its demanding customers. As defence spending accelerates across Europe, NSSLGlobal is well positioned to capture these structural opportunities. 2025 marked 25 years of AFK's ownership and 25 years of leadership by CEO Sally-Anne Ray. That kind of continuity is not incidental to NSSLGlobal's success. It is the foundation of it.

ENRX had a challenging year, with the heating market being hit by tariff uncertainty and slower-than-expected progress in the Charge business, putting significant pressure on results. Decisive measures were taken during the year to address the situation, including significant personnel and material cost reductions. The divestment of Charge will enable the company to focus fully on its core business.

Tekna continued to strengthen its position within Aerospace and Defence. After years of disciplined profitability work, the company delivered two consecutive quarters of positive EBITDA and achieved a record high order intake in the Materials business. Tekna has conducted internal restructuring and cost optimising, and the business is now well positioned to capture the expected growth ahead. In April, Claude Jean joined as new CEO, bringing deep technical understanding, leadership skills and operational experience. Tekna also completed a refinancing of the company including new bank financing and a NOK 300 million rights issue, resetting the balance sheet and fully funding the company for the journey ahead.

AFK Vannkraft had another strong year driven by efficient operations and favorable prices. Construction of the new Kilandsfoss power plant is on schedule for starting production in 2026, adding approximately 38 GWh of annual



capacity, which Arendals Fossekompani owns a third of. Hydropower is the foundation upon which this company was built, and it continues to generate stable cash flow underpinning everything else we do.

Looking ahead

We end the year in a strong position with NOK 2.8 billion in available liquidity and an equity ratio of 85% in the parent company, and a more focused and resilient portfolio. The one-off items that burdened 2025 are behind us.

Heading into 2026, we celebrate 130 years of energising technology, companies, and communities. Not many businesses have the vitality to celebrate such a milestone. We are moving forward with strong momentum and an exciting scope of opportunities on the horizon. Our stance is solid, and we remain focused on growth and robustness in all our businesses. I want to thank our employees for their impressive execution and our shareholders for their continued trust and support.

A handwritten signature in black ink, appearing to read 'Benjamin Golding'. The signature is fluid and cursive, written over a white background.

Benjamin Golding
Chief Executive Officer, Arendals Fossekompani



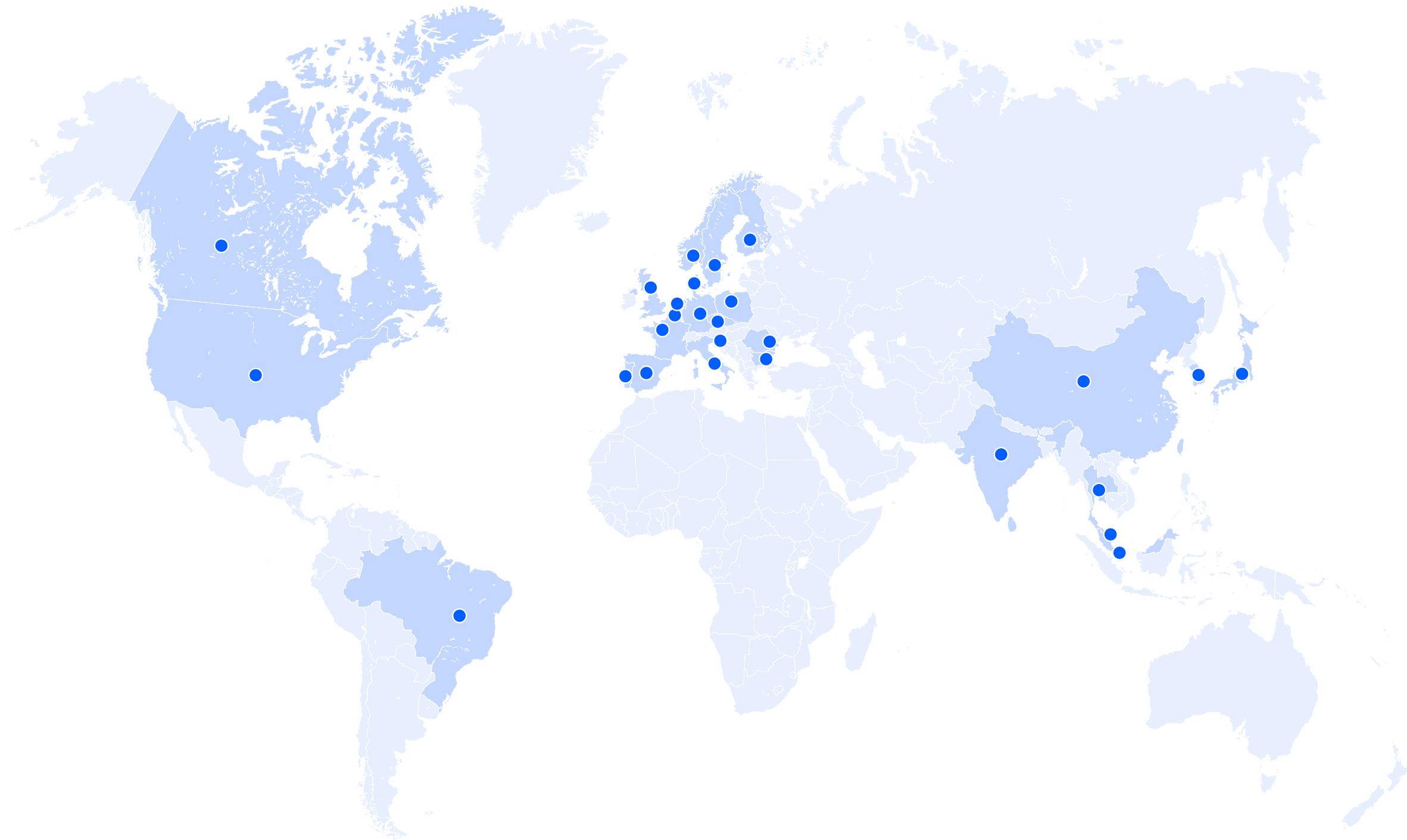
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Arendals Fossekompani around the world



Arendals Fossekompani Group Management

HEAD OFFICE	EMPLOYEES	COUNTRIES
Arendal, Norway	20	1

volue

Software solutions for the energy transition

OWNERSHIP	HEAD OFFICE	EMPLOYEES	COUNTRIES
40%	Oslo, Norway	664	13

NSSLGlobal

Cyber secure satellite communication services anywhere

OWNERSHIP	HEAD OFFICE	EMPLOYEES	COUNTRIES
80%	London, UK	252	9

TEKNA

Leading provider of advanced materials and plasma systems

OWNERSHIP	HEAD OFFICE	EMPLOYEES	COUNTRIES
72%	Sherbrooke, Canada	158	5
LISTED ON	MARKET CAP (31.12)		
Oslo Børs	717 (mNOK)		

ENRX

Leading international company within induction technology

OWNERSHIP	HEAD OFFICE	EMPLOYEES	COUNTRIES
98%	Skien, Norway	952	20

VANNKRAFT

500 GWh hydropower production providing steady cash flow

OWNERSHIP	HEAD OFFICE	EMPLOYEES	COUNTRIES
100%	Froland, Norway	17	1

EIENDOM

Portfolio of property investments and development projects

OWNERSHIP	HEAD OFFICE	EMPLOYEES	COUNTRIES
100%	Arendal, Norway	5	1

MAIN INVESTEMENTS

6 (1 listed)

EMPLOYEES

2,170

COUNTRIES

26

LISTED ON THE OSLO STOCK EXCHANGE

1913

HEAD OFFICE

Arendal (Norway)



Who we are

Arendals Fossekompani is a long-term industrial investor that combines industrial, technological, and capital markets expertise to identify and develop opportunities for sustainable value creation. Our portfolio companies operate in industries such as vertical software and analytics, satellite communications, induction technology, industrial 3D printing, property, and hydropower. Our companies employ over 2,100 professionals across 26 countries. Established in 1896, we have produced renewable hydropower for more than 100 years. Our company is headquartered in Arendal and has been listed on the Oslo Stock Exchange since 1913.

We build next generation companies within energy and technology. This is our legacy, our history, our future. It is what we have done, and what we will continue to do. For generations.

Our values

Arendals Fossekompani is a collaborative, dynamic and responsible company with a long-term perspective.

SBM-1

Strategy

Arendals Fossekompani generates long-term value through three core activities:

1. Identifying and investing in new portfolio companies.
2. Driving value creation in existing portfolio companies through active ownership.
3. Realising value from existing portfolio companies.

With over a century of industrial development experience, our investment approach leverages our strengths. We create value through strategic use of capital, expertise and network. Our goal is to create an attractive total return for our shareholders in a sustainable manner.

Active ownership

As owners, we actively work with the boards and management teams of our portfolio companies. We support our companies in setting ambitious targets and developing strategies to reach them, monitor performance, support M&A and financing, and work to build strong boards, management teams and leaders.

Long-term perspective

In every investment, we have a long-term view of our objectives. We retain ownership of our portfolio companies for as long as we are the best owner, ensuring long-term value and stability.

Forward-thinking

We seek to build world-leading positions in industries driven by global megatrends such as Energy Transition, Digitalisation & AI, and Deglobalisation. We believe that

a responsible approach to environmental, social, and governance factors is essential for achieving solid risk-adjusted returns over time.

Investment criteria

We invest in forward-looking B2B companies with proven business models within the energy and/or technology space.

Ownership

We look for controlling stakes in companies, either independently or in complementary partnerships with others.

Geography

We seek to invest primarily in Nordic companies with a global market potential.

Maturity

We search for growth-stage companies with a proven business model and self-financing operations.

Sustainability

Investments should contribute to, or have the potential to contribute to, at least one of the six environmental objectives defined in the EU Taxonomy.

Sustainable value creation

Sustainability is an integral part of our investment strategy, and we work closely with our portfolio companies to enhance our collective performance on environmental, social and governance topics. We have four strategic material sustainability topics: Climate change, Resource Use and Circular Economy, Own Workforce and Business Conduct. Each strategic focus area has specific targets to ensure that we maximise our positive impacts, reduce our negative impacts, harness the opportunities presented to us, and manage or mitigate the associated risks.



Growth drivers

We believe three global megatrends will continue to drive the growth of our portfolio companies.

Energy transition

The global energy system is undergoing structural transformation. Despite political volatility and shifting policy landscapes, the increasing effects of climate change, ambitious climate targets and declining cost curves, will continue to drive investments in renewable energy, energy infrastructure solutions and electrification.

Electrification of transport, industry and buildings, combined with rising power demand from digital infrastructure and artificial intelligence, is increasing the strategic importance of reliable and scalable electricity systems. As energy systems become more decentralised and low-carbon, market complexity increases, driving increased demand for flexibility, optimisation and market intelligence. The energy transition is a key value driver for Volue, ENRX and AFK Vannkraft.

Digitalisation and AI

All industries are undergoing rapid digitalisation, driven by exponential growth in data and the increasing need to transform data into actionable insights. Artificial intelligence is transforming every part of the economy. This opens up new business opportunities and forces businesses in all sectors to adapt. For software providers, this enables the development of new products with recurring revenue models. The rise artificial intelligence is also driving massive infrastructure build out, clean energy demand, and the need to be online anywhere, at any time, with a high level of security. These global forces are value drivers for Volue, NSSLGlobal, AFK Property and AFK Vannkraft.

Deglobalisation

Geopolitical tensions, tariffs and trade barriers create uncertainty in value chains, increased protectionism and the need for new ways of producing critical components. Heightened security concerns are driving increased investments in defence capabilities, secure communications

and space-based infrastructure. Strategic sectors such as defence and space are attracting strong political and financial support across multiple regions. Deglobalisation is a value driver for NSSLGlobal and Tekna.

Risk and uncertainty

We are faced with ongoing uncertainty associated with geopolitical turmoil and economic volatility, related to heightened tariffs and protectionism, which collectively present risks of global supply chains disruptions, shifts in interest rates, and fluctuating energy prices. The increasing global incidence of attacks on digital infrastructure continues to present cyber-related risk. These factors, among others, require continual mitigation and attention to the knock-on effects of risks, such as to corporate cost bases and governance processes.

Arendals Fossekompáni updates its strategy on an annual basis to adapt to the evolving risk and opportunity landscape by monitoring, assessing and continually working to mitigate risk. Our Board of Directors reviews the company’s risk profile and strategic adaptation to it, and in 2025 updated the company’s approach for the next three-year period to 2028.

We conduct regular company-wide consultations on risk and maintain a risk assessment that reflects changes in our businesses and M&A activities, geopolitical events, regulatory environments and the availability of information. Risk assessment findings and mitigation measures, as well as associated opportunities, are anchored in Arendals Fossekompáni’s management team and overseen by our Board of Directors.

In 2025-2026, the most significant risks Arendals Fossekompáni faces as a Group are:

	RISK	RISK MITIGATING ACTION
Market and financial risks	Supply chain disruptions, price shocks and lower investment levels due to volatile trade policy and escalating geopolitical unrest and conflicts around the world.	Mitigation measures in place include close monitoring of critical supply chains and contingency planning, as well as ongoing tight performance management.
Operational risks	Continued risk of increasing cost bases and cyber security incidents.	Mitigation measures in place include hands-on and collaborative ownership, internal controls and preparedness, and contingency planning.
Regulatory and compliance risks	Continued risk of regulatory changes or non-compliance.	Mitigation measures in place include continued tight cost focus, heightened monitoring, capacity-building and collaboration across the Group.

More information on our risk profile is outlined in the sustainability statement and the financial statements.

Value Creation for Generations



1896

Company founded

Arendals Fossekompani was founded on 30 January 1896 to harness the forces in the Arendal watercourse system and transform them into electric power. We acquired rights to several waterfalls, including Bøylefossen and Flatenfossen. Norwegian industrial entrepreneur Sam Eyde was instrumental in the early years.



1913

Electricity and industry

The construction of Bøylefoss Hydropower Plant started in 1911, in parallel with the establishment of new industry in Eydehavn. The first electric power from Bøylefoss was delivered to Eydehavn in the summer of 1913. That same year, Arendals Fossekompani was listed at Oslo Børs.



1927

More hydropower

The growing demand for electricity for industrial purposes led to the development of Flatenfoss Hydropower Plant in 1927. The original plant was operational until it was replaced in 2009.



1960s

Financial investor

Arendals Fossekompani gradually built a substantial financial capacity. At the end of the 1960s, the company changed its mission statement and built a portfolio of financial investments in listed and unlisted companies.



1990s

New opportunities

Deregulation of the Norwegian electricity market presented new market opportunities. Arendals Fossekompani played an active role and established a subsidiary, Markedskraft, as an independent provider of services in the Nordic and European wholesale electricity market.



2000s

International investor

The new millennium marked the start of the transformation of Arendals Fossekompani, from a local hydropower producer to an international investment company. A series of successful investments in Norwegian and international companies from the early 2000s till today, have contributed to our current portfolio of companies in forward-looking industries.



BOARD OF DIRECTORS REPORT

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Arendals Fossekompani Group

HEAD OFFICE
Arendal, Norway

EMPLOYEES
2,170

COUNTRIES
26

CHIEF EXECUTIVE OFFICER
Benjamin Golding

CHAIR
Trond Westlie

Arendals Fossekompani is a long-term industrial investor that combines industrial, technological, and capital markets expertise to identify and develop opportunities for sustainable value creation. Our portfolio of companies employ over 2,100 professionals across 26 countries.



Financial figures ^(MNOK)		2025	2024	2023
	Revenue and other income	3,711	4,363	3,897
	EBITDA	387	607	611
	Operating profit	-19	394	444
	Operating margin	-1%	9%	11%
	Earnings before tax (EBT)	61	227	456
	Profit (-loss), continuing operations	-152	-42	61
	Profit (-loss) discontinued operations	-	2,286	-91
	Profit (-loss) attributable to equity holders	-114	2,238	33
	Total comprehensive income	-250	2,379	60
	Operating cash flow	253	743	-398
	NIBD	196	43	1,011
	Equity	5,105	5,414	3,649
	Equity ratio	62%	61%	40%
Sustainability KPIs		2025	2024	2023
Environment	Scope 1 GHG (tCO ₂ e)	1,650	1,794	1,858
	Scope 2 GHG (location-based, tCO ₂ e)	1,821	1,950	2,318
	Scope 3 GHG (tCO ₂ e)	596,484	685,998	- ¹
	Energy consumption (MWh)	22,843	27,498	27,111
	Renewable energy consumption (location-based, % of total)	55%	57%	53%
Social	Female employees	18%	19%	21%
	Female members of Executive Management	21%	24%	24%
	Lost time injury frequency rate per million exposed hours	1.0	1.7	2.2
	Sick leave rate	3%	2%	3%
	Voluntary turnover rate	9%	10%	- ¹
Governance	Signature of Code of Conduct	86%	88%	69%
	Internal training in Code of Conduct	86%	76%	61%
	Convictions of violation of anti-corruption or anti-bribery laws	0	0	0

1. This datapoint is not comparable to subsequent years due to a change in scope or definition.



Arendals Fossekompani Group

The Group financial results of 2025 were impacted by strategic measures implemented during the year. Measures included the divestment of the majority of ENRX's Charge business and recognised impairments on several startup engagements. These measures resulted in impairments and provisions totalling NOK 250 million, impacting the consolidated financials of Arendals Fossekompani in 2025. In addition, lower operating performance in the ENRX Heat division contributed to the overall result.

Consolidated group operating cash flow in 2025 amounted to NOK 253 million (743 million).

Financial position

The financial position of Arendals Fossekompani Parent company remains solid. The company's available cash on 31 December 2025 amounted to NOK 570 million (913 million). In addition, the company has undrawn credit facilities of NOK 2,182 million (1,985 million), securing available liquidity of NOK 2,752 million (2,899 million). The Net Interest Bearing Debt (NIBD), excluding shareholder loans, was NOK 104 million (-45 million) at the end of 2025.

Structural changes in the portfolio

In line with communicated strategy to reduce exposure to early-phase investments, Arendals Fossekompani dissolved the Alytic investment team, divested Factlines and recognised impairments on several startup engagements. After the close of the year, Arendals Fossekompani also announced the filing for insolvency of Utel.

Additionally, ENRX divested 75% of its stake in the Charge business subsequent to year-end. The transaction provides the Charge business with capital and a long-term partner to support its continued development, while freeing resources to allow ENRX to fully focus on its core business (Heat) going forward.

On 12 February, TA Associates entered as a new strategic investment partner in Volue. The transaction will further strengthen Volue's momentum and supports Volue's

ongoing execution of its strategy to become a global leader in electrification technology. As part of the transaction, Arendals Fossekompani will receive cash proceeds of approximately EUR 38 million. Arendals Fossekompani's ownership in Volue will be around 36% after closing. The transaction prices Arendals Fossekompani's remaining shareholding in Volue at approximately EUR 520 million (approximately NOK 5.9 billion). Final sums are subject to closing adjustments and exchange rates. Completion of the transaction is subject to regulatory approvals.

In Q4, Tekna completed a fully underwritten rights issue of NOK 300 million. The rights issue was fully guaranteed by Arendals Fossekompani. The transaction included the conversion of Arendals Fossekompani's shareholder loan to Tekna, thereby resetting Teknas balance sheet and increasing Arendals Fossekompani's shareholding in Tekna from 69.5% to 72.4%.

Portfolio summary

Volue

Volue reported operating revenue (pro-forma) of NOK 1,566 million (1,347 million), corresponding to a growth of 16%. Volue continued to deliver strong growth in recurring revenue as a part of the company's Software-as-a-Service (SaaS) expansions across Europe and Japan. Growth in recurring revenue in 2025 was 20% compared to 21% in 2024. Adjusted EBITDA amounted to NOK 441 million (284 million), corresponding to a margin of 28% (21%). In 2025, Volue incurred significant costs, which were adjusted in the adjusted EBITDA definition, related to company-wide strategy update, restructuring, recruitment, operational turn around initiatives and multiple divestments and acquisition processes. The significant margin uplift YoY was largely driven by scalability in core products and reduced cost base. Adjusted Cash EBITDA amounted to NOK 294 million (76 million). Volue continued its active M&A strategy, announcing four acquisitions in and after the close of the year. The transformation into a pure-play Energy and Power Grid software company was completed through the divestments of Scanmatic and the Infrastructure division.

On 13 January 2026, Volue announced Stephan Sieber as new CEO.

ENRX

ENRX reported operating revenue of EUR 141.4 million (164.6 million), down 14% from 2024. The decline was largely driven by challenging market conditions within ENRX's core Heat business. Operating profit ended at EUR -31.8 million (11.5 million), as a result of impairments and provisions related to the divestment of ENRX's Charge business. Heat delivered an operating profit of EUR 5.9 million (15.6 million). The divestment of the Charge business allows ENRX to fully focus on developing the core Heat business going forward. Total order intake in 2025 was EUR 132 million (147 million).

At 31 December 2025, ENRX was in breach of the equity ratio covenant in its facility agreement with Nordea. The covenant breach was remedied on 16 March 2026.

NSSLGlobal

NSSLGlobal reported revenue of GBP 94.5 million (101.9 million), a YoY decline of 7%. Revenue decline was largely driven by the extraordinary high airtime related to operational activity linked to events in Ukraine and in the Middle East in 2024. NSSLGlobal reported a continued strong operating margin of 17% (19%), with the decline from 2024 largely driven by lower top line and airtime revenue. The company experienced solid sales throughout the year, including new maritime communication and IT security system orders, governmental engineering orders, as well as defence contracts across Europe.

Tekna

Tekna reported operating revenue of CAD 35.6 million (37.2 million), down 4% from 2024. The reduced top line was driven by a continued slow-down in order intake for Systems, impacted by tariff and government budget uncertainty. Advanced Materials revenue grew by 5% in 2025, driven largely by the Aerospace & Defence and medical segments, and improved sales opportunities for both small and large particle-sized material. Adjusted EBITDA was CAD -1.4 million (-6.9 million). Tekna continued

In the Q4 financial statements, reported EBIT for Arendals Fossekompani Group in 2025 was NOK 32 million. After the close of the quarter, additional impairments of NOK 51 million were recognised in ENRX and Alytic, resulting in consolidated EBIT for the financial year 2025 of NOK -19 million.

When referring to Group results and figures, this report will refer to results for continued operations, unless specified otherwise. See Note 3 to the financial statements for further information on discontinued operations.

In 2025, Arendals Fossekompani reported consolidated revenue of NOK 3,711 million (4,363 million) and operating profit of NOK -19 million (394 million). Ordinary profit after tax amounted to NOK -152 million (2,244 million), of which the Arendals Fossekompani shareholders' share of the profit was NOK -114 million (2,238 million). Including currency differences, changes in the value of available-for-sale financial assets, minority interests, and other comprehensive income items, the Group's total comprehensive income was NOK -250 million (2,379 million).



Arendals Fossekompani Group

to execute its comprehensive profitability programme, yielding results with two consecutive positive EBITDA quarters in Q3 and Q4. Claude Jean was appointed CEO in April 2025, bringing deep experience from industry and R&D. A refinancing was completed in Q4 through a NOK 300 million rights issue, significantly strengthening the balance sheet.

AFK Vannkraft

AFK Vannkraft reported revenue of NOK 360 million (363 million) in 2025. The average electricity price in the NO2 price area during the year was EUR 65/MWh (50/MWh). Production in 2025 was 457 GWh (607 GWh). Operating profit amounted to NOK 248 million (250 million) and earnings after tax amounted to NOK 97 million (95 million). The construction of Kilandsfoss hydropower plant proceeded according to schedule. The plant is expected to be put in operation during 2026 with a capacity of 38 GWh.

AFK Eiendom

AFK Eiendom reported revenue of NOK 53 million (295 million) and operating profit of NOK -19 million (13 million). The decline was largely driven by revenue recognition of the third stage of the Bryggebyen development project in 2024, as well as impairments of NOK 17 million recognised in 2025.

Research and development

In 2025, development costs of NOK 110 million were capitalised (NOK 87 million.) Other research and development costs in the Group are expensed as they arise and amounted to NOK 112 million (139 million).

Sustainability

Arendals Fossekompani Group's emissions and energy consumption are sensitive to the activity and sales within the portfolio, leading to reductions in overall emissions in 2025 relative to 2024. Total Scope 1 emissions decreased to 1,650 tCO₂e (1,794 tCO₂e). Scope 2 emissions decreased to 1,821 tCO₂e (1,950 tCO₂e), with a reduction in energy consumption to 22,843 MWh (27,498 MWh). Scope 3 emissions decreased to 596,484 tCO₂e (685,998 tCO₂e).

Arendals Fossekompani's portfolio contributes to multiple environmental objectives of the EU Taxonomy, including climate change mitigation, climate change adaptation, and the transition to a circular economy. For the reporting year 2025, we have applied the latest revision of the EU Taxonomy, Delegated Act (EU 2026/73), and introduced a cumulative 10% materiality threshold per KPI. Activities assessed to be eligible constitutes half of the total turnover of Arendals Fossekompani, and 10% of these are found to be aligned. This is similar to the reported numbers in 2024. For the CapEx KPI, eligible activities are 71% of the total CapEx, a slight reduction from 2024, while the aligned CapEx substantially increased to 10% (1%).

The lost time injury frequency rate continued to improve to 1.0 (1.7) in 2025. The sick leave rate increased to 3.2% (2.0%). The voluntary turnover rate has fallen to 9% (10%) in 2025. Reductions in the Group's headcount have been felt unevenly and led to our gender balance dropping since 2024, with 18% (19%) female employees in our workforce and 21% (24%) in our management teams.

Events after the close of the year

On 13 January 2026, Volue announced Stephan Sieber as CEO.

On 2 February 2026, ENRX closed the sale of a majority stake of its Charge business to IPT Energy Group BV.

On 9 February 2026, Volue announced the acquisition of the Norwegian company Optimeering.

On 12 February, Arendals Fossekompani announced an agreement to bring in TA Associates as a strategic investment partner in Volue.

On 17 March, Arendals Fossekompani announced the filing for insolvency of Utel. The process is being handled in accordance with applicable procedures.

Outlook

There is ongoing uncertainty associated with geopolitical turmoil, supply chain constraints, inflation, interest rates, and the development of energy prices. Tariff uncertainty and trade restrictions, in particular, have introduced high levels of unpredictability. Arendals Fossekompani's solid financial position enables continued support of our portfolio companies, both in handling potential short-term challenges and with continued investments to accelerate growth.

In light of the market's estimated power price trend for 2026 and forecasted production, revenue and operating profit for AFK Vannkraft is expected to be in line with 2025.

Total revenue from Arendals Fossekompani Group, excluding AFK Vannkraft, is expected to be in line with 2025, while operating profit is expected to improve significantly, largely driven by 2025 impairments. Volue (associated company) expects revenue and adjusted cash EBITDA to be higher in 2026 compared to 2025.

Share price

On 31 December 2025, there was a total of 54,960,702 outstanding shares in the company, and 1,034,548 were treasury shares. The share price on 31 December 2025 was NOK 135, compared to NOK 142.4 on 31 December 2024, corresponding to a decrease of 5%. When including direct yield (dividend payouts) in the same period, total decrease in shareholder value was 4%.

Arendals Fossekompani's total market capitalisation was NOK 7.4 billion at year-end. Compounded annual return to AFK shareholders was 7% (14% including dividends) in the period of December 2015 to December 2025.



Arendals Fossekompani Group Management

HEAD OFFICE	EMPLOYEES	COUNTRIES
Arendal, Norway	20	1
CHIEF EXECUTIVE OFFICER	CHAIR	
Benjamin Golding	Trond Westlie	

Arendals Fossekompani Group Management employs 20 people at the head office in Arendal. The team focuses on identification and development of new sustainable business opportunities, active ownership of our portfolio companies and management of financial investments.



Financial figures ^(MNOK)		2025	2024	2023
	Revenue and other income	16	14	9
	EBITDA	-73	-70	-75
	Operating profit (EBIT)	-76	-76	-79
	Operating margin	-	-	-
	Earnings before tax (EBT)	-73	2,311	96
	Provision for income tax	-5	-17	5
	Earnings after tax (EAT)	-67	2,329	92
Sustainability KPIs		2025	2024	2023
Environment	Scope 1 GHG (tCO ₂ e)	0	0	0
	Scope 2 GHG (location-based, tCO ₂ e)	1.1	0.6	1.8
	Scope 3 GHG (tCO ₂ e)	1,118	622	- ¹
	Energy consumption (MWh)	201	89	90
	Renewable energy consumption (location-based, % of total)	98%	96%	96%
Social	Female employees	50%	50%	38%
	Female members of Executive Management	33%	33%	33%
	Lost time injury frequency rate per million exposed hours	0	0	0
	Sick leave rate	2%	2%	3%
	Voluntary turnover rate	0%	5%	- ¹
Governance	Signature of Code of Conduct	100%	100%	100%
	Internal training in Code of Conduct	100%	100%	100%
	Convictions of violation of anti-corruption or anti-bribery laws	0	0	0

1. This datapoint is not comparable to subsequent years due to a change in scope or definition.

2025 in brief

Figures in parentheses refer to the previous year.

In 2025, Arendals Fossekompani Group Management reported operating expenses of NOK 89 million (87 million). The operating profit was NOK -76 million (-76 million). Net profit for the year was NOK -67 million (2,329 million). Items impacting net profit in 2025 were dividend payments from portfolio companies and interest income on intercompany loans, as well as impairments of the shareholding in

Alytic AS of NOK 202 million¹. Note that the net profit in 2024 was impacted by recognition of a financial gain resulting from Arendals Fossekompani's sell down in Volue.

Operating cash flow in Arendals Fossekompani parent company in 2025 amounted to NOK 1 million (-72 million). EBITDA was NOK 185 million (188 million). The deviation to operating cash flow primarily reflects taxes paid of NOK 136 million (256 million). During the year, Arendals Fossekompani parent company repaid long-term borrowings totaling NOK 187 million.

1. Recognised as finance cost in Arendals Fossekompani Parent company. Refer to Note 8 for further information.



HEAD OFFICE	OWNERSHIP	EMPLOYEES	COUNTRIES
Arendal, Norway	40%	664	13
CHIEF EXECUTIVE OFFICER	CHAIR		
Stephan Sieber	Peter Michael Daffern		

Volue is a leading supplier of technology for the energy transition. The company offers software, insight and services to energy and grid companies. Over 600 employees support more than 1,000 customers in optimising energy production, trading, distribution and consumption. Volue is co-owned by Arendals Fossekompani, Advent International and Generation Investment Management.



Financial figures Faraday TopCo AS – as reported ^(MNOK)

	2025	2024	2023
Revenue	1,430	1,634	1,489
EBITDA	37	164	215
EBIT	-414	-24	87
Operating margin	-29%	-1%	6%
Earnings before tax	-418	-50	70
Profit (-loss)	137	-22	43
NIBD	-891	342	382
Equity	6,564	6,703	850
Liabilities	1,589	1,450	1,295
Equity ratio	81%	82%	40%

Figures for Faraday Topco AS (the company that indirectly owns all shares in Volue).

Pro-forma figures Faraday TopCo AS ^(MNOK)

	2025	2024	2023
Revenue	1,566	1,347	1,241
EBITDA	142	45	130
Adjusted EBITDA ¹	441	284	150
Adjusted cash EBITDA ²	294	76	64

The pro forma figures include financial information of PowerBot, SmartPulse, Quorum and HAKOM Time Series as if these entities were consolidated for all periods presented. Similarly, the pro forma figures exclude financial information of Infrastructure and Scanmatic for all periods presented.

- EBITDA less non-recurring items. In 2025, adjustments were related to company-wide strategy update, restructuring, recruitment and operational turn around initiatives and transaction costs.
- Adjusted EBITDA less capitalised R&D and leasing costs.

Sustainability KPIs

	2025	2024	2023	
Environment	Scope 1 GHG (tCO ₂ e)	10	18	18
	Scope 2 GHG (location-based, tCO ₂ e)	185	173	224
	Scope 3 GHG (tCO ₂ e)	641	698	- ³
	Energy consumption (MWh)	1,473	2,238	2,405
	Renewable energy consumption (location-based, % of total)	64%	67%	71%
Social	Female employees	26%	24%	23%
	Female members of Executive Management	13%	20%	17%
	Lost time injury frequency rate per million exposed hours	0	0	0
	Sick leave rate	3%	3%	3%
	Voluntary turnover rate	7%	8%	- ³
Governance	Signature of Code of Conduct	100%	100%	89%
	Internal training in Code of Conduct ⁴	0%	0%	89%
	Convictions of violation of anti-corruption or anti-bribery laws	0	0	0

- This datapoint is not comparable to subsequent years due to a change in scope or definition.
- Volue has re-introduced trainings in the Code of Conduct across its workforce after year-end 2025.



2025 in Brief

Figures in parentheses refer to the same period the previous year on full pro-forma basis for continued operations. The pro forma figures include financial information of PowerBot, SmartPulse, Quorum and HAKOM Time Series as if these entities were consolidated for all periods presented. Similarly, the pro forma figures exclude financial information of Infrastructure and Scanmatic for all periods presented.

Volue continued to deliver strong growth in recurring revenues as a part of the company's Software-as-a-Service (SaaS) expansions across Europe and Japan. Growth in recurring revenue in 2025 was 20% compared to 21% in 2024. Total pro-forma revenue in 2025 amounted to NOK 1,566 million (1,347 million), corresponding to a YoY growth of 16%. The growth was driven by strong upsale to existing customers and continued expansion of new customers across multiple geographic regions.

Volue significantly improved its margins in 2025 compared to 2024, driven by scalability in its core products and a lower cost base following reduced salary expenses throughout the year. The margin uplift was also supported by higher gross margins, reduced R&D spending and lower administrative costs. The adjusted cash EBITDA was NOK 294 million (76 million), corresponding to an adjusted cash EBITDA margin of 20% (6%). Volue incurred non-recurring costs of NOK 300 million, which were adjusted in the adjusted EBITDA definition, related to a company-wide strategy update, restructuring, recruitment, operational turn around initiatives and transaction costs related to multiple divestments and acquisition processes.

As part of its strategic relaunch, Volue now operates through three business units: Operational Intelligence, Commercial Operations and Technical Operations.

Operational Intelligence, delivering Data & Forecasting services, showed strong momentum, particularly driven by the introduction of 15-minute resolution in power markets, increasing the need for accurate price forecasting.

Commercial Operations, consisting of Optimisation & Planning and Trading, continued to deliver strong growth, particularly driven by new logo expansion and upselling to existing customers. The tailwind from the changes in the Energy markets elevated the need for advanced solutions, and the business continued to expand both in Europe and Japan. Technical Operations, consisting of Distribution software and Asset Operations, expanded its business in the Nordics through upselling to existing customers. Increased grid complexity drives the need for more advanced solutions, fueling the growth within the business unit.

During 2025, Volue defined a new strategy to drive growth in its core Energy and Grid segments. As part of this growth strategy, the company divested Volue Infrastructure and Scanmatic and implemented organisational measures to support the transformation. Volue also completed several acquisitions during and after year-end to strengthen capabilities and geographic reach.

With the acquisition of SmartPulse, Volue accelerated the expansion into new European markets and strengthened its position as a full-suite provider for renewable asset operators. The transaction enhanced Volue's battery storage and optimisation capabilities, deepened its presence across regions, and supported the ambition of becoming the leading global independent energy technology player.

Through the acquisition of Hakom, an Austrian-based data management solution tailored to time series analyses in the energy industry, Volue gained access to a growing customer base with upsell potential. The acquisition also enabled Volue to operate with one Time series Management system, supporting further scalability.

Volue strengthened its position in the UK market with the acquisition of Quorum. The acquisition represented a strategic entry into one of Europe's most advanced energy markets.

After year-end, Volue also acquired Optimeering, further strengthening its broader multi-market trading and optimisation capabilities.

Sustainability

Volue's performance on climate indicators is similar to the previous year with Scope 1 emissions reported at 10 tCO₂e (18 tCO₂e), Scope 2 emissions at 185 tCO₂e (173 tCO₂e) and Scope 3 emissions at 641 tCO₂e (698 tCO₂e). Gender balance has increased in its workforce to 26% (24%) and decreased in its management to 13% (20%).

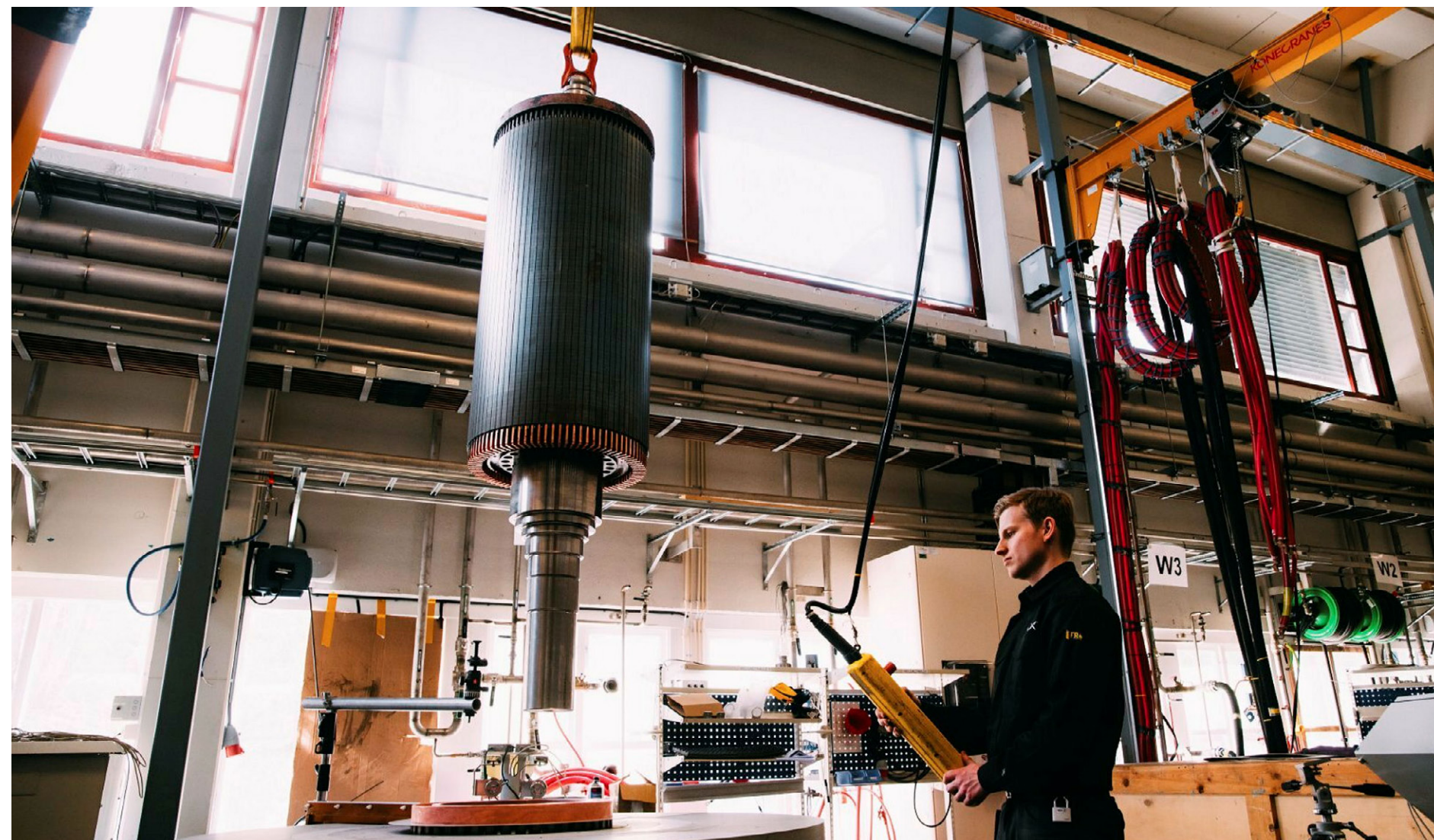
Outlook

Volue will continue to prioritise strategic investments in its SaaS platform and expansion into new markets to capture market opportunities arising from the energy transition. Volue expects continued organic growth, cash EBITDA uplift YoY, and a continued active M&A agenda.



HEAD OFFICE Skien, Norway	OWNERSHIP 98%	EMPLOYEES 952	COUNTRIES 20
CHIEF EXECUTIVE OFFICER Bjørn E. Petersen	CHAIR Benjamin Golding		

Leveraging decades of experience, ENRX is a global leader in industrial induction heating systems, serving industries including automotive, tube and pipe, renewable energy, electrotechnical appliances and HVAC. ENRX's solutions help customers improve efficiency and precision while reducing energy consumption.



Financial figures ^(MNOK)		2025	2024	2023
	Operating revenue	1,657	1,914	1,800
	EBITDA	20	222	198
	Operating profit	-373	134	116
	Operating margin	-23%	7%	6%
	Earnings before tax (EBT)	-439	53	71
	Net profit	-442	9	28
	Operating cash flow	97	73	4
	NIBD	596	1 066	777
	Equity	435	458	417
	Equity ratio	25%	20%	21%
Sustainability KPIs		2025	2024	2023
Environment	Scope 1 GHG (tCO ₂ e)	856	921	957
	Scope 2 GHG (location-based, tCO ₂ e)	1,644	1,572	1,788
	Scope 3 GHG (tCO ₂ e)	550,458	631,648	- ¹
	Energy consumption (MWh)	9,222	9,629	9,666
	Renewable energy consumption (location-based, % of total)	35%	35%	30%
Social	Female employees	14%	15%	15%
	Female members of Executive Management	11%	13%	14%
	Lost time injury frequency rate per million exposed hours	1.0	2.4	3.1
	Sick leave rate	3%	3%	4%
	Voluntary turnover rate	7%	9%	- ¹
Governance	Signature of Code of Conduct	85%	84%	48%
	Internal training in Code of Conduct	85%	83%	44%
	Convictions of violation of anti-corruption or anti-bribery laws	0	0	0

1. This datapoint is not comparable to subsequent years due to a change in scope or definition.



2025 in Brief

Figures in parentheses refer to the previous year.

ENRX Group reported operating revenue of EUR 141.4 million (164.6 million). Operating profit amounted to EUR -31.8 million (11.5 million), while the ordinary profit before tax was EUR -37.5 million (4.6 million). The operating loss in 2025 was attributable to the Charge division, in addition to lower operating performance in the Heat division.

Charge

Operating revenues from Charge (ENRX's early-phase business development division within wireless charging) amounted to EUR 0.9 million (3.0 million). Operating profit was EUR -37.8 million (-4.0 million).

Following a strategic review of the Charge business area, a sales process was initiated in Q4. The sale of 75% of Charge was completed after the close of the year. Impairments and provisions totalling EUR 33.2 million were recognised in Q4 in connection with the anticipated sale. While securing external funding for the continuation of the Charge business, the Charge transaction created a more robust ENRX Group. It reduced the group's exposure to uncertain, early phase markets, reduced complexity and cost, and freed capital and other resources allowing ENRX Group to fully focus on developing the Heat business.

Heat

ENRX Group's core business is the mature and well-established Heat division, which accounted for more than 95% of the Group's operating revenue in 2025. Heat serves a diversified range of industries, including automotive, tube and pipe, renewable energy, electrotechnical appliances and HVAC, and operates in 20 countries worldwide.

Operating revenue for Heat in 2025 amounted to EUR 140.9 million (EUR 162.3 million). Operating profit for Heat was EUR 5.9 million (EUR 15.6 million). Adjusted for one-off costs related to restructuring and M&A, the Heat operating profit was EUR 8.5 million corresponding to an operating margin of 6%.

Margin pressure was driven by softer markets resulting in revenue decline in 2025 compared to the record year 2024.

Order intake in 2025 ended at EUR 132.1 million (147 million). The order backlog at the end of 2025 was EUR 56.8 million (67.1 million).

2025 was a demanding year for the Heat business. Throughout the year, the business experienced longer sales cycles and reduced order intake. Customers postponed or delayed investment decisions due to geopolitical tensions, unstable tariff regimes and continued trade friction. In addition, global overcapacity within the automotive sector negatively affected demand for hardening machines, an important product category within ENRX Heat.

Despite lower revenue, ENRX has maintained its market share within Heat. The decline reflects general market conditions affecting the entire industry rather than a loss of competitive position. ENRX is taking both short and long-term actions to adapt and increase profitability and cash generation across the Group. These include revenue initiatives in new customer segments, process optimisation programmes, as well as personnel and material cost reductions. Several cost reduction initiatives were completed in 2025.

Cash flow from operations reflected the effects of restructuring measures implemented during the year. The Group maintained satisfactory liquidity throughout 2025. Conversion of EUR 39.9 million shareholder debt was done at year end to improve the company's equity ratio following the Charge impairments.

At 31 December 2025, ENRX was in breach of the equity ratio covenant in its facility agreement with Nordea. As a result, the company has classified all related borrowings as current borrowings. The covenant breach was remedied on 16 March 2026.

Sustainability

In 2025, ENRX's Scope 1 emissions decreased to 856 tCO₂e (921 tCO₂e). Scope 2 emissions increased to 1,644 tCO₂e (1,572 tCO₂e). ENRX reported a decrease in Scope 3 emissions to 550,458 tCO₂e (631,648 tCO₂e), reflecting production and sales volumes for the year. The lost-time injury frequency rate at 1.0 (2.4) and voluntary turnover rate of 7% (9%) have both decreased since 2024. The gender balance in both the workforce and management team have also fallen in the last year to 14% (15%) and 11% (13%) respectively.

According to the EU Taxonomy mapping, the share of Taxonomy-eligible, not aligned turnover for ENRX was 74%, a decrease from 82% in 2024. Taxonomy eligible, not aligned CapEx was 62% (88%). This reduction is largely attributable to the Group's new 10% materiality threshold, but also due to a reduction in eligible turnover and CapEx. The majority of the turnover comes from manufacturing of induction power generators. The activity enables customers to lower their own emissions in production processes and enable the manufacturing of low carbon technologies. ENRX also contributes to the circular economy objective through its sales of spare parts. ENRX currently does not meet all alignment criteria.

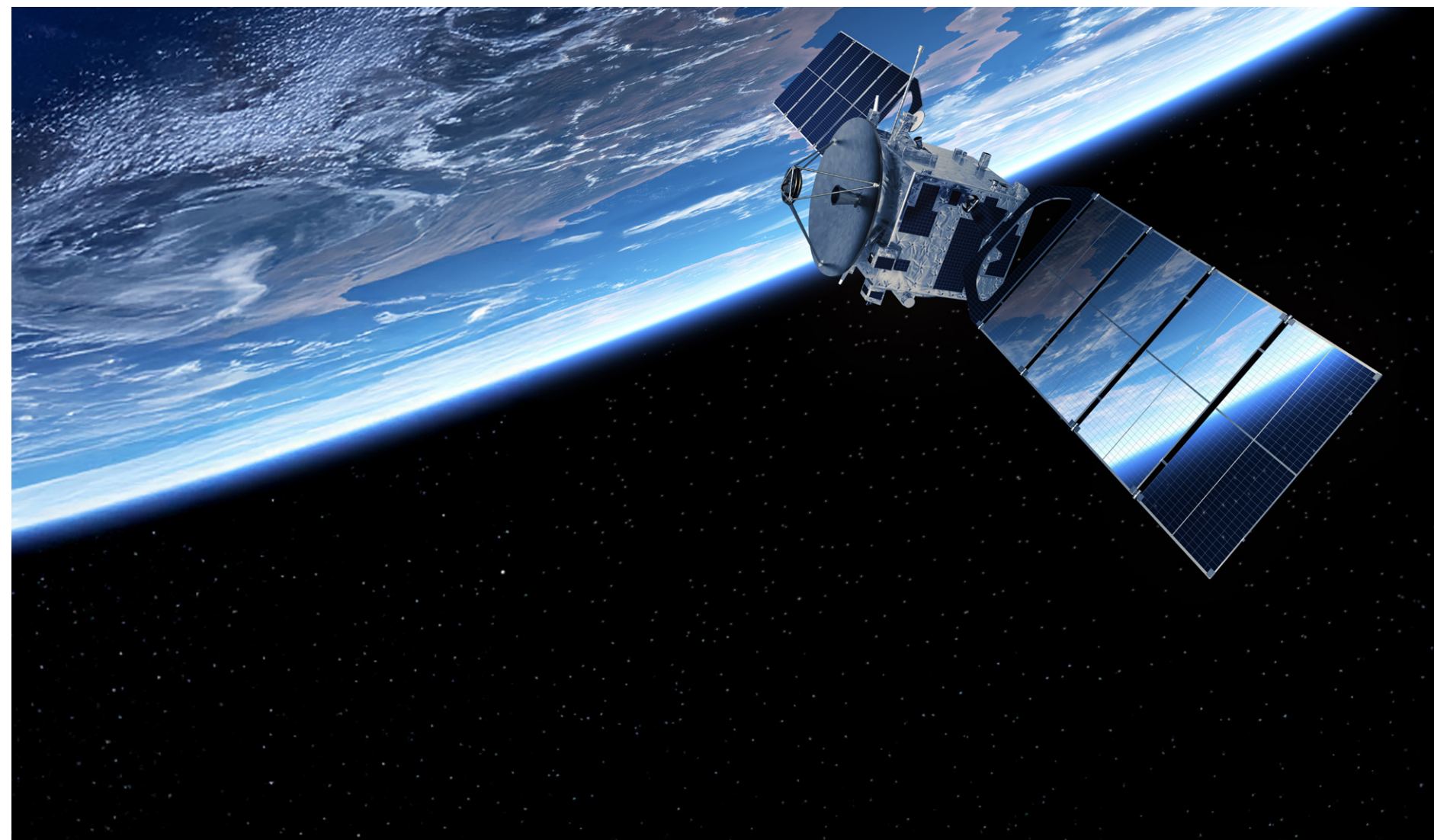
Outlook

The market for heating products is expected to remain challenging over the coming 12-18 months. Customer decision-making processes will continue to take longer than normal as high uncertainty dampens investment appetite. However, the underlying demand for ENRX heating products remains, and we expect a gradual recovery to the market conditions seen in 2024. In addition, the short and long-term actions within revenue and cost optimisation are expected to increase profitability and cash generation across the Group in the year to come.



HEAD OFFICE London, UK	OWNERSHIP 80%	EMPLOYEES 248	COUNTRIES 9
CHIEF EXECUTIVE OFFICER Sally-anne Ray	CHAIR Arild Nysæther		

NSSLGlobal is an independent provider of cyber secure satellite and mobile communications and IT support, delivering high-quality voice and data services across the globe, regardless of location or terrain. NSSLGlobal's activities are divided into four main areas: Airtime, Projects, Hardware and Service. Its main customers are within the maritime segment, the military and government sector, large international corporations, and the energy sector.



Financial figures ^(MNOK)		2025	2024	2023
	Revenue and other income	1,293	1,400	1,206
	EBITDA	256	295	231
	Operating profit	222	263	211
	Operating margin	17%	19%	18%
	Earnings before tax (EBT)	214	277	209
	Net profit	158	202	164
	Operating cash flow	213	334	122
	NIBD	-524	-474	-346
	Equity	722	725	608
	Equity ratio	58%	58%	57%
Sustainability KPIs		2025	2024	2023
Environment	Scope 1 GHG (tCO ₂ e)	202	201	208
	Scope 2 GHG (location-based, tCO ₂ e)	161	189	201
	Scope 3 GHG (tCO ₂ e)	9,324	8,051	- ¹
	Energy consumption (MWh)	2,131	2,072	2,113
	Renewable energy consumption (location-based, % of total)	31%	25%	23%
Social	Female employees	22%	24%	27%
	Female members of Executive Management	50%	50%	40%
	Lost time injury frequency rate per million exposed hours	0	0	0
	Sick leave rate	3%	3%	1%
	Voluntary turnover rate	11%	11%	- ¹
Governance	Signature of Code of Conduct	100%	100%	100%
	Internal training in Code of Conduct	100%	100%	100%
	Convictions of violation of anti-corruption or anti-bribery laws	0	0	0

1. This datapoint is not comparable to subsequent years due to a change in scope or definition.



2025 in Brief

Figures in parentheses refer to the previous year.

NSSLGlobal reported total revenue of GBP 94.5 million (101.9 million) in 2025. EBITDA amounted to GBP 18.7 million (21.5 million). Operating profit was GBP 16.2 million (19.2 million), while the ordinary profit after tax was GBP 11.6 million (14.7 million).

Revenue decline in 2025 was largely driven by the extraordinary high airtime related to operational activity caused by events in Ukraine and in the Middle East in 2024. Operating margin for the year decreased slightly to 17% (19%), driven mainly by lower top line.

The largest customer segment for NSSLGlobal is the Government & Defence sector, which accounted for 64% of revenue in 2025. NSSLGlobal has long-standing customer relationships with several governmental institutions, including the UK Ministry of Defence and the German Armed Forces, and continually works to refine the offerings to these customers.

The company experienced healthy sales throughout the year, including new maritime communication and IT security management system orders, governmental engineering orders, as well as defence contracts across Europe. NSSLGlobal remains a significant service provider to the UK Ministry of Defence and German Armed Forces through several long-term framework agreements and recent contract and project wins for both commercial communication, ICT and entertainment services. In addition, the company won several new multi-million governmental projects in 2025, providing a strong order backlog into 2026 and 2027.

In early 2025, NSSLGlobal won a significant eight-year critical infrastructure project for a large European utility company, which includes Satlink hubs and sites. This new infrastructure project represents an entry into a new market area which may increase the total addressable market for NSSLGlobal in the future. In addition, a new contract was signed with FCDO Services, a provider of critical security

and integrated solutions for UK government diplomacy and crises response units. Under the contract, NSSLGlobal will provide satellite hardware, airtime and training to support UK diplomatic, development, consular and disaster response communication.

For Commercial maritime, NSSLGlobal continued to roll out its FusionIPLeo service to existing and new clients. This includes a hybrid of the best of GEO, LTE and LEO-based satellite constellations. It combines the trusted benefits of a global, high availability GEO service with the low latency and high capacity from LTE and LEO satellites. At the core of this service is NSSLGlobal's Smart@Sea platform providing secure and seamless solutions to the end user, as well as additional cyber, crew entertainment, IT and management functionality.

NSSLGlobal's sales and bid pipeline remain strong, including eleven multi-million tender opportunities across both the government and maritime sectors, that are in the 2026 opportunity pipeline for implementation from 2026 onwards.

Sustainability

NSSLGlobal saw similar Scope 1 emissions as in the previous year at 202 tCO₂e (201 tCO₂e) and a decrease in Scope 2 emissions to 161 tCO₂e (189 tCO₂e). Scope 3 emissions have increased to 9,324 tCO₂e (8,051 tCO₂e). Recruitment efforts in 2025 have largely taken place in technical areas with primarily male candidates, such that the company's gender balance has fallen in the past year. Recruitment is expected to continue into 2026.

Due to the introduction of a new materiality threshold at the Group level for EU Taxonomy assessments, NSSLGlobal has no eligible turnover in 2025. The eligible CapEx in 2025 was 17%. No activities fulfil the alignment criteria.

Outlook

The satellite communications industry is undergoing structural changes following the introduction of LEO constellations, offering lower-cost and higher-throughput alternatives to traditional GEO-based VSAT solutions.

This development has put sustained pressure on airtime margins across the industry.

In 2025, elevated military activity led to increased airtime usage, resulting in continued high airtime volumes that partially offset margin pressure.

NSSLGlobal is in a transition phase, shifting its business mix from airtime towards higher value-added services. These services are more labour-intensive, resulting in structurally lower margins compared to traditional airtime. However, these offerings enhance NSSLGlobal long-term relevance for military, government and maritime customers.



HEAD OFFICE	OWNERSHIP	EMPLOYEES	COUNTRIES
Sherbrooke, Canada	72%	158	5
CHIEF EXECUTIVE OFFICER	CHAIR		
Claude Jean	Dag Teigland		

Tekna is a world-leading provider of advanced materials and plasma systems for industrial applications. The company produces high-purity metal powders used in additive manufacturing for the aerospace and defence, medical and consumer electronics sectors, and develops optimised induction plasma systems used in industrial research and production.



Financial figures ^(MNOK)		2025	2024	2023
	Operating revenue	264	292	320
	EBITDA	-23	-31	-64
	Adjusted EBITDA	-10	-54	-32
	Operating profit	-59	-63	-97
	Operating margin	-22%	-22%	-30%
	Earnings before tax (EBT)	-74	-79	-107
	Net profit	-82	-85	-118
	Operating cash flow	-35	-1	-88
	NIBD	-73	172	125
	Equity	412	209	294
	Equity ratio	77%	36%	50%
Sustainability KPIs		2025	2024	2023
Environment	Scope 1 GHG (tCO ₂ e)	543	596	589
	Scope 2 GHG (location-based, tCO ₂ e)	10	14	30
	Scope 3 GHG (tCO ₂ e)	30,345	41,347	- ¹
	Energy consumption (MWh)	10,181	12,750	11,563
	Renewable energy consumption (location-based, % of total)	73%	77%	72%
Social	Female employees	28%	26%	27%
	Female members of Executive Management	17%	33%	29%
	Lost time injury frequency rate per million exposed hours	3.4	5.8	8.1
	Sick leave rate	4%	3%	3%
	Voluntary turnover rate	16%	15%	- ¹
Governance	Signature of Code of Conduct	100%	100%	78%
	Internal training in Code of Conduct	98%	0%	0%
	Convictions of violation of anti-corruption or anti-bribery laws	0	0	0

1. This datapoint is not comparable to subsequent years due to a change in scope or definition.



2025 in Brief

Figures in parentheses refer to the previous year.

Tekna reported operating revenue of CAD 35.6 million (37.2 million) in 2025. Adjusted EBITDA improved to negative CAD 1.4 million (-6.9 million). Total order backlog per year-end amounted to CAD 20.5 million (16.7 million). In 2025, Tekna maintained a strong focus on operational discipline, profitability and cash flow, while prioritising core growth initiatives.

In 2025, Materials revenue increased by 5% to CAD 27.8 million (26.5 million), representing 78% of total operating revenue. Throughout 2025, Tekna continued to experience increased demand for its plasma atomised materials for Additive Manufacturing in customer segments such as Aerospace, Defence and Medical implants, with both average annual revenue per customer continuing to grow and a record order intake of CAD 33.9 million (23.5 million). The contribution margin improved significantly to 53% (34%), driven by a favourable product mix and improved sales opportunities for both small and larger particle sizes. Tariff uncertainty had an adverse impact on growth during the year.

Systems slow down persisted in 2025. Revenue amounted to CAD 7.8 million (10.7 million), driven by low order backlog going into the year and ongoing uncertainty around public funding and tariffs in the US. Contribution margin for Systems for the year was 53.5% (63%) including a negative impact of 5.1 percentage points for a tariff paid in the US which is expected to be recovered in 2026. The Systems business area is of importance to Tekna as it supports the continued development of the core technology used in the in-house production of Materials.

In 2025, Tekna welcomed its new CEO, Claude Jean. Mr. Jean is an accomplished senior technology executive with a proven track record of building and leading world-class electronic manufacturing services and R&D.

Tekna continued to execute on its comprehensive profitability improvement program in 2025. Efforts focused on simplifying the organisation, creating a leaner operation, reducing costs and further improving cash flow. During the year, the company benefited from the lower cost base.

Tekna received NADCAP accreditation for metallic powder manufacturing making it the first additive manufacturing company to achieve this milestone. The accreditation demonstrates that Tekna's metallic powders adhere to the highest industry standard of quality and traceability, offering key benefits for aerospace and defence customers.

In Q4 2025, a refinancing of the company was executed. The refinancing included signing of an agreement with the Bank of Nova Scotia for multiple credit facilities totalling CAD 10.5 million and a rights issue of NOK 300 million (CAD 41 million). CAD 29 million of the proceeds from the rights issue were used to repay the shareholder loan and accumulated interest to Arendals Fossekompani. As a result, the balance sheet was significantly strengthened with an equity ratio of 77% and a net cash position of CAD 11.8 million at year-end.

Sustainability

In 2025, Tekna's Scope 1 emissions continued to reduce to 543 tCO₂e (596 tCO₂e) thanks to slight reductions in heating temperatures at one of its facilities, while Scope 2 emissions decreased to 10 tCO₂e (14 tCO₂e). Scope 3 emissions were 30,345 tCO₂e (41,347 tCO₂e). Tekna is on track to meet its environmental targets by 2030.

Staff reductions in 2025 have impacted gender balance in its management, which fell to 17% (33%), while gender balance in its workforce increased to 28% (26%). The lost time injury frequency rate has decreased to 3.4 (5.8) and the voluntary turnover rate has increased to 16% (15%).

98% of Tekna's turnover is eligible under the EU Taxonomy, where majority of the turnover is from production of additive material powders aimed at enhancing resource efficiency across the value chain. Currently, Tekna does not have a life cycle GHG emission savings analysis available, and therefore the activity is not aligned with the EU Taxonomy. In 2025, eligible, non-aligned CapEx was 94%.

Outlook

Tekna is strategically positioned to capture increasing demand for advanced materials within the additive manufacturing industry, with Materials expected to be the primary revenue driver towards 2030. Within its existing business areas, Materials and Systems, the company targets double-digit annual revenue growth and EBITDA margins in the range of 15% to 20% by 2030. The order intake and increasing customer order size for Materials, coupled with current market trends, support these long-term ambitions.

Macroeconomic conditions remains challenging entering 2026. The global economy is being redefined, and geopolitical tension, trade restrictions and tariffs will make lasting changes to supply chains. In particular, US tariffs have caused significant short-term uncertainty, but they are ultimately expected to reinforce reshoring and localised manufacturing trends, bolstering growth in additive manufacturing and long-term demand for Tekna's products.

The geopolitical uncertainty is also fueling the global trend of increased defence spending. This trend is expected to generate further interesting opportunities in both business areas with increased demand from defence OEMs for powders and for PlasmaSonic systems.

Within this environment, Tekna will remain focused on profitable growth and disciplined capital management.

AFK VANNKRAFT

HEAD OFFICE	OWNERSHIP	EMPLOYEES	COUNTRIES
Froland, Norway	100%	17	1
CHIEF EXECUTIVE OFFICER	CHAIR		
Benjamin Golding	Trond Westlie		

AFK Vannkraft generates power at two locations in the Arendal watercourse. The Bøylefoss and Flatenfoss hydropower plants produce around 500 GWh annually. Together with Åmli and Froland municipalities, AFK Vannkraft is also constructing a new hydropower facility, Kilandsfoss, which will produce an annual average of 38 GWh. AFK Vannkraft sells its hydropower production in the day-ahead (spot) market.



Financial figures ^(MNOK)		2025	2024	2023
	Revenue and other income	360	363	511
	EBITDA	258	259	425
	Operating profit (EBIT)	248	250	414
	Operating margin	69%	69%	81%
	Earnings before tax (EBT)	248	250	414
	Provision for income tax	152	156	294
	Earnings after tax (EAT)	96	95	119
Sustainability KPIs		2025	2024	2023
Environment	Scope 1 GHG (tCO ₂ e)	22	22	27
	Scope 2 GHG (location-based, tCO ₂ e)	1.2	1.3	1.3
	Scope 3 GHG (tCO ₂ e)	3,038	814	- ¹
	Energy consumption (MWh)	327	269	322
	Renewable energy consumption (location-based, % of total)	75%	68%	66%
Social	Female employees	13%	13%	12%
	Female members of Executive Management	n/a	n/a	n/a
	Lost time injury frequency rate per million exposed hours	0	0	0
	Sick leave rate	7%	2%	4%
	Voluntary turnover rate	0%	0%	0%
Governance	Signature of Code of Conduct	100%	100%	100%
	Internal training in Code of Conduct	100%	81%	100%
	Convictions of violation of anti-corruption or anti-bribery laws	0	0	0

1. This datapoint is not comparable to subsequent years due to a change in scope or definition.



2025 in Brief

Figures in parentheses refer to the previous year.

AFK Vannkraft reported revenue of NOK 360 million (363 million) in 2025. Operating profit amounted to NOK 248 million (250 million) and net profit amounted to NOK 96 million (95 million) for the year. Provision for income tax amounted to NOK 152 million (156 million).

Overall, electricity price levels in 2025 were up from 2024, with an average price in the NO2 price area of 65.4 EUR/MWh (50.1 EUR/MWh). However, electricity prices in southern Norway, particularly in NO2, were characterised by significant fluctuations. High-price periods were driven by colder-than-expected weather and low wind production in Europe, while low-price periods were impacted by higher hydro reservoir levels, along with high wind production in Europe and lower price levels for coal, gas, and CO₂. These fluctuations highlight how electricity prices are highly sensitive to factors such as weather conditions, European power production and demand. AFK Vannkraft's strategy is to sell its hydropower production in the day-ahead (spot) market, and is therefore exposed to these fluctuations.

The hydropower plants had some minor interruptions due to planned maintenance and inspections in 2025. Power production was 456.8 GWh (606.7 GWh) in 2025, driven by lower precipitation and inflow than 2024, when production was significantly above normalised levels. The accumulated amount of snow and the reservoir levels in the watercourse were lower than the average during the year.

Construction of Kilandsfoss power plant is ongoing. Kilandsfoss power plant is jointly owned by Åmli Municipality, Froland Municipality, and Arendals Fossekompani. The plant will produce an annual average of 38 GWh and is expected to be in operation during 2026.

Sustainability

Scope 1 and 2 emissions remained at levels similar to the previous year at 22 tCO₂e and 1.2 tCO₂e respectively (22 tCO₂e and 1.3 tCO₂e). AFK Vannkraft is currently undergoing a reconstruction of the Flatenfoss dam in response to new flood calculations, which has led to a significant increase in Scope 3 GHG emissions to 3,038 tCO₂e (814 tCO₂e). This is expected to continue into 2026.

AFK Vannkraft's main economic activity, electricity generation from hydropower, is aligned with the EU Taxonomy, resulting in 96% of the turnover being aligned. The reconstruction of the Flatenfoss flood channel is a taxonomy-aligned activity, resulting in 70% of AFK Vannkraft's CapEx being aligned. This is a significant increase from 45% in 2024.

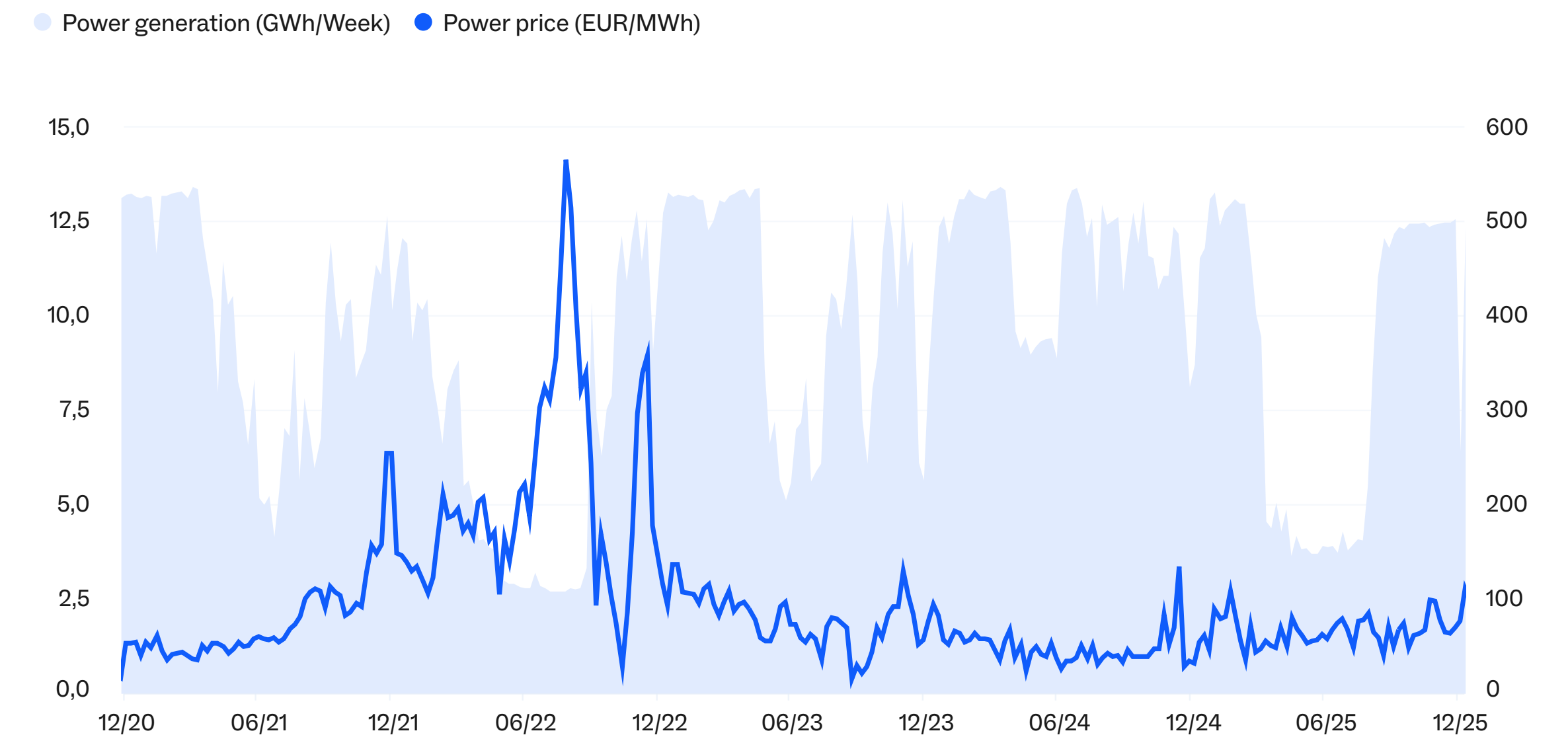
Outlook

Power price expectations for 2026 are largely in line with the price levels seen in 2025. Actual energy prices depend on many factors, including hydrological balance, oil and gas prices, weather conditions, temperatures, and more. The production for 2026 is expected to be in line with 2025, but with reduced capacity during planned maintenance periods.

The rehabilitation of the exterior of the Bøylefoss hydropower plant building is expected to be completed in 2026. Further investments in the coming years include regulatory required upgrades of the dam facilities, and reinvestments of the Bøylefoss power plant.

Power price & power generation

Power price in the NO2 price area and power generation for Arendals Fossekompani per week for the period 31/12/2020 – 31/12/2025.



AFK EIENDOM

HEAD OFFICE: Arendal, Norway
 OWNERSHIP: 100%
 EMPLOYEES: 5
 COUNTRIES: 1
 OPERATING MANAGER: Tom Krusche Pedersen
 CHAIR: Lars Peder Fensli

AFK Eiendom is a property company which owns and develops properties in and around Arendal, and in connection with Arendals Fossekompani's portfolio companies.



Financial figures ^(MNOK)		2025	2024	2023
	Revenue and other income	53	295	18
	EBITDA	15	29	2
	Operating profit	-19	13	-10
	Operating margin	-36%	4%	-55%
	Earnings before tax (EBT)	-32	1	-14
	Net profit	-29	-8	-14
	Operating cash flow	29	200	-163
	NIBD	223	213	361
	Equity	267	193	185
	Equity ratio	43%	37%	30%
Sustainability KPIs		2025	2024	2023
Environment	Scope 1 GHG (tCO ₂ e)	28	23	21
	Scope 2 GHG (location-based, tCO ₂ e)	3.7	2.9	1.3
	Scope 3 GHG (tCO ₂ e)	2,204	2,825	- ¹
	Energy consumption (MWh)	781	497	276
	Renewable energy consumption (location-based, % of total)	88%	82%	75%
Social	Female employees	0%	0%	0%
	Female members of Executive Management	n/a	n/a	n/a
	Lost time injury frequency rate per million exposed hours	0	0	0
	Sick leave rate	0%	0%	0%
	Voluntary turnover rate	0%	0%	0%
Governance	Signature of Code of Conduct	100%	40%	40%
	Internal training in Code of Conduct	100%	40%	40%
	Convictions of violation of anti-corruption or anti-bribery laws	0	0	0

1. This datapoint is not comparable to subsequent years due to a change in scope or definition.



2025 in Brief

Figures in parentheses refer to the previous year.

Total operating revenue for Eiendom in 2025 amounted to NOK 53 million (295 million). The decline in revenue was primarily driven by lower revenue within Residential development, as a result of revenue recognition of phase three of the Bryggebyen apartment complex in 2024.

Operating profit for the year was NOK -19 million (13 million). The negative operating profit for the year was largely a result of impairments of NOK 17 million related to Gullknapp Airport (operating assets) and Vindholmen (intangible assets).

Portfolio description

Residential development

Bryggebyen

A 55-dekar property transforming an old shipyard area into a new urban residential and commercial zone under the name Bryggebyen. The transformation is expected to take 10-15 years and will establish 500–700 residential units alongside retail and commercial offerings. The third stage of the apartment complex was completed in 2024, adding 48 apartments to the total of 161 apartments developed so far. The fourth phase, comprising 51 new apartments, was launched in the market in 2025 with the planned sales period running through the first half of 2026.

AFK Eiendom is also in the planning process to build an indoor swimming facility at Bryggebyen. Arendal municipality has signed a long-term rental agreement. A final investment decision is expected in 2026.

Commercial development

Bøylestad Energipark

A 1,600-dekar property in Froland with immediate proximity to the largest power hub in the eastern part of Agder. Designated and approved for the development of energy-intensive industries by the Ministry of Local Government and Regional Development.

Longum Property

A 90-dekar property outside Arendal, close to the E18 highway. AFK Eiendom is currently building a new 7,500 sqm production facility for Kitron on a long-term lease, expected to be completed in April 2026.

Arendal Airport & Property Gullknapp

AFK Eiendom is the majority owner of Gullknapp, which comprises an airport and a 2,000-dekar industrial and commercial area. The main user of the airport facility is OSM Aviation Academy, which runs a pilot school on the premises.

Industrial lease

Bølevegen 4

Located along the Skien river, one kilometer south of downtown Skien, the 4,700 sqm building is fully lent to Arendals Fossekompani's portfolio company ENRX, on a long-term lease.

Vindholmen

A 3,600 sqm facility fully leased to National Oilwell Varco (NOV) on a long-term lease.

Bedriftsveien 17

3,500 sqm building located in the middle of the emerging commercial area, Krøgenes, three kilometers east of downtown Arendal. Following Volue's divestment of Scanmatic, a new long-term lease agreement was signed in 2025 with Scanmatic AS.

Sustainability

AFK Eiendom's Scope 1 and 2 emissions increased slightly to 28 tCO₂e (23 tCO₂e) and 3.7 tCO₂e (2.9 tCO₂e) respectively. Scope 3 emissions dropped to 2,204 tCO₂e (2,825 tCO₂e) reflecting fewer projects under active construction phase in 2025.

AFK Eiendom has a large construction project, building Kitron's new production facility. This is a project which is eligible for the EU Taxonomy and results in that 95% of AFK Eiendom's CapEx is eligible. Because we have introduced a 10% materiality threshold per KPI on a Group level, no turnover from AFK Eiendom is reported to be eligible.

Outlook

AFK Eiendom expects revenue to be in line with 2025, whilst operating profit is expected to be higher in 2026 compared to 2025.

Other investments

In line with communicated strategy to reduce exposure to early-phase investments, Arendals Fossekompani dissolved the Alytic investment team in 2025. In November, Arendals Fossekompani concluded the sale of Factlines to Position Green and, as part of the transaction, became a minority shareholder in Position Green.

KONTALI

ARR was NOK 22.3 million at year-end (19.8 million), corresponding to 13% growth YoY. The year was characterised by continued growth in both consulting revenue and active users on the insight platform. Kontali further enhanced several trade and market dashboards, and continued to provide in-depth analyses on trade flows and market dynamics. Kontali is well-positioned for increased growth both with its subscription product and advisory business.

veyt

ARR was NOK 24.2 million at year-end (NOK 20.3 million), corresponding to 19% year-on-year growth. Following the appointment of Matthew Watson as Chief Executive Officer in October, management has focused on strategic execution, product development, and client delivery.

Collect

ARR was NOK 0.3 million, marking the first year of commercialisation of Collect's services. In 2026, Collect will continue to develop and commercialise its solutions for managing utility-scale energy storage systems. Collect has contracted with three large energy storage players and is in advanced discussions with several others in Europe.



Shareholder information

Arendals Fossekompani is committed to maintaining an open dialogue with share-holders, investors, analysts and the financial markets in general. Our goal is to ensure that the share price reflects its underlying value by making all price-relevant information available to the market.

We work to create shareholder value in the form of dividends and share price growth over time. In accordance with the company's Corporate Governance Report, approved by the Board of Directors, the company's dividend policy is to pay dividends that reflect the company's long-term strategy, financial position and investment capacity.

Dividend for 2025

Total dividends paid in 2025 amounted to NOK 110 million, corresponding to NOK 2.0 per share. Total dividends paid were equivalent to 1.5% of the volume-weighted average share price in 2025.

Dividend policy

In Q2 2025, the Board of Directors decided that Arendals Fossekompani was to move from announcing dividends on a quarterly basis to announcing dividends on an annual basis. Arendals Fossekompani is an industrial investment company using its own capital to invest. Liquidity levels vary over time driven by investment/divestment activities and underlying profitability. The change was made to enable better long-term capital planning and flexibility to create shareholder value as an investment company.

When deciding the annual dividends, the Board of Directors shall seek to achieve a stable and predictable dividend yield for shareholders, taking into consideration the company's expected cash flow, capital expenditure plans, divestments, financing requirements and appropriate financial flexibility.

Shares and share capital

On 31 December 2025, there was a total of 54,960,702 shares in the company and 1,034,548 were treasury shares (1.8 % of the total number of shares). Arendals Fossekompani's three largest shareholders are Ulfoss Invest AS (26.8%), Havfonn AS (26.5%) and Must Invest AS (25.7%).

There were 4,480 shareholders at year-end 2025, compared to 4,708 shareholders at the end of 2024. The Group's shares consist only of Class A shares, all of which have equal rights. In accordance with Article 11 of the company's Articles of Association, no shareholder may,

personally or by proxy, vote for more than one quarter of the total number of shares.

Due to Arendals Fossekompani's hydropower production, the current Norwegian concession legislation stipulates, among other things, that a shareholder who acquires more than 20 % of the total number of shares must apply for a concession. The Concession Act requires that the Board of Directors approve such acquisitions. There are several other provisions in the concession legislation that may entail that acquisition of the company's shares may have consequences for both the company itself and the other shareholders. Thus, the company has found it necessary to have the opportunity to deny approval of the acquisition of shares. In accordance with Article 7 of the Articles of Association, any acquisition by means of transfer is conditional on the Board's approval. Approval may only be denied if there is a valid reason for doing so.

Stock exchange listing

Arendals Fossekompani ASA is listed on Oslo Børs under the ticker code AFK. The company was listed in 1913 and is the second oldest company on Oslo Børs. The shares are registered in the Norwegian Central Securities Depository with DNB ASA as the account operator and issuer. The securities identification number for the share is ISIN NO 0003572802.

Current authorisations

At Arendals Fossekompani's Annual General Meeting on 15 May 2025, the Board of Directors was authorised to acquire treasury shares up to a maximum of 7.9%. In accordance with this authorisation, the Board of Directors is only permitted to acquire treasury shares at a price ranging from a minimum of NOK 10 and a maximum of NOK 2,000 per share. This authorisation will remain in effect until the Annual General Meeting in 2026. In 2025, the company sold a net of 24,284 shares in connection with the company's incentive programme.

Option schemes

As at 31 December 2025, Arendals Fossekompani had no option schemes.

Investor relations

Arendals Fossekompani seeks to maintain an open dialogue with shareholders, debt holders, financial analysts, and the stock markets in general. The company regularly holds presentations in connection with the publication of quarterly results. All company press releases, stock exchange announcements and investor relations information are available at arendalsfossekompani.no. The website also includes quarterly reports, annual report, presentations, Articles of Association, and the financial calendar.

Nomination committee

The company's Nomination Committee consists of the following members: Morten Bergesen (Chair), Simen Flaaten, and Trine Must.

Audit committee

The company's Audit Committee consists of the following members: Stine Rolstad Brenna (Chair), Morten Bergesen, and Anne Grethe Dalane.

Annual general meeting

The Annual General Meeting is held as early in the year as is practically possible after the close of the previous financial year, usually in April or May.

21 days prior to the Annual General Meeting, meeting notices and attendance registration forms are sent to all shareholders with a known address and made available on the company's webpage and via Oslo Børs' distribution service.

The annual report and other enclosures to the meeting notice are made available solely via the company's webpage and the Oslo Børs distribution service. Shareholders who wish to receive the enclosures by post must contact the company. Shareholders who are unable to attend the General Meeting may vote by proxy.

Representatives from the Board of Directors and the auditor attend the General Meeting. The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) attend on behalf of the Executive Management.

Share price and market cap

The price of shares in Arendals Fossekompani decreased by 5% in 2025 and closed at NOK 135 at year-end, corresponding to a market capitalisation of NOK 7.4 billion at year-end.

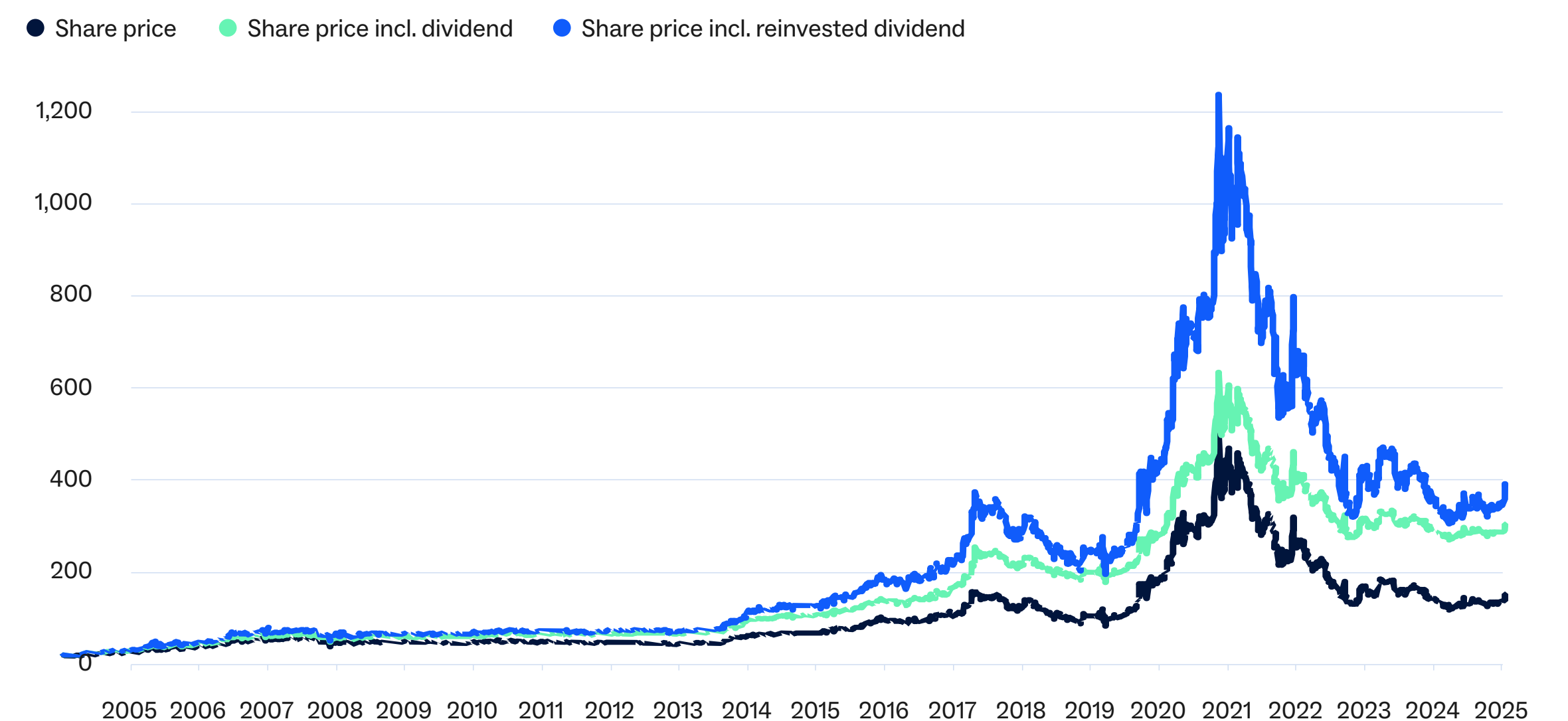
Trading volume

Trading volume in the share of Arendals Fossekompani was lower in 2025 compared to 2024, with a total of 1,728,584 shares traded in 2025, corresponding to 3.1% of all outstanding shares. Overall turnover from trading of the AFK share in 2025 was NOK 224 million, compared to NOK 388 million in 2024.

Risk and uncertainties

Arendals Fossekompani is exposed to credit risk, market risk and liquidity risk. These matters are described in detail in Note 16 to the annual financial statements for 2025.

Share price last 20 years ^(NOK)



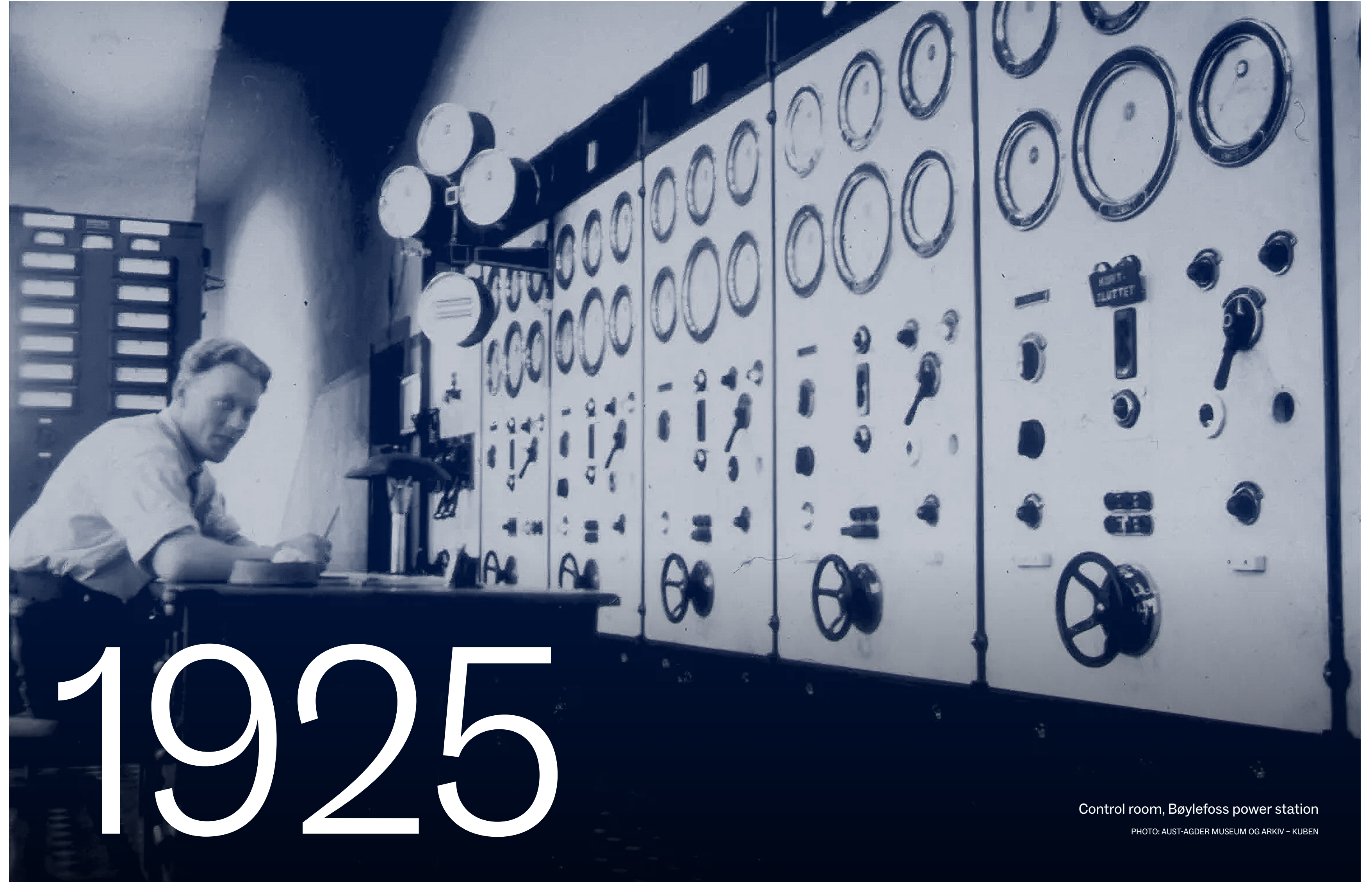
Key figures for AFK share ¹ (NOK)	2025	2024	2023	2022	2021	2020
Closing price 31/12	135	142.4	164.8	250.5	441	180
Annual growth (%)	-5	-14	-36	-43	145	75
High/Low ²	145 / 129	187 / 138	273 / 127	471 / 214	503 / 175	195 / 82
Share price average	132	163	189	322	302	127
Market cap 31/12 (million)	7,420	7,974	9,228	14,027	24,204	9,863
Price/Book value equity 31/12	1.4	1.5	3	4.6	8.4	2.9
Dividend per share	2	4	4	7,6	37,1	3,4
Dividend accumulated ³	58	56	52	48,1	40,5	3,4
Annual turnover (million)	224	388	563	1,299	1,113	282
Volume	1,728,584	2,406,291	3,457,029	3,430,618	3,472,586	1,979,993
Total shareholder return (%)	-3.8	-11.2	-34	-41.5	166	78.3

1. Numbers adjusted for share split effectuated in 2020.
 2. Based on closing price.
 3. Dividend accumulated since 2020.

Reporting 100 years ago

TOTAL REVENUE (NOK)	1,239,847
NET PROFIT (NOK)	364,000
DIVIDEND (NOK)	288,000

Operations at our own facility at Bøylefoss and the deliveries from the Rygene Power Plant proceeded largely as normal during the operating year. One of the machines at Rygene was temporarily taken out of operation following a fire, which caused a short interruption in production. Water flow conditions were favourable throughout the year, and the reservoir levels in the storage basins at the turn of the year were reasonably satisfactory. However, the reservoirs were not filled by the autumn floods. All available power was delivered to Det Norske Nitridaktieselskap, A/S Arendal Smelteverk and Arendals kommunale Elektrisitetsverk.



Control room, Bøylefoss power station

PHOTO: AUST-AGDER MUSEUM OG ARKIV - KUBEN



BOARD OF DIRECTORS REPORT CONT.

Corporate Governance

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Corporate Governance Report

While listed on the Oslo Stock Exchange, Arendals Fossekompni is subject to reporting requirements for corporate governance under the Accounting Act section 3-3b, Norwegian securities trading legislation, and the Oslo Stock Exchange continuing obligations of listed companies.

Corporate guidelines

The following guidelines form the basis for corporate governance at Arendals Fossekompni:

- Arendals Fossekompni shall communicate relevant information honestly and openly to the public about our activities and any circumstances related to corporate governance.
- The Board of Directors at Arendals Fossekompni shall be autonomous and independent of Executive Management.
- Emphasis shall be placed on avoiding conflicts of interest between shareholders, members of the Board of Directors and Executive Management.
- The tasks and functions of the Board and Executive Management at Arendals Fossekompni shall be distinct and clearly defined.
- All shareholders shall be treated equally.

Norwegian code of practice

Each element of the Norwegian Code of Practice for Corporate Governance (NUES), last revised on 28 August 2025, is addressed below. A total review and amendment of this Corporate Governance Report was performed by the Board of Directors in 2026, following the changes made in the company since the last Corporate Governance Report of April 2025. A description is given of Arendals Fossekompni's compliance with, and deviations from, the Code of Practice. A complete overview of the Code of Practice and official remarks by the Oslo Stock Exchange are available online at nues.no.

1. Implementation and reporting on corporate governance

Arendals Fossekompni has prepared a separate Corporate Governance Report, and the Board has decided to implement the Norwegian Code of Practice for Corporate Governance.

We have implemented and updated further instructions for corporate governance, including instructions to the Board of Directors of November 2024, instructions to the

CEO of November 2024, instructions to the Audit Committee of July 2025, instructions to the Remuneration Committee of November 2024, instructions for all employees on the handling of insider information of February 2026, and a policy on disclosure of information of November 2025.

Our Code of Conduct reflects our commitment to ethical business conduct and addresses topics such as anti-corruption, equality and anti-discrimination, and sustainability. The Code of Conduct is subject to regular review and the latest version was adopted by the Board of Directors in July 2025.

Our expectations and guidelines towards suppliers and business partners are set out in the Business Partner Code of Conduct as approved by the Board of Directors.

2. Business activities

The objective of Arendals Fossekompni is, through in-house production, participation in new infrastructure, purchase, or leasing, to make use of or sell electricity, as well as to participate, directly or indirectly, in other industrial activities or business enterprises, including investing in real estate. These objectives are expressly stated in article 1 of our Articles of Association. The Articles of Association are available on our website: arendalsfossekompni.no.

Arendals Fossekompni has significant financial capacity. Our investment portfolio will, at all times, consist partly of long-term and active ownership commitments, and partly of liquid financial assets. Liquidity will be managed mainly via listed shares and bonds. The bulk of our share portfolio will consist of a limited number of major investments.

Our investment strategy is based on our belief that active, long-term, and responsible ownership provides the best risk adjusted return over time. Further descriptions of targets, strategies, risk profile and the objective of creating long-term value for shareholders in a sustainable way, is described elsewhere in the Annual Report, also available at arendalsfossekompni.no/en/investor-relations.

Our targets, strategies and risk profile are reviewed annually. Sustainability is regularly on the Board's agenda. Every year a materiality analysis of topics relevant for environmental, social issues and governance is presented to the Board of Directors.

At Arendals Fossekompani, we integrate considerations related to our broader stakeholders into our business and value creation for our shareholders through our sustainability framework and reporting. Our objectives, principal strategies and stakeholder engagement are further described elsewhere in the Annual Report, and on our website, arendalsfossekompani.no.

We have a clear focus on our corporate responsibility for environmental and social conditions, including a good working environment, diversity, equality, non-discrimination, human rights and anti-corruption and anti-bribery. We are committed to contributing to the UN Sustainable Development Goals. Further details and descriptions on our work on these matters can be found elsewhere in the Annual Report, and on our website.

Arendals Fossekompani releases its Transparency Act Report in accordance with the Norwegian Åpenhetsloven as a separate report every year before June.

3. Equity and dividends

Equity

The book value of the Group's equity as per 31 December 2025 was MNOK 5,105 which amounted to 62% of total assets. Market value is significantly higher, and the company has a solid financial foundation. The Board constantly assesses the company's financial capacity in light of our objectives, strategy and risk profile.

Dividend policy

It is Arendals Fossekompani's policy to pay a dividend that reflects our long-term strategy, financial position and investment capacity.

As of Q2 2025, Arendals Fossekompani moved from announcing dividends on a quarterly basis to announcing dividends on an annual basis. Arendals Fossekompani is an industrial investment company using its own capital to invest. Liquidity levels vary over time driven by investment/divestment activities and underlying profitability. The change was made to enable better long-term capital planning and flexibility to create shareholder value as an investment company.

When deciding the annual dividends, the Board of Directors shall seek to achieve a stable and predictable dividend yield for shareholders, taking into consideration the company's expected cash flow, capital expenditure plans, divestments, financing requirements and appropriate financial flexibility. Arendals Fossekompani moved from annual to quarterly dividends in 2020. When this was done the first quarterly dividend was paid as of Q2 2020. For this reason Arendals Fossekompani maintained the quarterly dividend until Q1 2025. The annual distribution of dividend under the new policy will therefore come into effect from the financial year 2025, with the first distribution to occur in 2026.

Capital increase

No authorisation to undertake a share issue has been granted to the Board. The most recent capital increase occurred in 2012, when the share capital was raised by NOK 201,582,900 to NOK 223,981,000 through a transfer from other funds.

Purchase of treasury shares

The General Meeting can authorise the Board to purchase up to 10% of the company's own shares. At the Annual General Meeting on 15 May 2025, the Board was authorised to purchase treasury shares with a total nominal value of up to NOK 17,769,000, corresponding to approximately 7.93% of the company's total number of shares. The terms of the authorisation permit the Board to acquire treasury shares only between a minimum price of NOK 10 and a maximum price of NOK 2,000 per share. This authorisation will remain in effect until the Annual General Meeting in 2026 and no longer than 30 June 2026.

As per 31 December 2025, the Group owned a total of 1,034,548 shares, corresponding to 1.9% of all the outstanding shares in the company. These shares are freely negotiable.

4. Equal treatment of shareholders and transactions with related parties

Share class

The Group's shares consist exclusively of A-shares. According to article 10 of our Articles of Association, no shareholder may, personally or by proxy, vote for more than one quarter of the total number of shares. Acquisition of shares by means of transfer shall be subject to the approval of the Board of Directors. All shares have equal rights.

Transactions involving treasury shares

The Board may exercise its authority to acquire treasury shares as long as the shares are acquired at the market price. Correspondingly, the divestment of acquired shares will also be undertaken at market price yet so that the shares can be discounted if the shares are used in connection with programmes for employees and board members. At the same time, the authorisation gives the Board the flexibility to utilise the mechanisms that the Public Limited Liability Companies Act gives access to in situations where the acquisition or disposal of shares is considered advantageous to the company and the company's shareholders, including for use in share purchase programmes for directors and employees at the company.

Transactions with related parties

No transactions have occurred between the company and shareholders, board members, senior executives or their related parties in 2025 that could be described as not immaterial transactions. In 2025, 75,779 shares were sold from the company to senior executives and board members, in accordance with the approved share purchase programme. See Note 4.3 of the Financial Statement.

Guidelines for board members and senior executives

If a board member or senior executive has a material direct or indirect interest in an agreement that is being entered into by the company, that person must disclose the fact before the matter is put to the Board, and he or she may not participate in discussions or votes on that matter.

5. Freely negotiable shares

Under current Norwegian legislation on industrial licensing, a shareholder who acquires more than 20% of the total number of shares in the company must apply for a license. The law requires the Board's approval for such acquisitions. A number of other provisions of the Waterfall Rights Act could cause the acquisition of the company's shares to have consequences for both the company itself and other shareholders. Therefore, the company has found it necessary to reserve the right to refuse approval of share acquisitions. According to article 7 of the Articles of Association, any acquisition by means of transfer is conditional on the Board's consent. Consent may be refused only on reasonable grounds. Deviations from the Code: The Articles of Association hold that transfer of shares is conditional on the Board's consent.

6. General meeting

Notification

The Annual General Meeting is held as early as practically possible after the close of the previous financial year, usually in April or May. Meeting notices and attendance registration forms are sent to all shareholders no later than 21 days prior to the General Meeting through digital communication, or through regular mail to shareholders with a known address who do not consent to digital communication.

Documents are also made available on our website arendalsfossekompani.no and through the Oslo Stock Exchange distribution service. The annual report and other enclosures to the General Meeting notices are made available solely via the website and the Oslo Stock Exchange distribution service. Shareholders who wish to receive the enclosures by regular mail must contact the company. The Board will provide shareholders with all the information necessary to help them take a position on all agenda items, along with proposals relating to the election of board members.

Participation

Shareholders can give notice of their participation either in writing or via email or digital solutions. The Board wishes to arrange the meeting so that as many as possible of the shareholders are able to participate. Shareholders who cannot attend are encouraged to appoint a proxy. We accommodate requests of digital attendance to the General Meeting in line with legal requirements.

Representatives of the Board of Directors shall attend the General Meeting including the chair of the Nomination Committee, along with the auditor. The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) shall participate on behalf of Executive Management.

Agenda and execution

The Board of Directors will set the agenda according to the list in article 10 of the Articles of Association. According to article 10, the participants of the General Meeting appoint a chairperson to lead the meeting.

7. Nomination committee

The company has a three-member Nomination Committee established in accordance with article 11 of the Articles of Association. The members of the committee are Morten Bergesen (chair of the committee), Trine Must and Simen Flaaten.

The latest recommendation from NUES is to have no member in the Nomination Committee from the Board of Directors. Deviations from the Code: One of the members of the Nomination Committee is currently a member of the Board of Directors.

Candidates eligible for election to the Board of Directors are announced in conjunction with the invitation to attend the General Meeting. Nominations for other candidates can be submitted before and during the General Meeting itself.

According to the rules of procedure for the Nomination Committee approved by the General Assembly in May 2023 the Nomination Committee shall, in the judgement of candidates, evaluate the competence required by the company.

The Nomination Committee shall work towards diversity in the company's Board of Directors. The Nomination Committee shall also consider that the Board of Directors is fitted to act independently of special interests.

The members of the Nomination Committee are elected for a period of one year. There is no maximum length of tenure for the members of the Committee. The Committee has 1/3 female members. According to Norwegian law, it is prohibited to obtain certain information about job applicants, in particular linked to underrepresented social groups. Although it is the company's objective to have broad representation at all levels, Arendals Fossekompagni does not track or report information relating to underrepresented social groups.

The Nomination Committee should be composed so that it safeguards the interests of the shareholder community and the company's need for expertise and diversity. This implies that the individual Committee members must have the necessary experience, competence and capacity to carry out their duties satisfactorily and independently. The competence of the members of the Committee covers a wide range of industries, technologies, board experience, compliance, governance, finance and sustainability. These are all competencies important to the development of the company.

8. Board of Directors: Composition and independence

The Board consists of seven members and is currently composed of the following:

Trond Westlie (Chair, member since 2022), Morten Bergesen (member since 2004), Didrik Vignsnaes (member since 2016), Stine Brenna (member since 2020), Anne Grethe Dalane (member since 2022), Lise Lindbäck (member since 2022) and Arild Nysæther (member since 2024), all elected by the shareholders.

The members are elected for a period of one year. There is no maximum length of tenure for the members of the Board of Directors. The Board has 3/7 female members. According to Norwegian law, it is prohibited to obtain certain information about job applicants, in particular linked to underrepresented social groups. Although it is the company's objective to have broad representation at all levels, Arendals Fossekompagni does not track or report information relating to underrepresented social groups.

Note 4.1 of the Financial Statement contains information about board meeting attendance. Information about the competence and independence of board members is provided in subsequent paragraphs.

Election of board members

The General Meeting elects seven representatives to the Board of Directors. Ahead of the election, the names of candidates may be submitted to the Nomination Committee by an individual shareholder or by several shareholders jointly. Hence, stakeholders' views will be taken into consideration by the Nomination Committee.

Nominations submitted in time will be included in the invitation to attend the General Meeting sent to all shareholders and posted on our website. Board members are elected by simple majority. Members are elected for one year at a time, with the possibility of re-election.

The composition and competence of the Board of Directors

The Board of Directors should be composed such that it safeguards the interests of the shareholder community and the company's need for expertise and diversity. This implies that the individual board members must have the necessary experience, competence and capacity to carry out their duties satisfactorily and independently. The competence of the members of the Board covers a wide range of industries, technologies, board experience, compliance, governance, finance and sustainability. These are all competencies important to the development of the company. The presentation of the Board in this report gives an introduction of the individual competencies and main positions held by each of the Board members.

According to the Articles of Association, the Board shall comprise five to seven members. The Board currently consists of seven members. The CEO is not a member of the Board. The members of the Board are elected for one year at a time and the Board elects its own Chair. The latest recommendation from NUES is for the General Assembly to elect the chair of the Board of Directors. Deviations from the Code: The Articles of Association hold that the Board elects its own chair. Trond Westlie has been elected to chair the Board.

Changes to the Board of Directors in 2025

At the Annual General Meeting held in May 2025, all members of the Board of Directors were re-elected for a period of one year.

Independence of the Board of Directors

All shareholder-elected board members are considered autonomous and independent of Executive Management. The same applies to material business connections. At the close of the year, Didrik Vignsnaes is the Managing Director of Vicama AS, the largest shareholder in Ulfoss Invest AS, which owns – directly, indirectly or via related parties – approximately 26% of the Arendals Fossekompagni shares. Morten Bergesen was Co-owner and Advisor of Havfonn AS at the close of the year, which owns directly, indirectly or via related parties – approximately 26% of the Arendals

Fossekompani shares. Arild Nysæther was at the close of the year CEO of Must Invest AS which owns directly, indirectly or via related parties – approximately 25% of the Arendals Fossekompani shares.

The Board works actively to ensure that no conflict of interest exists between shareholders, the Board, Executive Management, and other stakeholders. Stakeholders will be informed if conflicts of interest were to occur. The Code of Conduct describes how Board members should behave if conflicts of interest were to occur. All Board members receive information about the Code of Conduct.

Shares owned by board members

In addition to the shares held by the representatives of the three principal shareholders, as at 31 December 2025, the board members had the following shareholdings either personally or through wholly-owned companies:

- Trond Westlie (Chair): 7,048 shares
- Stine Rolstad Brenna (Board member): 7,500 shares
- Anne Grethe Dalane (Board member): 1,000 shares

9. The work of the board of directors

The Board's tasks

The Board shall determine the Group's strategy, carry out necessary control functions and ensure that the Group is satisfactorily managed and organised. The Board shall set the company's financial objectives and approve its plans and budgets. The Board is also responsible for approving and updating the organisation's purpose, value statement, policies and goals related to sustainability. The senior executives in the Company are delegated the task to update and present material to the Board that is relevant to make good decisions regarding plans budgets and policies and goals related to sustainability.

Furthermore, the Board oversees the organisation's due diligence and other processes to identify and manage the organisation's impacts on the economy, environment, and people. Stakeholders are encouraged to support these processes with their input during the Annual General Meeting.

The targets, strategies and risk profile of the Company are reviewed annually by the Board of Directors.

The sustainability strategy, materiality analyses, stakeholder analyses and the sustainability report are approved by the Board of Directors. The operational implementation of these processes is delegated to the CFO of the company. This is in accordance with the Environmental Policy of the company.

The Board of Directors has delegated formal stakeholder dialogue to the senior executives in the portfolio companies. A review of the systematic stakeholder interviews is each year presented to the Board of Directors by the CFO.

Rules of Procedure for the Board

The Rules of Procedure encompass the following: the role of the Board and its tasks, the tasks of the CEO and their obligations towards the Board, formal procedures for the handling of matters brought before the Board, and notice of board meetings and matters required to be considered by the Board. The Rules also stipulate when the Board is in quorum, how minutes are to be kept, how legal disqualification is determined and how the duty of confidentiality is to apply.

The Board may deviate from the Rules of Procedure in certain situations.

Providing instructions for executive management

A clear distinction has been made between the tasks and work of the Board and that of the Executive Management. The Chair of the Board is responsible for ensuring that the Board's proceedings and work are conducted in an effective and correct manner. The CEO is responsible for managing company operations. The CEO's tasks are clearly stated in the instructions drawn up for that position.

Notice of board meetings and meeting procedures

The Board has an annual plan containing a set of predetermined topics for consideration at board meetings. The Board normally meets 6 to 8 times a year. Additional meetings are held when necessary. In 2025, a total of 16 board meetings were held.

All board members receive information about the company's operational and financial performance on a regular basis and in good time ahead of scheduled meetings.

Board members also receive monthly operational reports. The company's business plan, strategy and risks are reviewed and evaluated regularly by the Board.

The final agenda for the board meeting is determined by the Chair in consultation with the CEO. The CEO attends board meetings together with the board members. Other members of Executive Management are invited to attend when this is deemed necessary.

Duty of confidentiality – communication between the Board and shareholders

In principle, the minutes of board meetings and the Board's discussions are confidential, unless the Board decides otherwise or there is no apparent reason to maintain confidentiality or secrecy.

Legal competence

The Board complies with the rules for legal competence and disqualification pursuant to Section 6–27 of the Norwegian Public Limited Liability Companies Act and the Board's own Rules of Procedure. There were no issues in 2025 which a board member was disqualified from discussing or voting on for reasons of legal competence.

See also item 4 above, Guidelines for Board Members and Senior Executives.

Use of board committees

The Group has established an Audit Committee and a Remuneration Committee, both comprising members of the Board.

The Audit Committee

The company has a three-member Audit Committee established in accordance with the Rules of Procedure for the Audit Committee approved by the Board of Directors.

The members are all members of the Board of Directors and consist of Stine Rolstad Brenna (Chair, member since 2020), Morten Bergesen (member since 2010) and Anne Grethe Dalane (member since 2022). The committee has 2/3 female members. According to Norwegian law, it is prohibited to obtain certain information about job applicants, in particular linked to underrepresented social groups. Although it is the company's objective to have broad representation at all levels, Arendals Fossekompani does not track or report information relating to underrepresented social groups.

All members of the Audit Committee are elected from the members of the Board of Directors and are independent of the Executive Management. The competence of the members is covered under the section about the Board of Directors and the presentation of the Board of Directors in the annual report.

The Audit Committee is a preparatory committee to the Board of Directors. The Committee is also responsible for providing support to the Board in the reporting of annual accounts, audits, internal control, risk management, sustainability reporting and more. The instructions to the Audit Committee were last revised by the Board of Directors in July 2025, to underline the obligation to supervise sustainability reporting and the sustainability-related audit, in line with the EU Directive (EU) 2922/2464. At least one member shall be independent of the company's Executive Management and have qualifications in accounting or auditing. Board members who are also members of the Executive Management cannot at the same time be members of the Audit Committee.

The Remuneration Committee

The Remuneration Committee is a preparatory committee to the Board of Directors comprising four board members including the Chair of the Board. The Committee shall prepare compensation-related matters for the Board and prepare the policy for the remuneration of Executive Management and the Remuneration Report to the General Meeting.

The company has a four-member Remuneration Committee established in accordance with the rules of procedure for the Remuneration Committee approved by the Board of Directors. The members are all members of the Board of Directors and include Trond Westlie (Chair, member since 2022), Lise Lindbäck (member since 2022), Didrik Vignsnæs (member since 2019) and Arild Nysæther (member since 2024). The committee has one female member. According to Norwegian law, it is prohibited to obtain certain information about job applicants, in particular linked to underrepresented social groups. Although it is the company's objective to have broad representation at all levels, Arendals Fossekompani does not track or report information relating to underrepresented social groups.

All the members of the Remuneration Committee are elected from the members of the Board of Directors and are independent of Executive Management. The competence of the members is covered under the section about the Board of Directors.

Self-assessment

The Board carries out an assessment of its activities once a year, and this was also done in 2025. In the assessment, the Board considers the outcomes of its processes and tasks as described above, including their own performance in overseeing the management of the organisation's impacts on the economy, environment, and people. The starting point for this assessment is Arendals Fossekompani's business activities and the work of the Board, how the Board works and its interactions. With regards to this, the Board also evaluates its performance in relation to corporate governance. The next self-assessment will take place in 2026.

Onboarding and competence development

To advance the collective knowledge, skills, and experience of the Board related to sustainability, the Board has an onboarding programme covering these topics as board members enter their roles.

Through regular presentations about topics related to sustainability in the board meetings as well as more in-depth strategic presentations about this topic in strategy meetings, the Board will further advance their collective knowledge on this topic.

10. Risk management

The Group has no separate internal auditing department. Financial audits are carried out on a task-sharing basis, and in compliance with our guidelines and approval routines. The Board carries out an annual review of the company's most important risk areas and internal controls and receives a report from the auditor addressing such matters. The Board evaluates the company's core values and guidelines on ethics and social responsibility every year and verifies the extent of compliance with these guidelines.

Group and company financial reporting process

The Board receives monthly financial reports, with accompanying comments on the financial performance of the Group, the company and all portfolio companies. Extensive reports are prepared every fiscal quarter, with comments about the financial status of all levels in the Group.

The finance department analyses the income statement and balance sheet in connection with each monthly report. A detailed reconciliation of balance sheet and income statement items are prepared each quarter, based on a predetermined plan.

The value of material and risk-exposed balance sheet items are assessed. Major and unusual transactions are reviewed. All control procedures are documented. The most significant portfolio companies (see Financial Note 1 – Segment reporting) have similar routines for financial reporting to the Group. FCCS Oracle, a cloud-based database solution delivered

by Oracle, is used for financial consolidation. Our portfolio companies report all figures to this database online.

The finance departments at our portfolio companies are responsible for the quality of the data reported each month and quarter. The quality of the reported data is checked by our auditors in connection with the preparation of the annual financial statements. Portfolio company ENRX also uses FCCS Oracle for its consolidation. Other portfolio companies use spreadsheets for consolidation.

The Audit Committee (see above) carries out and documents a detailed review of the quarterly and annual reports prior to their consideration by the Board. The minutes and documentation from the Audit Committee meetings are available to the Board.

Critical concerns

Arendals Fossekompani has guidelines for ethical business conduct (the Code of Conduct) which can be found on the company's website. All employees and the Board receive training in our Code of Conduct and the Whistleblower Policy, which explains the company's internal guidelines on how to deal with critical concerns if they occur. The Board is alerted about critical events. No critical concerns were reported to the Board in 2025.

Liability insurance

Arendals Fossekompani holds a Directors' and Officers' Liability Insurance with world-wide coverage.

11. Remuneration to the board of directors

The Annual General Meeting determines the remuneration payable to board members. The 2025 Annual General Meeting resolved that, with effect from May 2025, the Chair of the Board will receive a fee of NOK 935 000 per year and NOK 415 000 will be paid to the other board members every year.

Remuneration paid to board members is not linked to financial performance or option schemes. None of the Board's shareholder-elected members work for the company in other capacities.

12. Remuneration of senior executives

The Remuneration Policy with guidelines for remuneration of executive management and report on the annual remuneration of executive management is subject to approval and advisory vote by the Annual General Meeting in accordance with the Public Limited Companies Act section 6-16 A and B. The General Meeting approves any material changes to the Remuneration Policy and at least every fourth year, and shall provide an advisory vote on the annual Remuneration Report of the previous year on an annual basis. No consultants are involved in determining remuneration. The Remuneration Report was adopted in the Annual General Meeting in May 2025. The Remuneration Policy was last updated by the Annual General Meeting in 2025.

The Remuneration Policy and Remuneration Report are available on our website.

Shareholders are encouraged to state their opinions regarding remuneration of both the Board of Directors and Senior Executives at the Annual General Meeting.

Guidelines

The CEO's employment terms and conditions are determined by the Board of Directors. Each year the Board makes a thorough assessment of the salary and other remuneration paid to the CEO in line with the guidelines in the Remuneration Policy. The Board may also award an annual performance-related bonus to the CEO.

The Board's evaluation is based on market surveys for similar positions. The terms and conditions for other senior executives and employees at the parent company are set by the CEO in line with the guidelines in the Remuneration Policy. The CEO informs the Chair of the Board of the terms and conditions.

Terms and conditions for the senior executives of portfolio companies are set by the boards of the respective companies. The Board takes the position that the company must remain competitive with regards to the remuneration paid to senior executives, without being complicated or wage-leading. The remuneration is structured to provide strong alignment between the interests of executives and shareholders, including a focus on delivering on the company's key strategic objectives, and in support of the business strategy and long-term interests.

More information about the purpose and principles for remuneration of senior executives in Arendals Fossekompani can be found in the Remuneration Policy published on our website. A description of how the remuneration policy for members of the Board and senior executives relates to their objectives and performance in relation to the management of the organisation's impacts on the economy, environment, and people, can also be found in this report.

Performance-related remuneration

Senior executives at the parent company benefit from performance-related bonus schemes as described in the Remuneration Policy and Remuneration Report available at arendalsfossekompani.no. Portfolio companies offer performance-based remuneration to varying degrees, as stipulated in the employees' contracts.

Terms and conditions

Terms and conditions for remuneration of the Board of Directors are described in Financial Note 4 of the Annual Report.

13. Information and communication

Annual financial statements and annual report –periodic reporting

The Group normally publishes its preliminary annual financial statements in February. The complete annual financial statements, along with the Annual Report, are published on our website in March or April. In addition, accounting figures are reported on a quarterly basis. The company's financial calendar is published on the company's website.

Other market information

It is considered important to the Group to inform owners and investors about our performance and financial status. Emphasis is placed on providing the financial market with the same information at the same time. In conversations with shareholders and analysts, care is taken to avoid giving more information to some than to others. Arendals Fossekompani has developed an Investor Relations Policy that is available on our website. Arendals Fossekompani insider instructions are updated according to the European Market Abuse Regulation (MAR).

14. Takeovers

Based on our current shareholder structure, the conditions described by NUES for takeovers do not apply to the company. The instructions to the Board of Directors of November 2024 do however include guidelines and principles for the event of a takeover bid and for transactions that in fact constitute a disposal of the business of Arendals Fossekompani.

15. Auditor

The auditor's formal relationship with the Board of Directors

The auditor is at the disposal of the Board of Directors and shall attend board meetings if needed. The auditor shall participate in Audit Committee meetings and attend any board meetings that deal specifically with the annual financial or sustainability statements. The auditor will at that time inform the Board about any issues or concerns they might have regarding the annual financial or sustainability statements

and other matters, including any potential disagreements between the auditor and Executive Management.

The Board holds annual meetings with the auditor to review reports submitted by the latter concerning the company's accounting policies, risk areas and internal control routines.

Auditor's formal relationship with executive management

The Board has drawn up guidelines for the Group's business relations with the auditor. The fees paid to the auditor for statutory auditing and consulting services are presented separately in the annual financial statements. PwC is the selected auditor. In addition to an ordinary audit, the firm has also provided consulting services within areas such as accounting, taxation and reporting to the Norwegian Water Resources and Energy Directorate (NVE). The Board regularly assesses whether the auditor's control function is being carried out satisfactorily.

GOV-1

Board of Directors



Trond Ødegård Westlie

Chair

1961, Norway
Independent
Joined Board since 2022
Current election period expires 2026

EDUCATION

Certified Public Accountant.
MSc degree in accounting and auditing
from the Norwegian School of Economics.

MANAGERIAL FUNCTIONS IN OTHER ENTERPRISES

CFO, Executive Vice President and
Member of the Executive Board in Ørsted A/S

BOARD COMMITTEE MEMBERSHIPS IN OTHER ENTERPRISES

Shama AS

COMPETENCES

Management
General, Financial, Risk, Project

Environment

Decarbonisation, Energy, Circular economy

Social

People management, Diversity & inclusion,
Health & safety, Human rights

Governance

Business conduct

Other

IT, Cyber security, Investor & capital market relationship

BOARD MEETINGS ATTENDED IN 2025

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Stine Rolstad Brenna

Board Member

1965, Norway
Independent
Joined Board since 2020
Current election period expires 2026

EDUCATION

Master's degree in corporate finance,
international business and strategy
from BI Norwegian Business School.

BOARD COMMITTEE MEMBERSHIPS IN OTHER ENTERPRISES

Rabbalshede Kraft AB, Lørenskog Kommunale Pensjon-
skasse, Flexexchange ApS, Lyse AS, theion GmbH, incari
GmbH

COMPETENCES

Management
General, Financial, Risk, Stakeholder, Project

Environment

Decarbonisation, Energy, Biodiversity, Circular economy

Social: Diversity & inclusion, Health & safety,
Human rights, Community inclusion

Governance

Business conduct

Other

IT, Investor & capital
market relationship, Innovation

BOARD MEETINGS ATTENDED IN 2025

14



Morten Bergesen

Board Member

1974, Norway
Independent
Joined Board since 2004
Current election period expires 2026

EDUCATION

Master's degree in economics
from BI Norwegian Business School

BOARD COMMITTEE MEMBERSHIPS IN OTHER ENTERPRISES

Havfonn AS, IFM AG, UMC AG, Bergehus AS,
Havfonn Kapitalforvaltning AS

COMPETENCES

Management
General, Financial, Risk, Stakeholder, Project

Environment

Energy

Social

People management

Governance

Business conduct

Other

Investor & capital market relationship

BOARD MEETINGS ATTENDED IN 2025

16



Arild Nysæther
Board Member

1971, Norway
Independent
Joined Board in 2024 (previously 2015-2021)
Current election period expires 2026

EDUCATION
Master of Science/Economics from BI Norwegian Business School. Master of Business Administration from the Norwegian School of Economics

MANAGERIAL FUNCTIONS IN OTHER ENTERPRISES
CEO Must AS, CEO Fondsfinsans AS

BOARD COMMITTEE MEMBERSHIPS IN OTHER ENTERPRISES
Gyldendal ASA, ARK Bokhandel AS, Glamox ASA, NSSL Global Ltd.

Audit committee: Gyldendal ASA
Nomination committee: Polaris Media ASA; Zaptec ASA

COMPETENCES
Management
General, Financial, Risk, Stakeholder

Environment
Energy

Social
People management

Other
IT, Cyber security, Investor & capital market relationship, Innovation

BOARD MEETINGS ATTENDED IN 2025
15



Lise Lindbäck
Board Member

1970, Norway
Independent
Joined Board since 2022
Current election period expires 2026

EDUCATION
Master's degree in economics and business administration from the Norwegian School of Economics

MANAGERIAL FUNCTIONS IN OTHER ENTERPRISES
Chief Investment Officer, Abler Nordic AS

BOARD COMMITTEE MEMBERSHIPS IN OTHER ENTERPRISES
SubK Impact Solutions Ltd, Light Microfinance Ltd.

COMPETENCES
Management
General, Financial, Risk

Social
Diversity & inclusion, Human rights, Community inclusion

Other
Investor & capital market relationship

BOARD MEETINGS ATTENDED IN 2025
16



Didrik Vignæs
Board Member

1966, Norway
Independent
Joined Board since 2016
Current election period expires 2026

EDUCATION
Bachelor's degree in business administration from the University of Bradford School of Management

MANAGERIAL FUNCTIONS IN OTHER ENTERPRISES
CEO Vicama AS, CEO Ulfoss Invest AS

BOARD COMMITTEE MEMBERSHIPS IN OTHER ENTERPRISES
Dima AS, Zone Security AS, Vicama Capital AS, Malling & Co Vekst AS, Oseberget Eiendom AS

COMPETENCES
Management
General, Financial, Risk, Stakeholder, Project

Environment
Energy

Social
People management

Governance
Business conduct

Other
Investor & capital market relationship

BOARD MEETINGS ATTENDED IN 2025
16



Anne Grethe Dalane
Board Member

1960, Norway
Independent
Joined Board since 2022
Current election period expires 2026

EDUCATION
Master's degree from the Norwegian School of Economics

BOARD COMMITTEE MEMBERSHIPS IN OTHER ENTERPRISES
BW LPG, TGS

COMPETENCES
Management
General, Financial, Risk, Project

Environment
Energy

Social
People management, Diversity and inclusion, Health & safety

Governance
Business conduct

Other
IT, Cyber security, Investor & capital market relationship

BOARD MEETINGS ATTENDED IN 2025
16

BOARD OF DIRECTORS REPORT CONT.

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General Information

BP-1

General basis for preparation of sustainability statement

Arendals Fossekompani's sustainability statement covers data and information aligned with the calendar year of 2025, from 1 January to 31 December. The statement follows the disclosure requirements outlined in the ESRS adopted by the EU Commission and incorporated into Norwegian law.

Consolidation

The sustainability statement has been prepared on a consolidated basis, according to the same principles applied in the financial statements. The statement includes Arendals Fossekompani and our portfolio companies ENRX, NSSLGlobal, Tekna, AFK Vannkraft, AFK Eiendom, Celect, Kontali, Utel and Veyt. Changes to the portfolio in 2025 include the removal of Alytic as a governance layer between Arendals Fossekompani and the portfolio of startup companies. These companies are now followed up directly from Arendals Fossekompani's investment team and reported under Other Investments. During the year, Factlines was sold.

Given changes to our companies' ownership structure in 2025, only data during the period of Arendals Fossekompani's majority ownership of any company is consolidated into our sustainability totals for 2025, whereas the financial statements present any companies discontinued during 2025 separately. For further information on our portfolio compa-

nies, see the Performance chapter. In accordance with ESRS E1, all entities consolidated in the financial statements are included in our greenhouse gas emissions inventory. These entities fall under the financial control approach. Entities such as joint ventures that do not fall under our financial control are considered a part of our value chain for these purposes and if material, their emissions are counted in Scope 3 Category 15. Arendals Fossekompani does not have operational control over the entities included in this category.

Throughout the Sustainability Statement, "Arendals Fossekompani ASA" refers to the parent company, including AFK Group Management and AFK Vannkraft. "Arendals Fossekompani Group" is used to refer to the entire portfolio collectively, including the parent company.

Value chain

The sustainability statement covers Arendals Fossekompani's upstream and downstream value chain and our own operations. Impacts, risks and opportunities were identified and assessed for the entirety of our value chain, and our targets, policies, actions and metrics collect data on and extend to the value chain where relevant and possible.

Omissions

Metrics relating to cyber security targets are considered sensitive to the Group's collective security and are not disclosed publicly. These are omitted from this statement. Further details on our management of this topic are available under Governance.

BP-2

Disclosures in relation to specific circumstances

Estimations and measurement uncertainty

Sustainability data are collected through various internal systems in place in different parts of the Group, such as human resources or enterprise resource planning systems. Where data from such sources were not

available, especially for data relating to our value chain, estimations have been made using indirect sources.

While data available in different portfolio companies differs, this is applicable primarily for Scope 3 greenhouse gas (GHG) emissions, which have relied on emissions factors and estimation tools, and resource inflows, and specifically material types and quantities, which have relied on estimations and industry averages. The methodology notes in E1 Climate change, E5 Resource use and circular economy and S1 Own workforce detail any estimations.

As 2024 was the first year of data collection on most Scope 3 GHG categories and resource inflows, efforts in 2025 sought to improve the quality of data year-on-year including by incorporating data requirements into supplier agreements where possible.

Changes in preparation and presentation of the sustainability statement

This sustainability statement has been prepared in accordance with CSRD and the ESRS it has set out. This is the second year that Arendals Fossekompani's annual reporting is CSRD compliant. The calculation of metrics was maintained consistent for year-on-year comparability. Methodological notes are used throughout the sustainability statement to indicate how values were calculated.

The following metrics' presentation have changed in this report:

- **Scope 3 GHG:** A reassessment of the materiality of Scope 3 GHG categories has led to the removal of waste and end-of-life treatment of sold products from AFK Group's carbon accounting, and the addition of the processing of sold products.
- **Resource inflows:** Materials used in construction activities have been separated from the total weight of resource inflows related to production and manufacturing. Construction-related resource inflows now represent an entity-specific metric.

Disclosures incorporated by reference

Several disclosure requirements were partly or fully incorporated by reference:

DISCLOSURE	LOCATION IN THE BOARD OF DIRECTORS REPORT
SBM-1: Arendals Fossekompani's employees, business model, value chain and activities	About Arendals Fossekompani
GOV-1: Experience and expertise of the Board of Directors relating to our activities, products, sectors, geographies and sustainability matters	Corporate Governance

Governance

GOV-1

The role of the administrative, management and supervisory bodies

Arendals Fossekompani ASA's Board of Directors comprises of seven members, all of whom are elected by shareholders and as non-executive members are considered independent of Group management. There are three women (43%) and four men (57%) in the Board, which is the same as in 2024. Employee representatives are not included in the Board of Directors.

The Board of Directors' competences on sustainability matters is outlined under Corporate Governance, and cover the breadth of topics in which Arendals Fossekompani has material IROs. The responsibilities for sustainability governance, including the responsibility for impacts, risks and opportunities, are incorporated into our policies, mandates and terms of reference as follows:

Board of Directors	Approves Arendals Fossekompani's sustainability strategy, targets, materiality assessments and sustainability reporting, including revisions to the Environmental Policy
	Annually re-evaluates goals, strategies and the risk profile, including progress against targets
	Oversees compliance and sustainability work and ensures adequate internal control and risk management systems, including ethical business conduct and corporate social responsibility
Audit committee	Prepares the Board's oversight and quality assurance of the sustainability reporting process
	Assesses and monitors the external auditor and keeps the Board informed on the sustainability audit
	Reviews risk management processes and compliance
Remuneration committee	Reviews and proposes updates to the Remuneration Policy and Remuneration Report, including incentivisation linked to sustainability-related matters
Nomination committee	Assesses candidates for the Board, accounting for the need for expertise, diversity and independence
Executive management Chief Executive Officer (CEO)	Leads and establishes guidelines for Arendals Fossekompani's compliance and sustainability work
	Manages the company's impact on sustainability matters
	Updates the Board on sustainability issues
Executive management Chief Financial Officer (CFO)	Meets with the Audit Committee when relevant throughout the year
	Implements the Code of Conduct and monitors its operational effectiveness, including communication and training for employees
	Implements the Environmental Policy and monitors its effectiveness, including biannual reporting to the Board on progress against targets

Further detail is outlined in the Code of Conduct and the Environmental Policy (described under Own workforce and Climate change chapters respectively), as well as the Instructions for the Board of Directors and its committees, and the Instructions for the CEO.

Within Arendals Fossekompani and across the portfolio, dedicated sustainability functions work on day-to-day implementation of the legal and regulatory requirements, data collection, and sustainability strategies. In 2025, the sustainability responsibilities were moved from the Chief Sustainability Officer (CSO), to the CFO, such that the core sustainability team at Arendals Fossekompani managed CSRD compliance, overseen by the CFO, and consulting and updating the CEO, Executive Management and other functions across the company regularly.

Arendals Fossekompani's Board of Directors is obligated to follow the legislation in force at any given time, as well as the company's Articles of Association and the authority and instructions given to it by the General Meeting. It is essential for Arendals Fossekompani's overall strategy, management and the organisation of the business, including supervising the company's management team to ensure that the business is run in a responsible manner. The Board's responsibilities include oversight of Arendals Fossekompani's compliance and sustainability work, including those relating to governance issues such as corruption and bribery, and the whistleblowing process.

GOV-2

Information provided to, and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The Board of Directors and its Audit Committee are informed by the CFO about key developments relating to sustainability matters multiple times a year.

This includes the process and findings of the double materiality assessment, and specifically a review of each material impact, risk and opportunity identified. All changes to material IROs were discussed by the Board of Directors in 2025. The Board of Directors also discusses previously established priorities for the year related to the implementation of due diligence and the effectiveness of policies, actions, metrics and targets adopted to address material IROs.

Sustainability-related impacts, risks and opportunities are incorporated into Arendals Fossekompani's risk management process, which informs the Board's deliberations on strategy and major decisions by the company. In our annual wheel, the double materiality assessment takes place before the annual review of strategy, such that they can be considered in the company's direction.

Where relevant, sustainability-related matters must be assessed against financial conditions. As part of this, the instructions to the Board of Directors outline that it should consider establishing plans and goals to ensure that Arendals Fossekompani's business model and strategy are compatible with the transition to a sustainable economy, limiting global warming to 1.5 degrees in line with the Paris Agreement and climate neutrality by 2050.

GOV-3

Integration of sustainability-related performance in incentive schemes

The Remuneration Policy governs Arendals Fossekompani ASA's practices on remuneration to the Executive Management and is adopted by the General Assembly. This policy states that variable compensation shall constitute approximately 15-40% of total remuneration. Sustainability-related performance is not included in incentive schemes.

GOV-4

Statement on due diligence

Core elements of Arendals Fossekompani's due diligence process with regard to sustainability matters are reflected throughout the Sustainability Statement. Aspects of Arendals Fossekompani's due diligence embedded in our governance, strategy and business model is described under GOV-2, SBM-3 and G1-1. Our engagement with affected stakeholders in all key steps of the due diligence process can be found in SBM-2, IRO-1, S1-1 and S1-2.

The identification and assessment of adverse impacts is detailed under IRO-1 and SBM-3, while action taken to address adverse impacts is located under E1-3, E5-2, S1-4 and G1-1. The effectiveness of these efforts and communication as necessary is disclosed in tracking performance against targets under E1-4, E5-3 and S1-5.

GOV-5

Risk management and internal controls over sustainability reporting

As a group with a wide portfolio of companies across multiple countries, there are inherent risks in collecting complete sustainability data, especially related to consistent application of reporting assumptions and the collection of data from upstream and downstream activities and business partners.

Early and regular dialogue with the individuals responsible for reporting on behalf of the portfolio companies is fundamental to preparing the process for sustainability reporting. Measures such as continuity of the reporting systems used, trainings in those systems, built-in control checks, year-on-year learnings, and quality assurance by external system providers and members of the team have contributed to this year's risk management system on sustainability reporting.

A debrief process with all parties involved in the first year of CSRD reporting was undertaken to strengthen data sources, internal controls and reporting processes, and timelines and guidelines for reporting were also adjusted and improved to incorporate learnings.

The Board of Directors is ultimately responsible for the integrity of the contents of the sustainability report and considers risks associated with reporting and internal controls annually as part of its review of the company's most important risk areas relative to the Group's net asset value or reputation (severity) and likelihood.

Our approach to sustainability and sustainability goals

SBM-1

Strategy, business model and value chain

Arendals Fossekompani is the result of responsible choices through generations. We believe that a responsible approach to environmental, social and governance is crucial in generating long-term value for shareholders, employees and society. Sustainability is an integral part of our investment strategy, and we work closely with our portfolio companies to enhance our collective ESG performance.

Our approach to sustainability spans both phases of our activity as a company:

The investment phase

Sustainable and transition financing is essential to reach the objectives of the Paris Agreement, as well as supporting agreements like the EU Green Deal. When Arendals Fossekompani screens and sources new companies for M&A, ESG is an essential consideration.

Our primary investment universe focuses on B2B companies in sustainable energy and technology sectors, and new investments must contribute, or have a path to contribute, to at least one of the six environmental goals outlined in the EU Taxonomy.

The ownership phase

ESG is part of the business value creation process, and at times a key value creation lever for our portfolio companies. We believe in active, long-term, and responsible ownership. We engage with our portfolio companies, including on issues relating to sustainability.

As an investor and as an owner, we seek to minimise and mitigate any adverse impacts we may have on ESG matters, both in our own operations and across our value chain where possible. We also seek to promote sustainability by contributing to the green transition, to fair and diverse companies and societies, and to responsible and ethical business conduct.

We are committed to ensuring the company's resilience for generations to come, requiring that we closely monitor our risks and opportunities related to sustainability, and take action where necessary. The development of a decarbonisation plan and a roadmap for reduced consumption of virgin resources are essential responses in the coming years to our primary strategic sustainability-related challenges: tackling emissions- and energy-intensive supply chains and moving towards a more circular economy.

Own operations and value chain

As an investment company, our upstream value chain focuses on identifying and investing in companies at various stages of maturity. These companies depend on a wide variety of business actors supplying and processing raw materials, manufacturing electronics, data hosting, construction and transportation. At the core of our operations we invest and optimise our portfolio, enabling our companies to advance technologies such as software development, plasma and induction technologies, hydro-power generation and property management.

Downstream, we create both financial returns and societal impact.

Our portfolio companies serve a broad range of customers in sectors such as energy, infrastructure, defence, aerospace and automotive, and collaborate with partners in transportation, recycling and waste management.

A materiality-based approach

Arendals Fossekompani reviews and updates its strategies on sustainability and prioritises efforts therein based on annual double materiality assessments. These assessments include:

1. mapping ESG matters through the value chain, including impacts
2. assessing stakeholders and their focus areas
3. analysing consequences of ESG for the company, including risks and opportunities, and stakeholders and megatrends, and
4. prioritising ESG challenges and identifying KPIs and ambitions, and actions to achieve them.

Our sustainability strategy, materiality analyses, stakeholder analyses and sustainability reporting are approved by Arendals Fossekompani's Board of Directors. The operational implementation of these processes is delegated to our Chief Financial Officer.

Further information on our business model and our portfolio companies' markets and sectors can be found in the SBM-1 tagged section of About Arendals Fossekompani. Arendals Fossekompani's headcount of employees by geographical area is found under S1-6 in S1: Own workforce.

Our sustainability reporting follows our financial statements' consolidation such that Volue's data is not included. As a result, Arendals Fossekompani Group reports over 1,500 employees in 23 countries rather than over 2,100 employees in 26 countries.

Strategic sustainability focus

Arendals Fossekompani determines its sustainability strategy based on the material topics emerging from our DMA. Our four strategic material sustainability topics are listed to the right.

The targets listed have been approved by the Arendals Fossekompani Board of Directors and support UN SDGs 5, 7, 8, 9, 12 and 13, the Paris Agreement, the OECD's Business Guidelines on Responsible Business Conduct, and the UN Global Compact's Ten Principles.

In accordance with CSRD, we report on sustainability in a consolidated manner, including all portfolio companies comprised in our consolidated financial statements. Each company faces different impacts, risks and opportunities, and is charged with managing its own ESG approach, beyond overarching targets and KPIs set at the Group level.

ENVIRONMENT

E1 Climate change

DESCRIPTION

Arendals Fossekompani Group contributes to climate change through greenhouse gas emissions, in large part through the use of our portfolio's sold products by customers all around the world. We also work to combat climate change, both through our renewable power production and services. If we do not adapt, we are vulnerable to a changing climate.

SUB-TOPICS

- Climate change adaptation
- Climate change mitigation
- Energy

TARGETS

- Arendals Fossekompani ASA (SBTi validated):** Reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030 from a 2021 base year; actively source 100% renewable electricity every year by 2030; and for 60% of eligible private equity and listed equity portfolio by book value setting SBTi-validated targets by 2027 from a 2021 base year.
- NSSLGobal:** Reduce net Scope 1 and 2 (and partial Scope 3) emissions by 50% by 2035 from a 2020 base year.
- Tekna:** Reduce absolute Scope 1 and 2 emissions by 50% by 2030 from a 2021 base year.

In addition to the above targets, Arendals Fossekompani monitors the emissions intensity of the Group as outlined in the E1: Climate change chapter.

ENVIRONMENT

E5 Resource use and circular economy

DESCRIPTION

The production-heavy companies in the Group rely on the extraction of raw materials upstream.

SUB-TOPICS

- Resource inflow including resource use

TARGETS

New data collected in 2024 and refined in 2025 is forming the foundation of a new area of work. There is currently no target.

SOCIAL

S1 Own workforce

DESCRIPTION

With over 1,500 employees globally, Arendals Fossekompani as a Group is reliant on our people as our most valuable asset. This dependency on employees' wellbeing and safety presents a financial risk that requires continuous monitoring. We also see an opportunity to continue nurturing diversity and equality throughout the Group's global workforce.

SUB-TOPICS

- Working conditions
- Equal treatment and opportunities for all

TARGETS

Arendals Fossekompani Group

- Maximum of 70% of any gender in our workforce by 2027
- Maximum of 60% of any gender in our Executive Management by 2030
- Lost time injury frequency rate of 0 (in effect)
- Aggregate sick leave of less than 3.0% (in effect)
- Voluntary turnover rate of less than 10% (in effect)

GOVERNANCE

G1 Business conduct

DESCRIPTION

With own operations and a value chain all around the world, the Arendals Fossekompani Group is exposed to risks of breaches to our corporate conduct that require ongoing focus. We are also a potential target for cyber-attacks, which demand sophisticated prevention and strong internal controls.

SUB-TOPICS

- Corporate culture
- Cyber security

TARGETS

- 100% of the workforce has signed the Code of Conduct by 2025
- 100% of the workforce has received training in the Code of Conduct by 2025
- 100% of 'high-risk' partners have signed the Business Partner Code of Conduct by 2027
- All whistleblowing cases are handled within less than 3 months by 2025
- 0 convictions of violation of anti-corruption or anti-bribery laws per year (in effect)

SBM-3

Material impacts, risks, opportunities and their interaction with strategy and business model

Double materiality assessment

We have conducted a double materiality assessment (DMA) as outlined in the ESRS and implementation guidance from EFRAG. In the DMA, we have thoroughly analysed our effects on the environment and society, alongside evaluating the financial risks related to sustainability, and the opportunities we actively pursue.

Overview of material IROs

Based on the DMA updated in 2025, Arendals Fossekompani has identified the material impacts, risks and opportunities (IROs) summarised in the table to the right, which are described in greater detail in each topical chapter. Together, these IROs inform our sustainability approach and priorities, including our targets, actions, and policies and the data collected from across our portfolio.

Value chain
 UVC Upstream Value Chain
 OO Own Operation
 DVC Downstream Value Chain

Time horizon
 Short term <1 year
 Medium term 1-5 years
 Long term 5+ years

ENVIRONMENT

E1 Climate change

⊕ Risks

IRO	DESCRIPTION	SCOPE	TIME HORIZON
Exposure to climate change hazards in own operations	Global warming may cause damage to properties, increase maintenance costs and rebuilding costs. Acute and chronic physical risk.	OO	Long term
Vulnerability to climate change disruptions in the value chain	Climate-related damage to suppliers and logistics may reduce raw material availability, increase prices and disrupt deliveries. Acute and chronic physical risk.	UVC	Medium term
Increased costs related to mandates and regulation	New regulatory requirements may require significant investments in technology, processes, personnel, data collection and reporting. Policy and legal risk.	OO	Short term
Unsuccessful investments in new technologies	Accelerated technological development in a low-emissions scenario may render investments obsolete faster than anticipated. Technological risk.	OO	Short term

⊖ Negative impacts

Emission of greenhouse gases (GHG) across value chain	GHG are emitted by our activities, and in particular our sale of products that require electric energy to use, when sold to customers in countries where electricity is largely non-renewable.	UVC + OO + DVC	Actual
Use of non-renewable energy	Electricity consumed from non-renewable sources in sites around the world contributes to the emission of GHG.	OO	Short term/Actual

⊕ Positive impacts

Technological advancement for climate change mitigation NEW	Development of technologies that improve energy efficiency and reduce emissions in industrial processes.	OO + DVC	Actual
Optimisation of renewable energy	Contribution to clean energy supply through optimisation of customers' energy production.	OO	Actual
Production of renewable energy	Production of renewable energy for approximately 30,000 households in southern Norway.	OO	Actual

⊕ Opportunities

Demand for solutions related to renewable energy	Increased share of renewables in the energy system drives demand for forecasting software, trading software and grid monitoring services.	OO	Long term
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E5 Circular economy and resource use

⊖ Negative impacts

IRO	DESCRIPTION	SCOPE	TIME HORIZON
Extraction of raw materials for construction	Construction activities consume raw materials, placing pressure on finite natural resources.	UVC + OO	Actual
Extraction of raw materials for production and manufacturing	Production and manufacturing consume raw materials, contributing to resource depletion.	UVC + OO	Actual

⊕ Positive impacts

Reduction of resource intensity of customers and users of additive manufacturing NEW	Additive manufacturing powders enable precise material use, reducing overproduction and resource inflows.	DVC	Actual
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⊕ Opportunities

Cost savings and increased sales from more resource efficient products NEW	Improved material and resource efficiency in operations and in product use phase creates cost savings and potential increased customer interest.	OO + DVC	Medium term
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Note

There have been no changes in material topics from previous years. IROs are marked as [NEW] in the table are either newly identified or newly material. Some IROs have been separated into two where they were previously merged; this is not highlighted as new.

SOCIAL

S1 Own workforce

– Negative impacts

IRO	DESCRIPTION	SCOPE	TIME HORIZON
Accidents at production sites NEW	Potential health and safety incidents in production, including handling of hazardous materials.	OO	Short term
Low satisfaction for employees in times of uncertainty NEW	Volatile markets and growth may impact workload, morale and job satisfaction.	OO	Actual

⊕ Risks

Breach of employees' basic protections	Failure to safeguard fundamental employee rights may lead to turnover, operational disruption and reduced performance.	OO	Short term
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⊕ Opportunities

Gains from a diverse workforce	Equal opportunities and representation enhance productivity, innovation, performance and retention.	OO	Medium term
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GOVERNANCE

G1 Business conduct

⊕ Risks

IRO	DESCRIPTION	SCOPE	TIME HORIZON
Dependency on corporate culture	Severe breaches relating to corporate culture may result in reputational damage and dissatisfaction among employees, customers and investors.	OO	Short term

Entity-specific: Cyber security

⊕ Risks

Exposure to critical cyber-attacks	Cyber-attacks may affect energy infrastructure, handling of sensitive materials and client-facing software services.	OO	Short term
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Value chain

- UVC Upstream Value Chain
- OO Own Operation
- DVC Downstream Value Chain

Time horizon

- Short term <1 year
- Medium term 1–5 years
- Long term 5+ years

Impact, risk and opportunity management

IRO-1

Description of the process to identify and assess material impacts, risks and opportunities

Our methodology and assumptions

The methodology used observed the principles and steps outlined in the ESRS, adapted to Arendals Fossekompani as outlined in this chapter.

Year-on-year changes

Given Arendals Fossekompani's business activities in 2025 were largely similar to 2024 with no major M&A activity that would alter the double materiality assessment, the material topics and impacts, risks and opportunities (IROs) identified in previous years were used as a starting point, supplemented with newly identified IROs specific to the last twelve months.

Group consolidation

As a diversified Group with a wide-ranging portfolio of companies, it was important that IROs were identified at the portfolio company level, but scored and assessed in relation to the Group. Where relevant, if an IRO occurred multiple times across the portfolio, it was aggregated and considered as a cumulative IRO to AFK Group.

Scoring for the AFK Group was conducted using our own scoring rubric and materiality thresholds, which may differ from those found in the portfolio companies' own assessments, given the vast range in company size and operations within our portfolio.

Unknowns in the value chain

More information is available within our own operations than in our upstream and downstream value chains. In the absence of information, assumptions were made, informed by sector- or geography-specific expectations or estimates. These have been outlined in the topic-specific chapters.

Scoring

Once a long list was developed, every IRO was scored against a pre-determined scoring rubric. The following methodologies and assumptions were applied:

- Impacts were scored on scale, scope, irremediability (for negative impacts only) and likelihood. For actual impacts, a score of 5 was assigned on likelihood. Collectively, the factors of scale and scope (and where applicable, irremediability) were averaged into a severity score.
- Risks and opportunities were scored on financial consequence and likelihood.
- Each IRO's severity and likelihood scores were multiplied to generate the total score per IRO. A maximum of 25 (the product of 5 on severity and 5 on likelihood) could be achieved.
- IROs were also classified according to their time horizon (short-, medium- and long-term as defined by ESRS, referring to less than one year from now, one to five years from now, and beyond five years, respectively), as well as where they occur in the value chain (upstream, in our own operations, or downstream). Where an IRO appears to be irrespective of time horizon (for instance, where it is possible to say "it could happen at any moment"), this was deemed to be short term.

Materiality threshold

Out of a total possible score of 25, a threshold of 12 was applied to IROs, distinguishing between IROs that are immaterial (scoring between 0-11.99) and those that are material (scoring between 12-25). Materiality therefore represents the convergence of high or very high severity and likelihood.

For IROs that were just below or above the materiality threshold, a qualitative review was undertaken to ensure the assessment was correct.

Impacts related to human rights were assessed carefully to prevent any oversight of a severe human rights violation on the basis that it has a low likelihood of occurrence. To achieve this, human rights-related impacts' severity took precedence over their likelihood in assessing their materiality.

The process

Identifying IROs

Our first DMA in alignment with CSRD was conducted in 2024. It identified IROs by gathering inputs from earlier materiality assessments by any of our portfolio companies or peers, previous stakeholder engagements, sector guidance, previous reporting including on the Transparency Act, and company materials such as strategies and organisational charts. IROs were collected from across these sources, and adjusted in light of any significant changes to Arendals Fossekompani Group's value chain, suppliers, customers or geographies. This list was then supplemented and informed by workshops on each portfolio company with their respective ownership teams at Arendals Fossekompani ASA and/or their ESG representatives, in consultation with members of Arendals Fossekompani ASA's finance team.

Risks and opportunities that may arise from impacts or dependencies identified were also considered, and ongoing due diligence from supplier risk assessment surveys, exercises on health and safety in the workplace, and a climate risk assessment conducted in 2024 and reviewed in 2025 were used to complete the list.

The long list of IROs generated was then mapped to the relevant ESRS sub-topics before scoring.

In 2025, the long list of IROs was revisited in light of any significant changes to Arendals Fossekompani Group's activities, geographies, sectors, partnerships, suppliers or customers, strategies and external trends. All relevant materials and reports from 2024 were reviewed, and a validation of the changes since 2024 was conducted in dialogue with portfolio companies and their ownership teams.

Assessing and prioritising IROs

The pre-defined rubrics were used to score all new IROs and review the scores of pre-existing IROs. Score changes and new scores were reviewed by all members of Arendals Fossekompani's Sustainability team collectively. Scores were reviewed with senior leadership or relevant experts in the team, and certain scores were revisited over the course of the DMA to ensure that the IROs were assessed consistently with one another.

The stakeholder engagement undertaken in 2025 was conducted at the end of the process and used as a validation of the DMA's findings. Stakeholders' views are outlined in SBM-2.

Monitoring IROs

Reviews at key points throughout the year are important to ensure our IROs remain accurate and relevant. Material IROs are monitored through data collection, and where relevant the development of targets, KPIs and actions.

E1 Climate Change

To identify our climate impacts, we track our GHG emissions by monitoring direct emissions and energy consumption across our sites, as well as emissions from our upstream and downstream value chain through supplier data, activity data, and financial data. Potential impacts are considered in light of prospective changes to the portfolio. To identify our climate-related risks and opportunities, a climate risk assessment was conducted in 2024 and reviewed in 2025.

In this assessment, we utilised two distinct scenarios: a high-emission scenario, 'Fossil-fuelled Development (SSP5-8.5)', from the Intergovernmental Panel on Climate Change (IPCC), and a low-emission/transition scenario, 'Net Zero 2050' from the Network for Greening the Financial System (NGFS). The high-emission scenario anticipates increased physical risks due to climate change, such as the likelihood of extreme weather events. Conversely, the Net Zero 2050 scenario assumes the 1.5°C target is met and considers key assumptions like the swift introduction of ambitious climate policies such as carbon and energy pricing and rapid technology development, and is associated with heightened transitional risks, including escalating costs associated with GHG emissions reduction. The two scenarios chosen to assess climate risks and opportunities represent the extremes of global warming.

Climate risks were assessed for sub-groups of our portfolio based on business activity types, distinguishing between our hydropower operations, companies working on electrification and materials (Tekna and ENRX), companies working on digitalisation and big data analytics (NSSLGlobal and the software companies under Other Investments), and property (AFK Eiendom). This approach was taken as risks and opportunities identified often affect all businesses in a similar sector or business model.

For physical risks, this was supported by an assessment of climate hazards at the asset level, and our exposure to physical risks was assessed. The time horizons selected were 2030 (2021-2040), 2040 (2031-2050), 2050 (2041-

2070) and 2085 (2071-2099), which are all considered long-term risks according to the time horizons applied in our DMA, as climate risks and opportunities were also categorised into short-, medium- or long-term horizons as defined in our DMA. This aligns with our strategic planning horizons and capital allocation plans. Our assets' lifetime all fall into the long-term horizon.

The list of climate hazards used complies with the requirements of the list in the appendix A of Annex I of the EU Taxonomy. Before assessing climate risks, each climate hazard was defined and classified according to its type of impact on each eligible economic activity. A climate event is also defined to describe the exposure to each climatic hazard. For each applicable hazard, climate indicators are selected to measure exposure to the climate hazard for the defined event. An absolute level of exposure is determined by comparison to physical thresholds. The following climate hazards were excluded from the analysis as they were not considered material for the economic activities and locations of our assets: temperature-related (permafrost thawing), wind-related (tornado), water-related (ocean acidification, saline intrusion), solid mass-related (coastal erosion, soil degradation, soil erosion, soil fluctuation, avalanche).

Transitional risks, which arise from the shift towards a lower-carbon economy, are particularly pertinent to the Net Zero scenario. Transitional risks considered include risks associated with changes in climate policies, regulations, and legal standards (policy and legal risks), risks related to the pace and direction of technological innovation and adoption (technology risks), risks that emerge from changing market dynamics, such as shifts in consumer preferences or supply chain adjustments (market risks), and risks linked to the company's standing among stakeholders, particularly if it fails to align with the evolving expectations around sustainability (reputational risks). The equivalent assessment was also conducted for opportunities. While locked-in GHG emissions have not been assessed, thus far no assets or business activities have been assessed as incompatible with the transition to a climate-neutral economy.

Climate scenarios used

	FOSSIL-FUELLED DEVELOPMENT SSP58.5			NET ZERO 2050		
Overview and implications	Climate-amplifying effects lead to faster degradation of climate and nature than expected. Extreme weather events, including floods, wildfires, and heatwaves, will claim millions of lives worldwide. However, Norway is still better off than many other countries, as the oil and gas production continues. There is a low degree of energy efficiency and little focus on the development of renewable energy.			Fear of collapse, increasing demands for action, influence from science, and new economic thinking triggered radical change from the mid-2020s. International cooperation is strong to reach the 1.5°C target: rapid and ambitious transition, immediate introduction of climate regulations, legislation, and innovation. Norway must achieve net zero by 2043 and thereafter be net negative, which has significant implications for the energy system and nature restoration.		
Assumptions						
SCENARIO PROVIDER	IPCC AR6			NGFS		
GDP growth	High			High		
Technology development and change	Rapid, directed toward fossil fuels			Rapid, directed toward renewable		
International cooperation	Effective for development, limited for environment			Strong towards rapid change		
Environmental and energy policy	Focus on local environment, little concern with global problems			Improved management of local and global issues; tighter regulation of pollutants		
	2030	2050	2100	2030	2050	2100
Global warming (°C)	1.7	2.4	4.4	1.4	1.6	1.4
Change in mm of annual precipitation (% median value)	+9	+12		+4	+4	
Energy price (øre/kWh)	67	57		42	45	
CO₂-price (NOK/tonne)	800	1,752		2,997	8,658	

Note 26 of the financial statements draws from the same climate assumptions and scenarios in considering climate-related risks.

E5 Circular economy and resource use

Given the absence of data across much of our value chain, Arendals Fossekompani did not screen the portfolio's assets and activities in order to identify actual IROs. Instead, the double materiality assessment's approach to circularity has been founded on assumptions. These were based on publicly available resources on resource flows by sector or by technology, as well as strategic and operational questionnaires for businesses on circular business models (sources included the European Commission, Circulytics, and the Ellen Macarthur Foundation). The double materiality assessment's findings were informed by discussions with the portfolio companies' leadership, sustainability leads, and/or procurement representatives. No consultations were conducted with affected communities related to resource use and circular economy.

Process on immaterial environmental topics: E2, E3 and E4

The Arendals Fossekompani ASA Sustainability team, alongside the members of the portfolio company workshops identifying IROs for each company, screened the business activities and sites of every part of the portfolio to identify potentially impactful activities or sites in relation to these topics. Affected communities were not consulted in this process in 2025, so diagrams from relevant external sources were used as prompts for consideration in workshops. Specifically, the following tools were used:

- The Stockholm Environment Institute and Climate and Clean Air Coalition's diagrams on the typical sources of pollution across the value chain, as well as common pollutants to consider;

- The World Wildlife Fund and the UN Biodiversity Lab's mapping of global prevalence of water stress and water risk, including scarcity, flooding, and quality of water; and
- The World Wildlife Fund's Biodiversity Risk Filter indicators as applied to the sectors in which Arendals Fossekompani is active or reliant on, and the UN Biodiversity Lab's mapping of areas of global significance for biodiversity conservation, and ecologically or biologically significant marine areas.

Relating to biodiversity, of the Group's 70 operational sites in 2023, three were considered adjacent to protected areas or areas of high biodiversity value, and no significant sites have been added in the years since that would alter this assessment. The potential impacts, risks (arising from dependencies) or opportunities assessed in relation to our sites were deemed immaterial. Data on sites in the value chain beyond our own operations was not available, so the resources listed above were relied upon to estimate and assess potential upstream or downstream impacts on, or risks or opportunities relating to, biodiversity. As any possible dependency on biodiversity and ecosystems is considered to present a financial risk to the company, the same assessment criteria for risks apply to dependencies. No material impacts were identified. In principle, transition, physical and systemic risks and opportunities were in scope of the assessment, though none were identified as material either.

G1 Business conduct

In identifying impacts, risks and opportunities relating to business conduct matters, particularly relevant criteria considered included the country of operation and their perceived associated risks. We also examined the industries served by the Group, where governmental contracts were perceived to be highly sensitive. Additionally, we leveraged resources from bodies like the European Commission to assess supply chain governance risks such as rule of law and corruption control, focusing particularly on countries of origin for our raw materials.

Managing the DMA

Our DMA is executed by Arendals Fossekompani's Sustainability team, led by our Chief Financial Officer, and consults and is validated by our Management. The Board of Directors' Audit Committee, followed by the Board of Directors, approves the DMA's methodology and findings.

To ensure the completeness and relevance of the assessment and its findings, we are in continuous dialogue with our auditors, peers, and attend courses and educational sessions to remain informed on the regulatory requirements.

DMA workshops within the company started with an overview of the requirements of CSRD in terms of the scope and topics covered, to ensure inputs into the assessment were as thorough and informed as possible. The Audit Committee validates the accuracy and reliability of the findings through its oversight of the methodology and process applied.

In 2025, the DMA and the general risk assessment were conducted separately, although both referred to the other process's inputs and findings.

The DMA's findings, particularly relating to risks, are managed in accordance with the Group's broader risk management process. Sustainability-related risks are considered equal to other risks and contribute to the annual update to Arendals Fossekompani's risk profile. The same scoring rubric is used for all risks.

The DMA will continue to be updated on an annual basis moving forward.

SBM-2

Interests and views of stakeholders

In our strategy and business model, we continuously consider the interests and views of stakeholders in relation to sustainability matters. Engaging with stakeholders provides us with a representative overview of their sustainability expectations and concerns and gives a solid basis for assessing our material impacts, risks and opportunities.

The external stakeholder groups for Arendals Fossekompani include investors, customers, suppliers, regulators, NGOs and the local community. The internal stakeholders involved include employees, Board of Directors and representatives from our portfolio companies.

The method of engagement with stakeholders varies from year to year and between different stakeholders. Insights from prior dialogue and findings from stakeholder interviews were incorporated into this year's stakeholder engagement process. Additionally, our Sustainability team conducted semi-structured interviews with a selection of external stakeholders, specifically asking them to give input on our IROs and more general our sustainability efforts.

The interviews held in 2025 were conducted at the end of the process and used as a validation of the DMA's findings.

Throughout the year, we regularly engage with stakeholders through e-mails and meetings, seminars and informal conversations, and receive valuable feedback from investors, regulators, and NGOs on a corporate level. Internal stakeholders were involved in various workshops and meetings throughout the DMA project process.

Our employees' interests, perspectives, and rights are central to informing our strategy and business model, especially as the importance of attracting and building teams and talent is anchored in our strategy as an owner. The skills and expertise of our workforce drive our strategy, decision-making processes, and overall productivity and value creation.

Arendals Fossekompani continuously assesses relevant data and insights such as employee or whistleblower cases and formal and informal employee engagement to understand the views and interests of our workforce, and to identify potential or actual adverse impacts on human and labour rights. In most parts of the Group, annual professional development conversations with employees ensure that every individual has access to the conditions they need to perform their work and grow in the company.

How key stakeholders inform our strategy and business model

Internal stakeholders

STAKEHOLDER GROUP	ARENA FOR DIALOGUE	PURPOSE OF ENGAGEMENT	EXAMPLES OF OUTCOME OF ENGAGEMENT
Arendals Fossekompani's Board of Directors	<ul style="list-style-type: none"> Board meetings 	<ul style="list-style-type: none"> Align sustainability efforts with strategy and business model Inform the Board about views and interests of affected stakeholders with regards to sustainability-related IROs 	<ul style="list-style-type: none"> Setting ambition level for sustainability efforts Approval of the DMA, targets and actions
Employees	<ul style="list-style-type: none"> Employee development talks Employee satisfaction surveys, workplace assessments, and town halls Employment relations and occupational health and safety representatives 	<ul style="list-style-type: none"> Explore how employees view their roles, experiences, obstacles, and ideas for enhancement Promote awareness of internal policies and updates Foster a sustainable workplace and work environment, including physical and mental health and safety Enhance employee retention and recruitment 	<ul style="list-style-type: none"> Action plans for improvement Implementation of new processes Addressing concerns raised about potential breach of Code of Conduct Feedback on the selection of sustainability topics
Representatives from portfolio companies	<ul style="list-style-type: none"> Board meetings Workshops Quarterly sustainability meetings across the group 	<ul style="list-style-type: none"> Align on sustainability efforts, KPIs and expectations 	<ul style="list-style-type: none"> Feedback on the selection of sustainability topics

External stakeholders

Investors	<ul style="list-style-type: none"> Meetings Quarterly updates Company presentations and annual general meetings 	<ul style="list-style-type: none"> Identify investor concerns and respond to inquiries Present portfolio developments Establish trust and demonstrate our long-term value creation Engage in discussions about performance, risk management, and strategic direction 	<ul style="list-style-type: none"> Improved alignment of strategy with shareholders Views and feedback on our sustainability efforts and sustainability topics
Suppliers	<ul style="list-style-type: none"> Regular meetings and e-mails Data collection requests Seminars, webinars and conferences Risk assessments 	<ul style="list-style-type: none"> Collaborate on improved sustainability outcomes Inform IROs and possible actions 	<ul style="list-style-type: none"> Inputs on sustainability efforts to supply chain Supporting access to quality sustainability data
Customers	<ul style="list-style-type: none"> Regular meetings and e-mails Seminars, webinars and conferences Risk assessments Customer surveys 	<ul style="list-style-type: none"> Map customers' greatest challenges and opportunities associated with sustainability Inform about sustainability expectations 	<ul style="list-style-type: none"> Inputs on sustainability efforts to products and services Supporting the sustainable transformation of customers Views on the selection of sustainability topics
Regulators and policy makers	<ul style="list-style-type: none"> Reporting requirements Audits 	<ul style="list-style-type: none"> Ensure compliance with legislation Operate in line with expectations from greater society 	<ul style="list-style-type: none"> Inputs to sustainability strategy
NGOs	<ul style="list-style-type: none"> Regular meetings and e-mails Seminars, webinars and conferences 	<ul style="list-style-type: none"> Operate in line with expectations from greater society Provide inputs on legislation and peers 	
The local community	<ul style="list-style-type: none"> Through portfolio companies Information meetings 	<ul style="list-style-type: none"> Exercise local commitment and local presence Operate in line with expectations from greater society 	<ul style="list-style-type: none"> Views on our work as an investor, our IROs and the selection of sustainability topics

In 2025, no adjustments were made to our material IROs based on the external interviews, as the information provided validated our existing findings. No further steps are currently planned.

IRO-2

ESRS index

All disclosures relevant to our material IROs have been included in this Sustainability Statement. The threshold for materiality in the financial statements is used as a basis for the materiality of sustainability metrics.

CODE	DISCLOSURE REQUIREMENT	PAGE IN THE ANNUAL REPORT
BP-1	General basis for preparation of sustainability statements	45
BP-2	Disclosures in relation to specific circumstances	45
GOV-1	The role of the administrative, management and supervisory bodies	45
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	46
GOV-3	Integration of sustainability-related performance in incentive schemes	46
GOV-4	Statement on due diligence	47
GOV-5	Risk management and internal controls over sustainability reporting	47
SBM-1	Strategy, business model and value chain	11, 47
SBM-2	Interests and views of stakeholders	53
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	49, 59, 65, 77, 84, 86
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	51
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	55
E1.GOV-3	Integration of sustainability-related performance in incentive schemes	46
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E1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	59
E1.IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	52
E1-2	Policies related to climate change mitigation and adaptation	57, 60
E1-3	Actions and resources in relation to climate change policies	62
E1-4	Targets related to climate change mitigation and adaptation	61
E1-5	Energy consumption and mix	62
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	63
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E5-1	Policies related to resource use and circular economy	57, 65
E5-2	Actions and resources related to resource use and circular economy	66
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S1.SBM-2	Interests and views of stakeholders	53
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S1-3	Channels for own workforce to raise concerns	79
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	79
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	79
S1-6	Characteristics of the undertaking's employees	80
S1-8	Collective bargaining coverage and social dialogue	81
S1-9	Diversity metrics	81
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G1.GOV-1	The role of the administrative, supervisory and management bodies	45
G1.IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	53
G1-1	Business conduct policies and corporate culture	84

Datapoints That Derive from Other EU Legislation

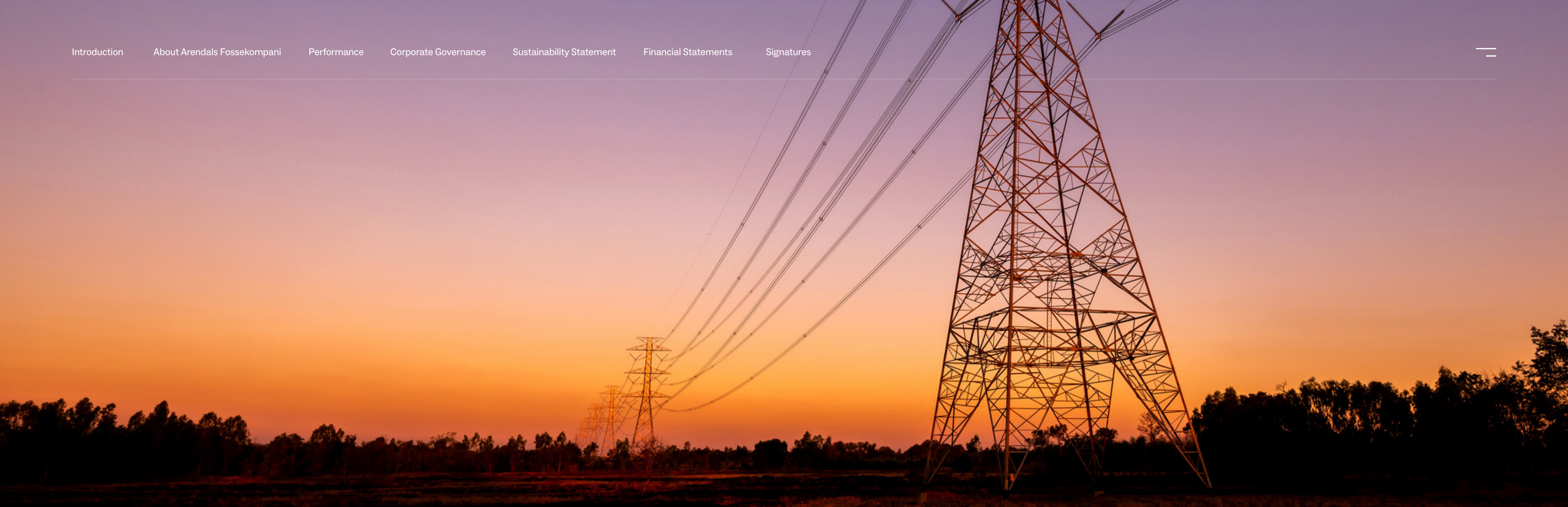
DISCLOSE REQUIREMENT	DATAPOINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	ANNUAL REPORT REFERENCE
ESRS 2 GOV-1	21 (d)	Board's gender diversity				Corporate Governance: Board of Directors
ESRS 2 GOV-1	21 (e)	Percentage of Board Members who are independent				Corporate Governance: Board of Directors
ESRS 2 GOV-4	30	Statement on due diligence paragraph				General information: Governance
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				E1 Climate Change: Transition planning
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks				Not relevant
ESRS E1-4	34	GHG emission reduction targets				E1 Climate Change: Targets
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)				E1 Climate Change: Energy consumption and mix
ESRS E1-5	37	Energy consumption and mix				E1 Climate Change: Energy consumption and mix
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors paragraphs				E1 Climate Change: Energy consumption and mix
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions				E1 Climate Change: Gross Scopes 1, 2, 3 and Total GHG Emissions
ESRS E1-6	53-55	Gross GHG emissions intensity				E1 Climate Change: Gross Scopes 1, 2, 3 and Total GHG Emissions
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks				Subject to phase-in
ESRS E1-9	66 (a), 66 (c)	Disaggregation of monetary amounts by acute and chronic physical risk, Location of significant assets at material physical risk				Subject to phase-in
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes				Subject to phase-in
ESRS E1-9	69	Degree of exposure of the portfolio to climate- related opportunities				Subject to phase-in
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8				S1 Own workforce: Policies related to own workforce
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings				Not relevant
ESRS S1-1	23	Workplace accident prevention policy or management system				S1 Own workforce: Policies related to own workforce
ESRS S1-3	32 (c)	Grievance/complaints handling mechanisms				S1 Own workforce: Channels for own workforce to raise concerns
ESRS S1-14	88 (b), 88 (c)	Number of fatalities and number and rate of work-related accidents				S1 Own workforce: Health and safety metrics
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness				S1 Own workforce: Health and safety metrics
ESRS S1-16	97 (a)	Unadjusted gender pay gap				Not relevant
ESRS S1-16	97 (b)	Excessive CEO pay ratio				Not relevant
ESRS G1-1	10 (b)	United Nations Convention against Corruption				Not relevant
ESRS G1-1	10 (d)	Protection of whistleblowers				G1 Business conduct: Policies related to business conduct
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws				Not relevant
ESRS G1-4	24 (b)	Standards of anti-corruption and anti-bribery				Not relevant



MDR-P E1-2 E5-1 S1-1

Details on policies referenced throughout the Sustainability Statement

POLICY	ESG	THIRD PARTIES COMMITTED TO OR REFERENCED IN THE POLICY
Arendals Fossekompani ASA Code of Conduct	E	Commits to contributing to reaching the Paris Agreement and to comply with all relevant laws and regulations, including the Norwegian Pollution Act, Nature Diversity Act, Nature Conservation Act
	S	A central part of the policy is to comply with internationally-accepted guidelines and conventions adopted by the United Nations and the OECD, such as the International Bill of Human Rights, the UN Convention on the Rights of Persons with Disabilities, the UN Declaration on the Rights of Indigenous Peoples, the International Labour Organisation’s Declaration on Fundamental Principles and Rights at Work, the European Convention for the Protection of Human Rights and Fundamental Freedoms, the European Social Charter, the Charter of Fundamental Rights of the European Union, and any other fundamental conventions of these organisations; the CoC is also aligned with the Norwegian Transparency Act with a commitment to consistently mapping and addressing the actual or potential impact on human or working rights that we may contribute to or cause, and implementing measures to cease, prevent or limit negative impacts
	G	Requires compliance with (EU) 2016/679 (General Data Protection Regulation) and all applicable laws and regulations
Arendals Fossekompani ASA Business Partner Code of Conduct	G	The UN Global Compact’s Ten Principles form the basis of the BPCoC; requires that business partners act in line with the rules and principles of the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights, and the OECD Guidelines for Multinational Enterprises; expects business partners to comply with internationally-accepted guidelines and conventions such as the UN Convention on the Rights of Persons with Disabilities, the UN Declaration on the Rights of Indigenous Peoples, the European Convention for the Protection of Human Rights and Fundamental Freedoms, the European Social Charter, the Charter of Fundamental Rights of the European Union, and any other fundamental conventions of these organisations; and states support for the UN Convention on the Rights of the Child
Arendals Fossekompani ASA Environmental Policy	E	Commits to contributing to reaching the Paris Agreement and to comply with all relevant laws and regulations, including the Norwegian Pollution Act, Nature Diversity Act, Nature Conservation Act
Arendals Fossekompani ASA Diversity & Inclusion Policy	S	Norwegian Equality and Anti-Discrimination Act, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, the Ten Principles of the UN Global Compact and the UN Sustainable Development Goals including Goals 5 and 8
Arendals Fossekompani ASA ICT Security Policy	G	References the ICT security guidelines of the Nasjonal sikkerhetsmyndighet (Norway’s National Security Authority); requires compliance with (EU) 2016/679 (General Data Protection Regulation), the Securities Trading Act, the Energy Act and the Power Emergency Preparedness Regulations
Arendals Fossekompani ASA Whistleblower Policy	S	The policy was created with reference to Directive (EU) 2019/1937 and the Working Environment Act, chapter 2A
Equivalent environmental policies in the portfolio ENRX	E	Commits to contributing to reaching the Paris Agreement
Equivalent environmental policies in the portfolio NSSLGlobal	E	Aligns with the UK Government’s climate ambitions in line with the Paris Agreement
Equivalent environmental policies in the portfolio Tekna	E	Commits to contributing to reach the Paris Agreement, and references the UN Sustainable Development Goals
Equivalent diversity, equality and inclusion policies in the portfolio NSSLGlobal	S	UK Equality Act 2010



Environment

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E5 Resource use and circular economy	65
EU Taxonomy	67

Topic E1

Climate Change

As an industrial investment company focused on energy transition and technology, we are committed to the long-term development of our portfolio while reducing our negative environmental impact. At the same time, Arendals Fossekompani plays a role in climate change mitigation through our companies that offer solutions to environmental challenges and renewable energy production.

SBM-3

Material impacts, risks and opportunity

Climate change adaptation

⬇️ Material risk: Exposure to climate change hazards in own operations (acute/chronic physical risk)
In a high-emissions scenario, some of our physical operating environments are vulnerable and exposed to disruptions caused by climate change. Increased global warming is causing heightened length and frequency of extreme weather events which can cause damage to Arendals Fossekompani's properties, increased maintenance costs, and costs of rebuilding. Worsening drought may also adversely impact hydropower generation capacity and revenues.

TIME HORIZON: Long term
LOCATION IN VALUE CHAIN: Own operations

⬇️ Material risk: Vulnerability to climate change disruptions in the value chain (acute/chronic physical risk)
Climate change will increase the frequency of extreme weather events and drive ongoing changes in weather patterns. This can cause damage to assets and operations in the value chain resulting in impacts such as reduced availability of raw materials leading to increased prices, delivery disruptions and loss of inventory.

TIME HORIZON: Medium term
LOCATION IN VALUE CHAIN: Upstream value chain

⬇️ Material risk: Increased costs related to mandates and regulation (transitional risk - policy and legal)
In a low-emissions (Net Zero 2050) scenario, meeting new regulatory requirements might require significant investments in technology, processes, personnel, data collection and reporting. If left unmitigated, Arendals Fossekompani is exposed to the risk of legal action, litigation or financial penalties for non-compliance, possible increased costs

to meet regulatory requirements, as well as challenges or costs to manage changes related to data management, transparency and traceability, and resource availability.

This could potentially lead to financial and reputational damage, affecting investor confidence and market positioning.

TIME HORIZON: Short term
LOCATION IN VALUE CHAIN: Own operations

⬇️ Material risk: Unsuccessful investments in new technologies (transitional risk - technology)
In a low-emissions (Net Zero 2050) scenario, the pace of technological development is anticipated to accelerate significantly. One of the primary risks is the potential for investments in technology to become obsolete at a faster rate. As new technologies emerge and evolve, previously cutting-edge solutions may quickly become outdated, rendering prior investments ineffective or redundant. Unsuccessful investments could lead to loss of revenue streams or stranded inventories, especially for manufacturing companies whose complex prices and supply chains need to be continually managed, and production adapted despite disruptions. As Arendals Fossekompani invests in companies facing this risk, we are exposed to the possibility of unsuccessful investments in and by portfolio companies, which might impact our net asset value.

TIME HORIZON: Short term
LOCATION IN VALUE CHAIN: Own operations

Climate change mitigation

⬇️ Material negative impact: Emission of greenhouse gases (GHG) across value chain
In addition to the release of GHG from the Group's production facilities, offices and transportation, Scope 3 emissions represented 99% of our total GHG emissions in 2025, largely given our portfolio's sale of products that, when used by customers around the world, require electric energy to use. If this electric energy is not generated by renewable sources, it causes GHG emissions that contribute to climate change.

TIME HORIZON: Short term (Actual)
LOCATION IN VALUE CHAIN: Upstream value chain, Own operations, Downstream value chain

⬆️ Material positive impact: Technological advancement for climate change mitigation NEW
ENRX and Tekna develop technologies that improve energy efficiency and reduce emissions in industrial processes. At ENRX, this is by replacing heating methods that use fossil fuels, contributing to overall sustainability advancements in manufacturing and production sectors. At Tekna, this is through the applications of additive manufacturing across transportation and power and industrial systems, where the technology used allows reduced fuel and energy consumption and increased energy efficiency, leading to emission savings.

TIME HORIZON: Short term (Actual)
LOCATION IN VALUE CHAIN: Own operations, Downstream value chain

Energy

⬇️ Material negative impact: Use of non-renewable energy

In several of our sites around the world, electricity consumed is primarily from non-renewable sources, contributing to the production of greenhouse gases.

TIME HORIZON: Short term (Actual)
LOCATION IN VALUE CHAIN: Own operations

⬆️ Material positive impact: Optimisation of renewable energy
We have a positive impact on clean energy supply through optimisation of customers' energy production, including of renewable energy. Specifically, Volue's market-leading products optimise energy production, trading, distribution and consumption.

TIME HORIZON: Short term (Actual)
LOCATION IN VALUE CHAIN: Own operations

+ Material positive impact:

Production of renewable energy

We have a positive impact on clean energy supply through the production of renewable energy for 30,000 households in southern Norway.

TIME HORIZON: Short term (Actual)

LOCATION IN VALUE CHAIN: Own operations

+ Material opportunity: Demand for solutions related to renewable energy

With an increasing share of renewable energy in the energy system, the demand for software services like market demand and production forecasting, trading software and grid monitoring will be increasingly important, and can provide opportunities for growth. Arendals Fossekompani is actively pursuing these opportunities through our investment strategy, both in our existing portfolio and in our prospective investments.

TIME HORIZON: Long term

LOCATION IN VALUE CHAIN: Own operations

Resilience to climate risks

A resilience analysis was conducted in 2024 along with the update to our climate risk assessment, and reviewed as part of the DMA in 2025 to ensure the results remain applicable and relevant. We evaluated gross transition risks and physical risks informed by different climate scenarios and considered the resilience of our business model and strategy by assessing the materiality of the mitigated and unmitigated risks. The resilience analysis covered risks emerging from our existing portfolio companies across their value chain, and assessed the resilience of Arendals Fossekompani as an owner. The scenarios used are Net Zero 2050 and Fossil-fuelled development as outlined under IRO-1.

The resilience analysis found that Arendals Fossekompani demonstrates resilience in the Net Zero 2050 scenario, with investments supporting the transition to a low-carbon economy.

To maintain this resilience, it is crucial that our portfolio understand and manage the transition relating to the risks associated with a Net Zero 2050 future.

Several of our portfolio companies have complex and global value chains that are particularly vulnerable to risks related to the sourcing of raw materials and products. Many of these materials and products are sourced from countries at high risk of climate change-driven events such as heat waves, drought and wildfires, which could impact both availability and price, but also own operation facilities. Therefore, it is essential for Arendals Fossekompani that our portfolio companies understand their exposure to physical climate risks and are equipped to manage these risks efficiently to stay resilient.

The analysis is dependent on assumptions and scenarios that entail some uncertainty. It must be revisited periodically to ensure the conditions considered remain accurate and the mitigating actions our resilience is founded on continue to meet our needs.

E1-2

Policies

As an investment company, Arendals Fossekompani ASA governs all investment and governance decisions, including how we manage our portfolio companies, in accordance with the policies in place at the level of the parent company. Relating to climate change, our IROs are primarily managed through the Environmental Policy. In addition, several of the portfolio companies have their own dedicated and equivalent policies governing their activities, which strengthen those companies' focus on IROs most relevant to them. The Code of Conduct also sets a baseline standard of ethical business conduct applicable to the entire Group, including on sustainability. The table below provides an overview of these policies. The policies are reviewed periodically in light of any updates to the DMA, which integrates key stakeholders' views into the assessment process.

POLICY	IRO	OBJECTIVE RELATED TO IROS	DETAILS
Environmental Policy for Arendals Fossekompani ASA	CCM R	<ul style="list-style-type: none"> To make necessary changes to adapt facilities and business decisions to withstand the effects of a changing climate 	Scope: Arendals Fossekompani ASA employees and own operations Responsibility: BoD Monitoring: via climate targets Availability: shared internally with all employees and portfolio companies and available publicly on website
	CCM I	<ul style="list-style-type: none"> To reduce GHG emissions in Scope 1 and 2, and Scope 3 where possible, and to leverage the innovation and technology of our portfolio to further decrease GHG emissions 	
	E I, O	<ul style="list-style-type: none"> To use all energy as efficiently as possible and encourage portfolio companies to set Paris Agreement-aligned energy consumption targets; to underline the positive impact of renewable energy production; and to invest in new sustainable technologies and innovations 	
Code of Conduct (CoC) for Arendals Fossekompani Group	CCM NI	<ul style="list-style-type: none"> To seek solutions that will minimise our negative environmental impact 	Scope: AFK Group employees and own operations Responsibility: BoD Monitoring: Group implementation is monitored by tracking employee signature and training rates (in our ESG targets); the process outlined in the Whistleblower Policy is also important for monitoring the implementation of the CoC Availability: shared internally with all employees and portfolio companies and available publicly on website
Equivalent policies in portfolio companies	CCM I	<ul style="list-style-type: none"> ENRX: to reduce GHG emissions related to own business operations; and to support customers in reducing their GHG emissions through the use of ENRX's products 	Scope: employees and own operations in the respective companies and their subsidiaries Responsibility: BoD in ENRX and Tekna, CEO in NSSLGlobal Monitoring: <ul style="list-style-type: none"> ENRX: processes outlined in the ISO14001 standard in its Norway, China, United States and India sites NSSLGlobal: processes outlined in the NSSLGlobal Carbon Reduction Management Plan and NSSLGlobal UK ISO14001 standard Tekna: annual evaluation of compliance by the Tekna BoD Availability: shared with all employees and available publicly on the website for each company
	CCM NI	<ul style="list-style-type: none"> NSSLGlobal: to reduce negative impacts of own activities and assist customers and suppliers to do the same 	
	CCM I	<ul style="list-style-type: none"> Tekna: to reduce Scope 1 and 2 GHG emissions and prepare for Scope 3 GHG emissions reduction; and to collaborate along Tekna's value chain to deliver ever more sustainable and ultimately climate neutral materials solutions AFK Eiendom and the smaller software companies in the Group do not have dedicated policies on climate change, but are in scope of the Code of Conduct's overarching sustainability objectives 	

The third-party standards and initiatives that the policies commit to or align with are outlined under General Information.

ESRS sub-topic	IROs	Responsibility
CCA: Climate change adaptation	I: Impact(s)	BoD: Board of Directors
CCM: Climate change mitigation	NI: Negative impact(s)	
E: Energy efficiency and renewable energy deployment	PI: Positive impact(s)	
	R: Risk(s)	
	O: Opportunity(ies)	

E1-4

Targets

Arendals Fossekompani is committed to playing our part in contributing to a low-carbon economy. As an industrial investment company, our portfolio of investments and their respective value chains represent most of our GHG emissions, which informs our transition planning for climate change mitigation.

Arendals Fossekompani ASA and portfolio companies NSSLGlobal and Tekna have set Paris Agreement-aligned emissions reduction targets relating to Scope 1 and 2 GHG emissions as follows. These targets intend to reduce our GHG emissions and mitigate our risk related to climate-related mandates or regulations in line with Arendals Fossekompani ASA's Environmental Policy and the equivalent policies in the portfolio, and are supported by actions outlined in E1-3. No new targets or changes to targets have been made in 2025.

- Arendals Fossekompani ASA has committed to reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030 from a 2021 base year, and to actively source 100% renewable electricity every year by 2030. These targets have been approved by the Science-Based Targets initiative (SBTi). An exercise to revalidate these targets is underway.
- NSSLGlobal has committed to reduce net Scope 1 and 2 emissions by 50% by 2035 from a 2020 base year, related to its UK operations. These operations represented 86% of NSSLGlobal's Scope 1 emissions and 75% of its Scope 2 emissions in 2025.
- Tekna has committed to reduce absolute Scope 1 and 2 emissions by 50% by 2030 from a 2021 base year.
- NSSLGlobal UK and Tekna have also stated an ambition to achieve carbon neutrality by 2050, including the Scope 3 emissions mandated by the UK Government for NSSLGlobal (specifically, categories 3 and 6 on fuel- and energy-related activities and business travel), and upstream categories for Tekna.

Notes on targets

In the absence of collective absolute GHG emissions reduction targets, the table to the right indicates the relevant company targeted.

NSSLGlobal UK's target measures the Scope 1 to 3 GHG emissions associated with energy consumption, including the combustion of gas, electricity consumption, and transportation controlled by the company or related to grey fleet (vehicles owned by employees but used for driving for work). Performance against this target is as stated by NSSLGlobal in its reporting to the UK Government (mandatory Streamlined Energy and Carbon Reporting), and follows methodologies according to that standard including accounting for 0 emissions from the combustion of gas and consumption of electricity where the supplier has provided a green certificate. This methodology is applied only for the NSSLGlobal climate targets, as the Arendals Fossekompani Group carbon accounting standards follow the practices outlined under ESRS as outlined in the Methodology Notes.

All companies in scope of the consolidation boundaries outlined under BP-1 are considered in monitoring the emissions intensity of Arendals Fossekompani Group.

Stakeholder involvement in setting these targets mirrors that outlined under S1: Own workforce on page 78. Targets have not yet been mapped to decarbonisation levers.

Arendals Fossekompani ASA's two existing emissions reduction targets were approved by the Science-Based Targets initiative (SBTi). Tekna and NSSLGlobal set their targets with the intention of meeting the Paris Agreement, and while not validated by the SBTi, sought to be science-based.

2021 was set as a base year as it was the first year of complete data collection, except for NSSLGlobal, for which 2020 was chosen; as this was a COVID-19 year, emissions are not representative of typical output and may need to be reviewed in the future. The Scope 1 and 2 GHG emissions of Arendals Fossekompani ASA, NSSLGlobal's UK operations and Tekna represent 26% of the Arendals Fossekompani Group's total Scope 1 and 2 emissions in 2025.

TARGET	UNIT	COMPANY	BASELINE		2024 PERFORMANCE		2025 PERFORMANCE	
			YEAR	VALUE	VALUE	% REDUCTION VS. BASELINE	VALUE	% REDUCTION VS. BASELINE
Scope 1 and 2								
42% absolute emissions reduction by 2030	tCO ₂ e	Arendals Fossekompani ASA						
100% electricity consumption from renewable energy sources by 2030	%	Arendals Fossekompani ASA						
Scope 1 and 2								
50% absolute emissions reduction by 2030	tCO ₂ e	Tekna	2021	619	610	-1.5%	553	-11%
Scope 1, 2 and partial Scope 3								
50% net emissions reduction by 2035	tCO ₂ e	NSSLGlobal UK	2020	209	82	-61%	84	-60%

NSSLGlobal's purchase of certified green energy led to rapid reductions in net GHG emissions. It has met its targets well ahead of schedule and is continuing its efforts to see further reductions. Tekna has taken measures in 2025 taking it closer towards its target. At Arendals Fossekompani ASA, a revalidation exercise is underway to revisit the SBTi-validated targets set.

As an owner, Arendals Fossekompani ASA has also committed to 60% of its eligible private equity and listed equity portfolio by book value setting SBTi-validated targets by 2027 from a 2021 base year. This commitment is also validated by SBTi and is a part of the revalidation exercise underway.

In addition to the above targets, Arendals Fossekompani monitors the Group's emissions intensity, using Arendals Fossekompani ASA's SBTi-validated absolute emissions reduction target of 42% from a 2021 baseline as an illustrative benchmark. This figure measures Scope 1 and 2 emissions (location-based) over revenue. The Group reduced its emissions intensity steadily from 2021 to 2024, reaching a 37% reduction from the baseline last year.

In 2025, however, revenue fell more than emissions, especially at ENRX, resulting in an increase in the Arendals Fossekompani Group emission intensity in 2025 relative to 2024. The emission intensity at year-end 2025 is now 10.5% lower than the 2021 baseline. We currently use tonnes of CO₂ emitted (Scope 1 and 2) as the numerator and millions of NOK in revenue as the denominator.

Renewable energy certificates (RECs)

Arendals Fossekompani has taken a conservative approach to the calculation on energy type, such that only consumption of electricity, heat, cooling or fuel covered by energy attribute certificates (such as guarantees of origin or RECs) is considered to be from renewable sources. In the absence of such certificates, energy is considered to be fossil fuel based, regardless of the local electricity mix. As energy consumption is reported across the Group, different conversion to MWh or other calculations required are conducted via our system provider CEMAsys. The emissions factors assume energy types using this conservative approach. Nuclear energy has been classified as fossil fuel energy in the absence of a certificate. 12% of the total Scope 2 energy is covered by energy attribute certificates, both in the form of guarantees of origin and RECs, up from 4% in 2024.

E1-1

Transition planning

Arendals Fossekompani ASA is preparing a transition plan, due to be completed in 2026, to be developed in line with EFRAG Implementation Guidance. It will build on the Arendals Fossekompani Group's existing decarbonisation targets relating to our own operations, and where available, our value chain as outlined in E1-4.

Arendals Fossekompani's Board of Directors is ultimately responsible for establishing plans and goals to ensure that Arendals Fossekompani's business model and strategy are compatible with the transition to a sustainable economy, limiting global warming to 1.5°C in line with the Paris Agreement and climate neutrality by 2050. Accordingly, Arendals Fossekompani's management team and members of the Boards of Directors and ownership teams of our portfolio will coordinate on identifying the decarbonisation levers, actions and resource allocations required.

E1-3

Actions in support of transition planning

In support of the development of our transition plan, Arendals Fossekompani Group developed the first base-line of Scope 3 GHG emissions and updated its climate risk assessment in 2024. In 2025, we worked on improving the quality and availability of this data. Collectively, these measures prepare us to identify decarbonisation levers relevant to each major source of emissions in our portfolio. In 2026, we intend on estimating the potential financial effects linked to significant physical and transition risks and climate-related opportunities. Measures will also continue to strengthen the precision and quality of our Scope 3 emissions data, which is expected increase the effectiveness of possible decarbonisation efforts. Actions will be identified as part of the new transition plan in 2026.

Within the portfolio, the following actions are in motion. There are no actions planned at ENRX or in our Other Investments. While Scope 1 and 2 emissions reduction

is visible at the Group level, it has not been attributed to any individual action. The precise GHG emissions reductions and monetary amounts of CapEx and OpEx required to implement each action have not yet been calculated.

Portfolio companies

Tekna

Tekna's expects to update, expand and finalise its decarbonisation plan and set Scope 3 reduction target(s) for the remaining material categories in 2026-27 (previously planned for 2025). It continues to work towards a climate risk mitigation plan by 2026, and mid- to long-term budget planning to execute on the decarbonisation plan by 2027. No additional resources than management time have been allocated to these actions.

NSSLGlobal

NSSLGlobal maintains a Carbon Reduction Plan that is reviewed annually in support of its UK-based targets. No additional actions have been defined for 2025 or 2026.

AFK Eiendom

AFK Eiendom's GHG emissions are largely attributable to its construction contractors, who work on projects for delivery to clients. To improve our emissions reduction collaboration with contractors in 2025, we began incorporating GHG data requirements into new tenders for construction, specifically to improve the precision and quality of our emissions data as a starting point.

AFK Vannkraft

At the Flatenfoss dam, which has been operational since 1927, AFK Vannkraft's new flood overflow channel began construction in 2024 and was completed in 2025. This project intends to divert water away during major flooding and was mandated by the Norwegian Water Resources and Energy Directorate (NVE) to adapt to more severe flooding as expected due to climate change, thereby increasing our resilience to the effects of climate change in the years to come. This investment is included in the Under construction balance listed in Financial Note 5,

amounting to NOK 35.1 million in 2025. In 2026, further upgrades to the Flatenfoss dam will be completed to a standard that can withstand new flood calculations from NVE based on updated climate analyses. These further contribute to the same objectives as the overflow channel and have a budget of NOK 52.1 million allocated for 2026 and 2027.

Total energy produced

Arendals Fossekompani Group produced 462.5 GWh of energy in 2025, down from 606.6 GWh in 2024. This was renewable energy from hydropower by AFK Vannkraft, for which it sold Guarantees of Origin (GoO) for hydropower on 85% of energy produced, marginally down from 86% in 2024. These were for unbundled energy attribute claims; while the energy produced is fully renewable, at least 80% of AFK Vannkraft's GoOs are traded during each calendar year, and the remaining volume is typically traded in the following calendar year. This means the outstanding volume will be sold before Q4 expires in August this year.

E1-5

Energy consumption and mix

	2024	2025
(1) Fuel consumption from coal and coal products ^(MWh)	-	-
(2) Fuel consumption from crude oil and petroleum products ^(MWh)	2,532	2,249
(3) Fuel consumption from natural gas ^(MWh)	5,478	5,195
(4) Fuel consumption from other fossil fuel sources ^(MWh)	-	-
(5) Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources ^(MWh)	18,009	13,059
(6) Total fossil energy consumption ^(MWh)	26,019	20,503
Share of fossil sources in total energy consumption (%)	94%	90%
(7) Consumption from nuclear sources ^(MWh)	-	-
Share of consumption from nuclear sources in total energy consumption (%)	-	-
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) ^(MWh)	119	71
(9) Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources ^(MWh)	1,134	1,922
(10) Consumption of self-generated non-fuel renewable energy ^(MWh)	351	347
(11) Total renewable energy consumption ^(MWh)	1,604	2,340
Share of renewable sources in total energy consumption (%)	6%	10%
Total energy consumption ^(MWh)	27,623	22,843

Energy intensity per net revenue

	2024	2025
Total energy consumption per net revenue, relating to activities in high climate impact sectors (MWh / million NOK) ¹	8.0	8.8

1. The denominator uses revenue from ENRX, Tekna, AFK Eiendom and AFK Vannkraft as stated in Financial Note 1. These have been assessed to have revenues primarily from Manufacturing (ENRX and Tekna), Real Estate (AFK Eiendom) and Electricity, Gas, Steam and Air Conditioning Supply (AFK Vannkraft).

E1-6

Gross scopes 1, 2, 3 and total GHG emissions

	BASE YEAR: 2021	2024	2025	% 2025/ 2024	2030	2050	ANNUAL % TARGET/ BASE YEAR
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions (tCO ₂ eq)	1,584	1,794	1,650	-8%			
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)		-	-	-			
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	2,838	1,950	1,821	-7%			
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	4,310	4,209	2,883	-32%			
Significant scope 3 GHG emissions							
Total Gross indirect (Scope 3) GHG emissions (tCO ₂ eq)		677,009	596,484	-12%			
1 Purchased goods and services		35,889	27,535	-23%			
2 Capital Goods		2,650	5,126	+93%			
3 Fuel and energy related activities (not included in Scope 1 or 2)		1,176	1,076	-9%			
4 Upstream transportation and distribution		3,336	3,378	+1%			
5 Waste generated in operations		-	-	-			
6 Business travel		2,051	1,515	-26%			
7 Employee commuting		1,948	1,620	-17%			
8 Upstream leased assets		-	-	-			
9 Downstream transportation and distribution		-	-	-			
10 Processing of sold products		13,639	13,593	0%			
11 Use of sold products		629,097	541,495	-14%			
12 End-of-life treatment of sold products		-	-	-			
13 Downstream leased assets		-	-	-			
14 Franchises		-	-	-			
15 Investments		552	1,014	+84%			
Total GHG emissions							
Total GHG emissions (location-based) (tCO ₂ eq)	8,794 ²	694,392	599,955	-14%			
Total GHG emissions (market-based) (tCO ₂ eq)	10,265 ²	696,651	601,017	-14%			

No collective targets have been set yet

2. Only a limited set of Scope 3 categories were reported prior to 2024 (categories 3, 5 and 6) such that the total emissions in 2021 are not comparable to previously reported data.

Emissions intensity per net revenue

	ALL ACTIVITIES, 2024 ³	ALL ACTIVITIES, 2025 ³
GHG emissions intensity per net revenue (location-based) tCO ₂ eq/mNOK	119	162
GHG emissions intensity per net revenue (market-based) tCO ₂ eq/mNOK	119	162

3. The denominator uses Group consolidated revenue as stated in Financial Note 1.

Greenhouse gas accounting and methodology notes

Arendals Fossekompani applies greenhouse gas (GHG) inventory accounting principles as its reporting methodology, first and foremost in accordance with ESRS, which builds upon the GHG Protocol Corporate Accounting and Reporting Standard (GHG Protocol) of 2004 (with Scope 2 guidance updated in 2015). The GHG Protocol was developed by the World Resources Institute and the World Business Council for Sustainable Development. In alignment with the GHG Protocol, Arendals Fossekompani takes into consideration the gases CO₂, CH₄, N₂O, HFCs, PFCs, SF₆ and NF₃ when converting consumption data to tonnes of CO₂ equivalents (CO₂e). The Global Warming Potential used in the calculation of CO₂e is based on the Intergovernmental Panel on Climate Change's Fourth Assessment Report. As there is currently no externally established methodology guidance on calculating emissions factors, Arendals Fossekompani's GHG emissions accounting is developed using emissions factors calculated based on methodologies recognised by CEMAsys as credible. These are from well-known, internationally-recognised sources including DEFRA, IEA and Ecoinvent and can be found on the next page. We are open about the sources and calculation methodologies used and strive for consistency throughout reporting periods. Where there has been a change in the methodology, this is communicated.

Consolidation boundaries

This GHG emissions table includes all consolidated subsidiaries in the Arendals Fossekompani Group. Unconsolidated subsidiaries and joint ventures are not included, as we do not have operational control over any of them. Their emissions are included in Scope 3 Category 15: Investments.

Year-on-year changes

There is no expected major GHG emissions fluctuation due to any changes to the Group and its value chain in 2025. The M&A activity that occurred in 2025 is not of material importance to GHG emissions accounting as the companies affected had minimal or negligible emissions relative to the Group in 2024.

Estimations and sources of uncertainty

Estimations or emission factors were used for a majority of data points in our carbon accounting, as outlined below and in the sources in the next page.

- Scope 1 data (direct emissions from own operations) was collected as consumption data in units such as litres or cubed metres unless CO₂e has been provided by suppliers.
- Scope 2 data (indirect emissions from own operations) was collected as consumption data in kWh. Emissions factors by market, source of electricity, and application (e.g., district heating, cooling, or use in electric cars) were applied in accordance with the location-based or market-based methods.
- Scope 3 data (emissions from the value chain) was collected through a combination of methods, along with estimations and assumptions where required. When we have not been able to collect primary information about emissions in our value chain, despite making reasonable efforts, estimations have been applied using reasonable and supportable data. It is estimated that 1% of Scope 3 emissions are calculated from primary data, in line with 2024 reporting.

Category-specific notes under Scope 3 GHG emissions

- **Scope 3 Category 1, Purchased goods and services:** primarily a spend-based method using procurement lists, invoices and other operating expenses, complemented by average data method using goods' weight where available.
- **Scope 3 Category 2, Capital goods:** spend-based method using financial statements.
- **Scope 3 Category 3, Fuel- and energy-related activities:** activity data on Scope 1 and 2 emissions.
- **Scope 3 Category 4, Upstream transportation and distribution:** hybrid of methods combining in different parts of the Group a supplier-specific method, a supplier-specific method extrapolated based on total spend, and a distance-based method. In the case of unknowns on where the cost of transportation was borne, it was assumed that transportation was upstream.

- **Scope 3 Category 6, Business travel:** activity data from internal systems and business travel providers.
- **Scope 3 Category 7, Employee commuting:** estimations based on distance to office, mode of transport and frequency of remote work from known employee commuting activity or as sourced from employee surveys.
- **Scope 3 Category 10, Processing of sold products:** average-data method making assumptions on the downstream processing of products and energy intensity. A grid emission factor of 0.45 kg CO₂e/kWh was applied as outlined by the GHG Protocol guidance where primary customer data is unavailable.
- **Scope 3 Category 11, Use of sold products:** estimations based on assumptions of energy use after point of sale, especially in relation to systems produced by ENRX, and to smaller degrees, powders by Tekna, property by AFK Eiendom, and software by Volue. Factors considered include the energy requirements of products sold, expected use time by customers per week and in a product's lifetime, country to which units are sold and where applicable, an estimation of greenhouse gases released by systems produced. The life expectancy of products, where this is not standardised by regulations, is estimated based on day-to-day handling and the environments in which the systems are used, as well as customers' typical maintenance plans or access to spare parts.
- **Scope 3 Category 15, Investments:** includes emissions by non-consolidated investments as reported by these companies.

Scope 3 Categories 5 (Waste), 8 (Upstream leased assets), 9 (Downstream transportation and distribution), 12 (End-of-life treatment of sold products), 13 (Downstream leased assets) and 14 (Franchises) are not relevant or material to AFK Group, including our activities and business partners. This will continue to be reviewed on an annual basis to ensure the completeness of the carbon accounting.

GHG emission factors

The following emission sources were used in Arendals Fossekompani's carbon accounting in 2025.

Scope 1 Emissions

Carbon emissions from chemical processes

Dolomitt smelting, Acetylene combusted, Arcal Force, Liquid Oxygene (LOx), Aviform L50, Aviform S-solid

References: The Norwegian Environment Agency (2022); Hong, J. et al. (2015); AirLiquide Arcal force produktdatablad; Avinor (2016)

Carbon emissions from refrigerants

R-407 C, R-422 D

References: DEFRA (2025); UK Government GHG Conversion Factors for Company Reporting (AR5)

Carbon emissions from stationary combustion

Burning oil, Natural gas, LPG, Propane, Propane (NO), Heavy fuel oil, Fuel/Diesel oil, Natural gas (DK), Natural gas (US), Natural gas (NL), Natural gas (UK grid)

References: DEFRA (2024-2025); UK Government GHG Conversion Factors; Miljødirektoratet (2015); Dansk Gasteknisk Center (2025); EPA (2025); Netherlands Enterprise Agency (2025)

Carbon emissions from fossil

fuels consumed in transportation

Bioethanol (E85), Petrol, Petrol (E10), Petrol (BR), Diesel, Diesel (B7), Diesel (NO), Diesel (SE), Adblue (urea solution)

References: DEFRA (2025); Statistics from Energimyndigheten (2025); UK Government GHG Conversion Factors; Norwegian Environment Agency (2024); Government Greenhouse Gas Conversion Factors for Company Reporting, Methodology Paper

Scope 2 Emissions

Carbon emissions from purchased electricity

Electricity, electricity for charging vehicles, hydropower, solar electricity

References: IEA (2025); AIB (2025); Energinet (2023); Hydro Quebec

Carbon emissions from purchased heating

District heating, District cooling, Heat Natural gas

References: Energiforetagen (2025); Fjernkontrollen (2025); Fjernkontrollen (2024); Finnish Energy (2025); Kredsloeb (2025); Fjernvarme Miljoenetvaerk Hovedstaden (2025); Stadtwerke Karlsruhe (2025); Energetyka Ciepna - W Liczbach (2022); Stadtwerke Kiel (2025); DEFRA (2025); Stockholm Energi (2025); Aktualiserte Umwelterklärung (2023)

Scope 3 Emissions

Carbon emissions from purchased goods and services & capital goods (Categories 1 and 2)

References: Ecoinvent 3.12; DEFRA (2025); Cornerstone (2025); EPA (2024) v1.3; Dell (2020-2021); Apple (2021); Agribalyse 3.1; Statens Vegvesen (2024); RISE 2.3 (2024)

Carbon emissions from fuel- and energy-related activities (Category 3)

References: DEFRA (2025); IEA (2025); Drivmedel (2024); Norwegian Environmental Agency (2024); Fjernkontrollen (2024)

Carbon emissions from upstream transportation and distribution (Category 4)

References: DEFRA (2024); Cornerstone (2025)

Carbon emissions from business travel & employee commuting (Category 6 and 7)

References: DEFRA (2025); Cornerstone (2025); Semestern och klimatet Metodrapport v2.0; Ruter (2024); Vy Group (2024); Regional linjetrafik (2024); IEA (2025); SJ (2024); SL (2025); EPA (2025); VR Group (2023)

Carbon emissions from the processing of sold products (Category 10)

References: DEFRA (2025)

Carbon emissions from use of sold products (Category 11)

References: IEA (2025); AIB (2025); DEFRA (2025)

Carbon emissions from investments (Category 15)

References: Statens Vegvesen (2024); IEA (2025); DEFRA (2025); Norwegian Environmental Agency (2024)

Topic E5

Resource use and circular economy

A responsible use of natural resources enables us to mitigate our reliance on the planet's finite resources and supports long-term business resilience.

As an investment company, Arendals Fossekompani primarily works with circularity through our portfolio companies. The material impacts and opportunity identified are relevant to AFK Eiendom, ENRX, Tekna and AFK Vannkraft.

We are committed to ensuring the company's resilience for generations to come. This requires that we monitor and reduce our negative impacts, and seize the opportunity arising from it. As we continue to refine the data quality that will inform our decision-making and in line with shifts in the sector, effects are not yet felt. Our risk assessment on this topic found that our business model and strategy should be resilient in the face of the adjustments required. This was conducted as part of our DMA, using the same time horizons and methods.

SBM-3

Material impacts and opportunity

Resource inflows

➔ Material negative impact: Extraction of raw materials for construction
The extraction of naturally occurring raw materials places a burden on the planet's finite resources. The construction activities undertaken by companies within Arendals Fossekompani consume such raw materials. These are largely from primary sources. The negative impact is a result of the non-availability of secondary or recycled equivalents of these materials, or inability to compete at the right price point to customers when using them. In addition to construction work that is occasionally required across

the Group as part of regular or mandatory infrastructure upgrades, these activities form the basis of AFK Eiendom's business model as a developer of projects for clients.

TIME HORIZON: Short term (Actual)
LOCATION IN VALUE CHAIN: Upstream value chain, Own operations

➔ Material negative impact: Extraction of raw materials for production and manufacturing
The extraction of naturally occurring raw materials places a burden on the planet's finite resources. Some of our portfolio companies are engaged in manufacturing activities that consume raw materials, mostly from primary sources.

The negative impact is a result of the difficulty of sourcing more circular materials, both in the market and at the price points at which we operate and on which our business models depend. It is also a result of the difficulty in specifying material preferences (i.e. purity of material). These activities form the basis of Tekna and ENRX's business models and strategies as production-oriented businesses, specifically as they relate to titanium alloys, aluminium alloys, tungsten and tantalum for Tekna, and copper, brass, steel and aluminium alloys for ENRX.

TIME HORIZON: Short term (Actual)
LOCATION IN VALUE CHAIN: Upstream value chain, Own operations

➕ Material positive impact: Reduction of resource intensity of customers and users of additive manufacturing **NEW**
The alternative of additive manufacturing (AM) is traditional manufacturing, which is more resource intensive and more wasteful. The use of powders produced by Tekna allows customers and users of 3D printing to source precise volumes of resource inflows, reducing overproduction as they only print the quantity that is needed. In addition, the parts design can be more resource-efficient as multiple parts can be integrated into one new design, and customers benefit from extended product lifespans as AM enables

repair and remanufacturing of worn-out or damaged parts, especially in heavy industries.

TIME HORIZON: Short term (Actual)
LOCATION IN VALUE CHAIN: Downstream value chain

➕ Material opportunity: Cost savings and increased sales resulting from more resource efficient products **NEW**
Increasing material and resource efficiency in companies' own operations, as well as reducing the resource requirements of their products' use phase downstream, presents an opportunity for reduced material costs for own operations, and potentially increased customer interest in the products sold.

TIME HORIZON: Medium term
LOCATION IN VALUE CHAIN: Own operations, Downstream value chain

E5-1

Policies

Our circularity-related IROs are managed through the same policies as outlined under E1: Climate change, and primarily the Environmental Policy, which sets resource efficiency and sustainability as key objectives as outlined in the table below. Arendals Fossekompani Group's material IROs under E5: Resource use and circular economy relates to AFK Eiendom, AFK Vannkraft, ENRX and Tekna, such that these policies cover all relevant companies and activities.

POLICY	IRO	OBJECTIVE RELATED TO IROS	DETAILS
Environmental Policy for Arendals Fossekompani ASA	RI-V NI	To reduce and optimise our usage of natural resources	As described under E1-2
	RI PI	To contribute to the green transition, including through improved resource efficiency and investing in new technologies and innovations	
	RI-V – O	To reduce and optimise use of natural resources	
Code of Conduct (CoC) for Arendals Fossekompani Group	RI NI	To seek solutions that will minimise our negative environmental impact	As described under E1-2
Equivalent policies in portfolio companies	RI-V NI RI-V NI, RI-S PI and RI-S O	ENRX: to responsibly source and use natural resources Tekna: to responsibly source natural resources and use them as efficiently as possible; to regenerate resources and protect ecosystems; to source and use natural resources as responsibly and efficiently as possible	As described under E1-2

The third-party standards and initiatives that the policies commit to or align with are outlined under General Information.

ESRS sub-topic	
RI	Resource inflows
V	Transitioning away from the use of virgin resources, including relative increases in the use of secondary (recycled) resources
S	Sustainable sourcing and use of renewable resources

IROs	
I	Impact(s)
NI	Negative impact(s)
PI	Positive impact(s)
R	Risk(s)
O	Opportunity(ies)

Responsibility	
BoD	Board of Directors

E5-2

Actions

The companies within Arendals Fossekompani Group that have material resource inflows are AFK Eiendom, AFK Vannkraft, ENRX and Tekna. Across all companies, the focus for 2025 has been on improving the quality of the data collected to refine our understanding of the resource inflows required in our products and business models. This is expected to continue in 2026.

E5-3

Targets

We have not yet set targets regarding the sourcing of sustainable resources at the Arendals Fossekompani Group level. For the first time in 2024, we collected new data on the types, volumes, and characteristics of the resources required across our portfolio. This data is forming the foundation of a new area of work aimed at establishing a baseline for a future target on sustainable resource sourcing.

E5-4

Resource inflows

Arendals Fossekompani measures resource inflows at the level of each portfolio company by identifying and estimating the weight of the materials required to manufacture or produce goods and services.

The resource inflows relevant to our material IROs are metals in various forms such as steel, copper, titanium, aluminium, brass, tungsten and tantalum, various electrical materials, wood, plastics, and gases including argon and oxygen.

2024 2025

	2024	2025
Weight of materials used during the year, in tonnes		
Overall total weight of all products and technical and biological materials	2,382	2,019
Absolute weight of secondary materials	11	0
Distribution of material sources in the year, as a proportion of total		
Biological materials	24%	7%
Secondary materials	0.5%	0.0%

In addition, when construction projects are undertaken by our property-related investments at AFK Eiendom or any other portfolio company as identified in our construction-related material impact, further resource inflows are required as listed in the entity-specific table below. These resources vary year-on-year based on active construction projects, and include concrete, steel, glass and wood.

2024 2025

	2024	2025
Resources used in construction projects, in tonnes (entity-specific)	1,339	5,442

Methodology notes

Data for 2024 has been edited for comparability. The weight of materials used during the year had been presented including the entity-specific data on resources used for property, plant and equipment, which has now been separated. This entity-specific metric now represents the resources used in the reporting year using the construction schedule as a proxy for the stage of completion, rather than the resources at the time of handover. Since the projects were mainly constructed in 2023, the comparable figure is adjusted from 14,247 tonnes to 1,339 tonnes.

Definitions of terms

- The overall total weight of products and technical and biological materials used during the reporting period refers to the sum of the weight of all resources reported in 2025, also referred to as 'total weight'.
- Virgin materials are defined as materials not yet used in the economy, including both finite materials such as iron ore mined from the ground, and resources that can be renewable such as newly produced cotton. Secondary materials are understood to be equivalent to non-virgin materials, and refer to materials that have been previously used. These include materials in products that have been reused, refurbished or repaired, components that have been remanufactured, and materials that have been recycled.
- Biological materials are products and materials that flow through the biological cycle. In the biological cycle, processes – such as composting and anaerobic digestion – together help to regenerate natural capital. Biological materials are natural materials (common elements are carbon, hydrogen, and oxygen). The Ellen MacArthur Foundation's definition is used

- The Resources required in construction projects are typically connected to Property, Plant and Equipment (PPE) projects.

Distribution of material sources as a proportion of total

- The proportion of each category of materials listed (biological or secondary) is calculated as the sum of the weight of all materials in that category over the total weight of all materials in 2025.

Estimations and sources of uncertainty

- Virgin or secondary materials: where information was not available to determine the origin of the material, it was assumed to be virgin, such that the absolute weight of known secondary materials continues to be fairly low in 2025.
- Arendals Fossekompani secured data from contractors or suppliers where possible, applying estimations thereafter based on standard dimensions or weights of materials used in construction or manufacturing, as applicable.

To avoid double counting resources, the availability of information on the origin of resources informed the approach in each site. The proportion of biological or secondary materials was estimated at the level of the precise resource contents where possible, or at the level of the system or material component, if not. Information was gathered at each site, where resource management systems or exact procurement data are not in place, such that estimations are as accurate as possible.

EU Taxonomy

The EU Taxonomy aims to enhance sustainable investments and prevent greenwashing by establishing a common understanding of sustainable activities. Introduced in 2020, the EU Taxonomy Regulation (Regulation 2020/852) has expanded through various Delegated Acts, including the Climate Delegated Act and the Environmental Delegated Act. It outlines six environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems

In December 2025, the European Commission adopted a revision to the EU Taxonomy that entered into force in the EU on 28 January 2026 (EU 2026/73). On 8 January 2026,

the Norwegian Ministry of Finance made a statement that Norwegian companies could make use of the revision to the EU Taxonomy for the financial year 2025, even though the Delegated Act is not formally adopted into Norwegian Law ([statement from the Norwegian Ministry of Finance](#)). The main implications of the revision to the EU Taxonomy, for non-financial undertakings, are simplifications to content and disclosures under the EU Taxonomy. The revision introduces a materiality threshold, where a non-financial undertaking may omit assessing whether some of its economic activities are Taxonomy-eligible or Taxonomy-aligned when it is cumulatively below 10% of the denominator of that KPI. The revision also includes amendments to the

DNSH (Do No Significant Harm) criteria, and confirmation that undertakings can refrain from performing eligibility and alignment assessments for the OpEx KPI, if the total amount of OpEx is not material for the undertakings business model. New, simplified reporting templates have been published. Arendals Fossekompani will, for the financial year 2025, apply these adopted simplifications.

Results and initiatives in 2025

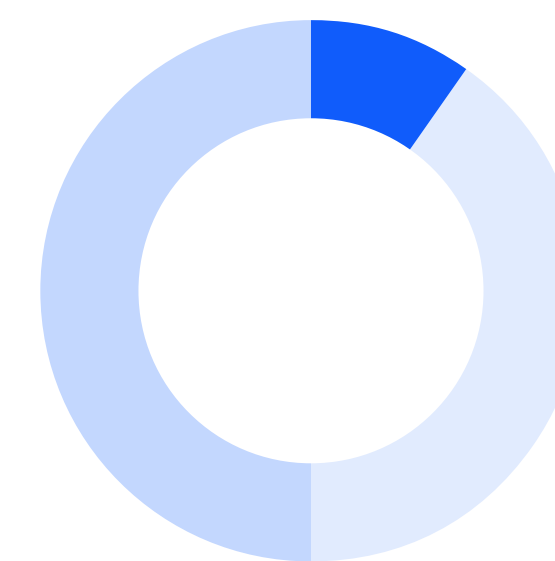
There is great diversity in Arendals Fossekompani's portfolio companies, resulting in eligible activities within a range of sectors and environmental objectives. Arendals Fossekompani's portfolio contributes to multiple environmental objectives, covering climate change mitigation, climate change adaptation, and transition to a circular economy.

Further, we recognise that one of Arendals Fossekompani's main contributions going forward may be through enabling others in the transition, through activities that have potential to be enabling.

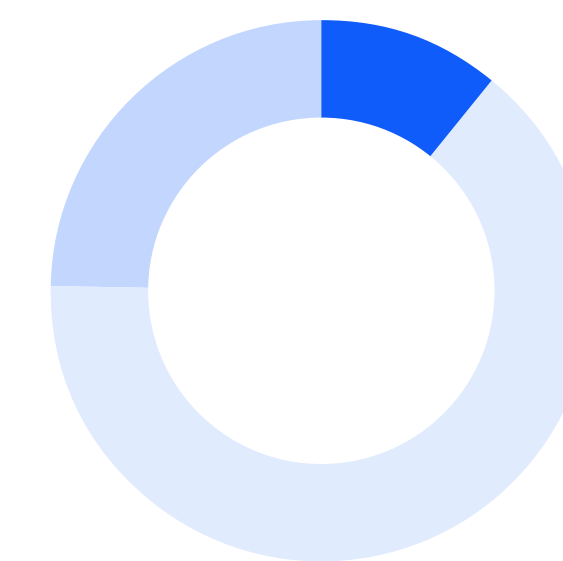
Applying the latest reporting relief of the EU Taxonomy, an assessment has been conducted of whether an activity is a material part of our business model and also ensuring that the excluded activities are not exceeding the 10% cumulative threshold. The excluded activities are not main activities of our business model, nor is it a recurring activity or a focus area. Excluded activities individually make up 0-3% of the total KPI and are therefore not significant activities in our business model. In total, the excluded activities are 2-6% of the total KPI, and thus well below the 10% threshold. Sectors excluded as a result of the materiality assessment are the following: Transportation, building technical services, research and development services, circular economy services and transport infrastructure.

EU Taxonomy eligibility and alignment

In 2025, the eligible activities constitute half of the total turnover of Arendals Fossekompani, and 9.7% of these are found to be aligned. This is similar to the reported numbers in 2024. For the CapEx KPI, eligible activities are 71% of the total CapEx, a slight reduction from 2024, while the aligned CapEx is substantially increased from 0.9% in 2024 to 10.4% in 2025.



Turnover	
● Aligned	9.7%
● Eligible, not aligned	40.1%
● Non-eligible	50.2%



CapEX	
● Aligned	10.4%
● Eligible, not aligned	60.6%
● Non-eligible	29.0%

In summary, the eligible and aligned economic activities of our portfolio companies are as following:

ENVIRONMENTAL OBJECTIVE	ECONOMIC ACTIVITY (EU TAXONOMY)	TRANSITIONAL / ENABLING	ALIGNED / ELIGIBLE	RELEVANT COMPANIES	KPI
Climate change mitigation	4.5 Electricity generation from hydropower		Aligned	AFK Vannkraft	Turnover
	3.6 Manufacture of other low carbon technologies	●	Eligible, not aligned	Tekna, ENRX	Turnover, CapEx
	7.1 Construction of new buildings		Eligible, not aligned	AFK Eiendom	CapEx
	7.7 Acquisition and ownership of buildings		Eligible, not aligned	AFK Eiendom, ENRX, NSSL Global	CapEx
	8.2 Data-driven solutions for GHG emissions reductions	●	Eligible, not aligned	Veyt	CapEx
Climate change adaptation	7.7 Acquisition and ownership of buildings		Eligible, not aligned	AFK Eiendom, ENRX, NSSL Global	CapEx
	3.6 Manufacture of other low carbon technologies		Eligible, not aligned	ENRX, Tekna	Turnover, CapEx
	14.2 Flood risk prevention and protection infrastructure	Enabling	Aligned	AFK Vannkraft	CapEx
Transition to a circular economy	7.1 Construction of new buildings		Eligible, not aligned	AFK Eiendom, ENRX	CapEx
	5.2 Sale of spare parts		Eligible, not aligned	ENRX	Turnover

- Activities that have the potential to be enabling, however are not classified as such since the technical screening criteria are not considered met.
- Activities that have the potential to be transitional, however are not classified as such since the technical screening criteria are not considered met.

Scope

Of Arendals Fossekompani's portfolio, seven companies are included in the 2025 EU Taxonomy assessment. Joint ventures and associated companies have been excluded, as they are not consolidated in the group's financial statements. There have been some changes made from last year's report. Alytic has been discontinued, but the companies previously structured under Alytic have been included.

Arendals Fossekompani reports the EU Taxonomy on an aggregate of portfolio companies. The materiality of each activity is therefore assessed on a Group level.

To ensure consistency in reporting and assessments of eligibility and alignment across the portfolio, the core Arendals Fossekompani team has established reporting routines and guidelines for assessments.

In 2025, we re-evaluated the eligible activities from the 2024 reporting period. This re-evaluation considered activities, as well as the ongoing relevance of activities identified during last year's reporting. Eligibility was assessed by comparing the portfolio companies' business activities against the economic activities defined in the EU Taxonomy across all six environmental objectives.

Process

The EU Taxonomy assessment has been conducted by each portfolio company, supported by a core team with representatives from Arendals Fossekompani. The process for assessing economic activities have been performed in accordance with the structure of the EU Taxonomy, starting with assessment of eligible activities before assessing compliance with the technical screening criteria for substantial contribution and do no significant harm ("DNSH"). For 2025, each portfolio company conducted minimum safeguards assessment based on its own policies and procedures.

Changes from 2024

In addition to introducing a materiality threshold, there have been changes in financial activities from 2024 to 2025. In 2024, ENRX reported on activity 7.2 Renovation of existing buildings, 7.1 Construction of new buildings, and 7.6 Installation, maintenance, and repair of renewable energy technologies.

These projects were completed in 2024 and are therefore not relevant in 2025. ENRX also reported on activity 4.20 Production of heat/cool from bioenergy, which is found to not be relevant in 2025. AFK Vannkraft has included CCA 14.2 Flood risk prevention and protection infrastructure as they have an ongoing improvement project. This activity has been found to be aligned.

Assessments

ABBREVIATION	DEFINITION
CCM	Climate change mitigation
CCA	Climate change adaptation
W&M	Sustainable use and protection of water and marine resources
CE	The transition to a circular economy
PP	Pollution prevention and control regarding use and presence of chemicals
B&E	Protection and restoration of biodiversity and ecosystems
DNSH	Do no significant harm

(A) AFK Vannkraft

ECONOMIC ACTIVITY	TYPE OF ASSESSMENT	INTERPRETATION AND ASSESSMENT	CONCLUSION
4.5 Electricity generation from hydropower (CCM)	Eligibility	AFK Vannkraft operates the hydropower plants at Bøylefoss and Flatenfoss, generating electricity from hydropower.	Aligned
	Substantial contribution	Both plants are run-of-river plants and do not have artificial reservoirs. As such, both hydropower plants meet the substantial contribution criteria listed in letter a).	
	Do no significant harm	<p>CCA: A physical climate risk assessment has been conducted across AFK's value chain in accordance with Appendix A. The assessment was performed in 2024 and considered valid for 2025 as no significant organizational or environmental changes occurred. Both acute and chronic climate hazards were identified. For Bøylefoss the main risks are drought and flooding; for Flatenfoss flooding and precipitation. Adaptation measures have been assessed. The Haugsjø dam is being upgraded to withstand increased flood events and meet the 1,000-year flood design standard (planned 2027-2029). For Flatenfoss, construction work has begun to address flood, drought and extreme precipitation risks. Some risks relate to third parties and are therefore included under activity 13.2 Flood risk prevention and protection infrastructure.</p> <p>W&M: Compliance with the Water Framework Directive (2000/60/EC) and implementation of relevant measures to reach "good ecological status" or "good ecological potential." In Norway this is implemented through Vannforskriften. Both plants are regulated through the upstream Nelaug Dam and regional water management plans. According to Agder's regional plan, water bodies should achieve "good ecological potential" by 2027. AFK Vannkraft conducts required monitoring and measures and therefore complies with the criteria.</p> <p>B&E: Environmental impact assessments are conducted annually according to concession requirements. Neither plant is located in biodiversity-sensitive areas. Mitigation measures include eel accommodation and support for salmon spawning downstream at Bøylefoss. Criteria in Appendix D are considered met.</p>	
14.2 Flood risk prevention and protection infrastructure (CCA)	Eligibility	The activity includes design, construction, rehabilitation and operation of flood protection measures. At Flatenfoss the dam is being reconstructed to manage updated flood calculations. The dam will be reinforced and converted into a concrete slab dam. A new flood channel built in 2025 increases capacity to 850 m³/s. NVE requires reinforcement as the current structure does not meet the 1,000-year flood stability requirement.	Aligned
	Substantial contribution	In 2025 a new flood channel was constructed to handle larger floods. The dam facility and flood discharge system are designed to withstand the Q1000 flood scenario including a 20% climate allowance. Calculations for the combined flood discharge arrangement were conducted using analytical calculations, HEC-RAS and CFD simulations.	
	Do no significant harm	<p>Water: Measures must not degrade water quality or aquatic ecology. Environmental and landscape plans are implemented, including sediment sampling and turbidity testing.</p> <p>Circular economy: A waste management plan has been prepared. Systems for sorting and recycling construction waste are implemented with a target sorting rate of at least 80%. No contaminated soil is registered in the area.</p> <p>Pollution prevention: Not considered relevant for this activity as the plant is not connected to municipal sewage systems and stormwater is handled locally through infiltration.</p> <p>Biodiversity: Impact assessments required by NVE and the state administrator evaluate effects on biodiversity and ecosystems. No protected areas, red-listed or invasive species are affected. Temporary disturbance during construction may occur, but long-term impacts are minimal.</p>	

(B) AFK Eiendom

ECONOMIC ACTIVITY	TYPE OF ASSESSMENT	INTERPRETATION AND ASSESSMENT	CONCLUSION
7.1 Construction of new buildings (CCM)	Eligibility	AFK Eiendom is developing a new commercial building for Kitron's headquarters and production facilities.	Eligible, not aligned
	Substantial contribution	The calculated Primary Energy Demand (PED) of the building is not 10% lower than the defined threshold for nearly zero-energy building (NZEB) requirements, and the substantial contribution criteria is not considered met. Additional requirements related to airtightness and thermal integrity have not been calculated, and the activity does therefore not fulfill the criteria for substantial contribution.	
	Do no significant harm	Since the economic activity does not fulfill the criteria for substantial contribution, a complete assessment of the DNSH criteria has not yet been carried out.	
7.1 Construction of new buildings (CCM)	Substantial contribution	The calculated Primary Energy Demand (PED) of the building is not 10% lower than the defined threshold for nearly zero-energy building (NZEB) requirements, and the substantial contribution criteria is not considered met. Additional requirements related to airtightness and thermal integrity have not been calculated, and the activity does therefore not fulfill the criteria for substantial contribution.	
	Do no significant harm	Since the economic activity does not fulfill the criteria for substantial contribution, a complete assessment of the DNSH criteria has not yet been carried out.	
	3.1 Construction of new buildings (CE)	Eligibility	See eligibility description from activity 7.1 regarding CCM above.
	Substantial contribution	The life-cycle global warming potential (GWP) has not been calculated, and the activity does therefore not fulfill the criteria for substantial contribution.	
	Do no significant harm	Since the economic activity does not fulfill the criteria for substantial contribution, a complete assessment of the DNSH criteria has not yet been carried out.	
7.7 Acquisition and ownership of buildings (CCM)	Eligibility	AFK Eiendom owns several properties and exercises ownership of these real estates. This includes the properties at Steinodden, Bedriftsveien 17, Arendal Lufthavn Gullknapp, Bølevegen 4, and Vindholmen utleiebygg.	Eligible, not aligned
	Substantial contribution	None of the buildings have an Energy Performance Certificate (EPC) class A, nor are any of them within the 15% of the national or regional building stock expressed as operational Primary Energy Demand (PED) and the substantial contribution criteria is not considered met.	
	Do no significant harm	Since the economic activity does not fulfill the criteria for substantial contribution, a complete assessment of the DNSH criteria has not yet been carried out.	

(C) Veyt

ECONOMIC ACTIVITY	TYPE OF ASSESSMENT	INTERPRETATION AND ASSESSMENT	CONCLUSION
8.2 Data-driven solutions for GHG emissions reductions (CCM)	Eligibility	Veyt is the global insight business for all significant low carbon markets and renewable energy. Veyt's platform offers independent and neutral market intelligence, covering green certificates for power, gas and carbon markets. The aim is to simplify these complex markets to make informed decisions and positively contribute to the global net-zero transformation, supporting firms by providing price benchmarking, insights and analytics. As such, the activity is predominantly aimed at the provision of data and analytics enabling GHG emission reductions.	Eligible, not aligned
	Substantial contribution	Veyt's solution substantially contributes to GHG emission reductions by enabling the energy market to efficiently source renewable energy as the only source of their energy consumption. The documentation requirement regarding life-cycle GHG emissions calculation has not been fulfilled, hence the substantial contribution criteria is considered not met.	
	Do no significant harm	Since the activity does not meet the substantial contribution criteria, a complete assessment of the DNSH criteria has not been carried out. It is therefore reported as eligible, not aligned.	

(D) ENRX

ECONOMIC ACTIVITY	TYPE OF ASSESSMENT	INTERPRETATION AND ASSESSMENT	CONCLUSION
3.6 Manufacture of other low carbon technologies (CCM)	Eligibility	Manufacturing of induction power generators for a wide range of applications; brazing, welding, bonding and more. The activity enables customers to lower own emissions in production processes and enables manufacturing of low carbon technologies.	Eligible, not aligned
	Substantial contribution	The purpose of the applications is to strengthen the material structure, durability, and lifetime of metal components, all with high accuracy and repeatability, and replacing alternative technologies with traditional methods such as manual work with flame and gas. As of today, the criteria are not yet fulfilled, as no documentation on the life-cycle GHG emissions savings are available at this point. However, the assumption is that induction is the economically best solution for several applications available at the market.	
	Do no significant harm	Since the economic activity does not fulfill the criteria for substantial contribution, a complete assessment of the DNSH criteria has not yet been carried out.	
5.2 Sale of spare parts (CE)	Eligibility	Sale of spare parts to support lifetime extensions of ENRX's systems. In addition to refurbishing and upgrading existing installations, spare parts are sold to exceed baseline up to 25 years.	Eligible, not aligned
	Substantial contribution	The activity does not fulfill the criteria for packaging and does therefore not meet the substantial contribution criteria.	
	Do no significant harm	Since the activity does not meet the substantial contribution criteria, a complete assessment of the DNSH criteria has not been carried out. It is therefore not reported as aligned.	
7.7 Acquisition and ownership of buildings (CCM)	Eligibility	ENRX leases Bølevegen 4, consisting of offices, production facility and storage space. The property is formally owned by AFK Property but is leased through a bare-house agreement where ENRX is responsible for maintenance and repair and risks related to the building. ENRX is considered eligible as a right-of-use asset is recognized in the balance sheet in accordance with IFRS 16. ENRX also owns the property and building of its site in Bengaluru, India, Przyszowice, Poland and Vidra, Romania.	Eligible, not aligned
	Substantial contribution	AFK Eiendom have performed the alignment assessment for Bølevegen 4 as they are the legal owners of the property. Refer to assessment provided for activity 7.7 Acquisition and ownership of buildings in the section for AFK Eiendom. The buildings in Bengaluru, Przyszowice and Vidra do not meet the requirements regarding energy performance certificate or primary energy demand. Therefore, the activity does not meet the substantial contribution criteria.	
	Do no significant harm	AFK Eiendom have performed the alignment assessment for Bølevegen 4 as they are the legal owners of the property. Refer to assessment provided for activity 7.7 Acquisition and ownership of buildings in the section for AFK Property. There has not been performed an assessment according to Appendix A for the building in Bengaluru, Przyszowice or Vidra, and the DNSH criteria are therefore not fulfilled. As a result, the activity is reported as not aligned.	

(E) NSSLGlobal

ECONOMIC ACTIVITY	TYPE OF ASSESSMENT	INTERPRETATION AND ASSESSMENT	CONCLUSION
7.7 Acquisition and ownership of buildings (CCM)	Eligibility	NSSLGlobal leases their head quarter building in Redhill. The lease here was renewed during the summer of 2024. NSSLGlobal is considered eligible as a right-of-use asset is recognized in the balance sheet in accordance with IFRS 16.	Eligible, not aligned
	Substantial contribution	The building does not have an EPC class A, nor is it within the 15% of the national or regional building stock expressed as operational Primary Energy Demand (PED). Therefore, the substantial contribution criteria are not considered met.	
	Do no significant harm	CCA: A Physical climate risk assessment has been conducted in accordance with the requirements in Appendix A. The assessment was performed in 2024, and the physical risks listed in appendix A were analyzed at economic activity level. Since the economic activity does not fulfill the criteria for substantial contribution, the activity will not be able to be aligned, even if the DNSH criteria are fulfilled.	

(F) Tekna

ECONOMIC ACTIVITY	TYPE OF ASSESSMENT	INTERPRETATION AND ASSESSMENT	CONCLUSION
3.6 Manufacture of other low carbon technologies (CCM)	Eligibility	“Production of additive material powders” involves using proprietary plasma processes to create and sell spherical powders for Additive Manufacturing, Metal Injection Molding, and Binder Jetting. The systems only release the powder and plasma gases (Argon and a secondary gas like helium, nitrogen, hydrogen, or oxygen), none of which are critical for GHG emissions. These powders aim to enhance resource efficiency along the value chain, thereby reducing GHG emissions related to materials, manufacturing, warehousing, transportation, and product use.	Eligible, not aligned
	Substantial contribution	<p>Additive Manufacturing (AM) can significantly reduce GHG emissions compared to traditional manufacturing methods by cutting carbon emissions in four key areas: materials, manufacturing, warehousing, and transportation.</p> <p>Materials: AM uses only the necessary material, generating minimal scrap. For example, Airbus reports a fly-to-buy ratio of 10:1, while AM can achieve a ratio closer to 1, especially with recyclable unused powder.</p> <p>Manufacturing: AM allows for the design of lighter, stronger, and more efficient parts compared to their traditional counterparts, leading to reduced fuel consumption and emissions, particularly for small production runs and custom parts.</p> <p>Warehousing: On-demand production with 3D printing reduces the need for storage space and the associated energy for temperature, humidity, and lighting control, lowering the carbon footprint of logistics, which accounts for 5.5% to 13% of global GHG emissions.</p> <p>Transportation: Localized production with 3D printers reduces the need for long-distance transportation, significantly impacting GHG emissions, as the transport sector accounts for over 23% of global CO2 emissions.</p>	

(F) Tekna cont.

ECONOMIC ACTIVITY	TYPE OF ASSESSMENT	INTERPRETATION AND ASSESSMENT	CONCLUSION
	Substantial contribution	<p>AM technologies like laser powder bed fusion, metal injection molding, electron-beam powder bed fusion, and direct energy deposition are equivalent to conventional machining in terms of GHG footprint. AM processes can be up to 87% less energy-consuming and environmentally costly compared to conventional machining.</p> <p>AM also enables the production of parts that conventional machining cannot, reducing the buy-to-fly ratio by over 75% and part weight by another 65% with design optimisation.</p> <p>Currently, Tekna does not have a life-cycle GHG emission savings analysis available. Therefore, the additive powders segment is not considered compliant with the substantial contribution requirement.</p>	
	Do no significant harm	<p>CCA: A Physical climate risk assessment has been conducted in accordance with the requirements in Appendix A. The physical risks listed in appendix A were analysed at economic activity level.</p> <p>W&M: A water impact assessment, conducted per Appendix B, ensures that water is filtered before returning to the sewers. Annual quality checks on wastewater from Tekna Advanced Materials Inc's powder production facilities confirm compliance with Sherbrooke's wastewater standards.</p> <p>CE: Tekna evaluates availability and employs techniques for reusing secondary raw materials, designing for durability, recyclability, disassembly, and adaptability, and managing waste and traceability of substances throughout product lifecycles. Metals, particularly aluminum alloys, have high recyclability, with ingots containing 6% recycled materials. Tekna's next step is to conduct quality tests on recycled feedstock to ensure it meets client standards.</p> <p>P&C: An assessment per Appendix C confirms that all substances and chemicals used in Tekna's operations comply with regulations. Tekna has compiled a list of controlled and banned substances and verified compliance with the laboratory team and building manager.</p> <p>B&E: An assessment has been conducted in accordance with Appendix D. This assessment shows that none of Tekna's operation sites are in or near biodiversity-sensitive areas.</p>	

(F) Tekna cont.

ECONOMIC ACTIVITY	TYPE OF ASSESSMENT	INTERPRETATION AND ASSESSMENT	CONCLUSION
3.6 Manufacture of other low carbon technologies (CCM)	Eligibility	“Production of turnkey plasma systems” involves creating Inductively Coupled Plasma systems and auxiliary equipment like power feeders, probes, and powder washing systems. These turnkey systems develop new materials and optimise material characteristics (spheroidisation) without releasing harmful constituents, only the material and plasma gases (Argon and a secondary gas like helium, nitrogen, hydrogen, or oxygen), which are not critical for GHG emissions. This method is more efficient than alternative chemical processes that generate byproducts, aiming to improve the efficiency of the finished product.	Eligible, not aligned
	Substantial contribution	Induction plasma units sold to customers are designed for nano powder synthesis or powder spheroidisation and come in various power levels based on throughput needs. These systems only release the powder and plasma gases (Argon and a secondary gas like helium, nitrogen, hydrogen, or oxygen), none of which are critical for GHG emissions. As an electricity-intensive technology, the energy mix used significantly impacts the carbon footprint, although the technology itself is clean. No other technologies on the market can perform the same functions as induction plasma for these applications, as confirmed by tender calls where Tekna faces no competing technologies, only similar induction plasma solutions. Currently, Tekna does not have a life-cycle GHG emission savings analysis available. Therefore, the plasma systems segment is not considered compliant with the substantial contribution requirement.	
	Do no significant harm	Since the economic activity does not fulfill the criteria for substantial contribution, a complete assessment of the DNSH criteria has not been carried out.	

ECONOMIC ACTIVITY	TYPE OF ASSESSMENT	INTERPRETATION AND ASSESSMENT	CONCLUSION
3.6 Manufacture of other low carbon technologies (CCM)	Eligibility	With “Production of PlasmaSonic wind tunnels,” Tekna designs, manufactures, and sells wind tunnels that simulate hypersonic conditions for scientific research, such as space tourism and hypersonic flight. These wind tunnels allow for material testing in a controlled environment, significantly reducing emissions compared to space testing by avoiding fuel combustion and atmospheric contamination (metal particles creating a greenhouse effect).	Eligible, not aligned
	Substantial contribution	Ground testing facilities, combined with computational models, simulate space re-entry conditions to develop heat shields from specialised materials. Various ground testing technologies exist with specific operational ranges (temperature, velocity, heat flux, test duration, gas composition, etc.), making GHG emissions comparisons difficult. Flight testing, involving launching sounding rockets at high altitudes or into space, is the counterpart of Tekna’s PlasmaSonic technology in terms of GHG emissions for developing supersonic vehicles. Flight testing involve launching sounding rockets at very high altitude or even in space. While data on large rockets emissions are available, sounding rockets are niche and very little has been published. Depending on the fuel used, combustion by-products like CO2, soot, NOx and water vapor are generated in various concentrations, along with unburnt fuel expelled. The fact that important amounts of combustion by-products are released in a short period of time and in a concentrated area up to >15km altitude (in opposition with commercial aircraft making 1000s km flight at <10km altitude) can severely impact wetlands and habitat nearby launching pads. Furthermore, spaceflight is the only direct human cause of pollution above about 20 km altitude. Scientists recently found the stratosphere is peppered with particles containing metals vaporised from the re-entry of satellites and rocket boosters. Also, water vapor released in the stratosphere can act as a greenhouse gas while black soot particles can linger for years, acting like an umbrella, absorbing solar radiation. PlasmaSonic wind tunnels are believed to provide substantial life-cycle GHG emission savings compared to flight testing. However, the substantial contribution criteria are not considered met due to the lack of third-party verified documentation demonstrating life-cycle GHG emission savings.	
	Do no significant harm	CCA: A Physical climate risk assessment has been conducted in accordance with the requirements in Appendix A. The physical risks listed in appendix A were analysed at economic activity level. W&M: A water impact assessment, conducted per Appendix B, ensures that water is filtered before returning to the sewers. Annual quality checks on wastewater from Tekna Advanced Materials Inc’s powder production facilities confirm compliance with Sherbrooke’s wastewater standards. CE: Tekna adopts techniques for reusing secondary raw materials, designing for durability, recyclability, disassembly, and adaptability, managing waste, and tracing substances throughout product lifecycles. PlasmaSonic wind tunnels, with an expected lifespan of over 25 years, have more than 90% recyclable components. P&C: An assessment per Appendix C confirms that all substances and chemicals used in Tekna’s operations comply with regulations. Tekna has compiled a list of controlled and banned substances and verified compliance with the laboratory team and building manager. B&E: An assessment has been conducted in accordance with Appendix D. This assessment shows that none of Tekna’s operation sites are in or near biodiversity-sensitive areas.	

(F) Tekna cont.

ECONOMIC ACTIVITY	TYPE OF ASSESSMENT	INTERPRETATION AND ASSESSMENT	CONCLUSION
3.6 Manufacture of other low carbon technologies (CCM)	Eligibility	With "development and production of nano materials for Multi-Layer Ceramic Capacitors (MLCC)", Tekna uses proprietary plasma technology to produce and sell nano-sized metal powders for MLCC applications. The systems only release the powder and plasma gases (Argon and a secondary gas like helium, nitrogen, hydrogen, or oxygen), none of which are critical for GHG emissions. Tekna's nano-sized materials enable electrification and downsizing of electrical components, thereby contributing to GHG emission reductions.	Eligible, not aligned
	Substantial contribution	The documentation requirement for life-cycle GHG emissions calculation has not been fulfilled; therefore, the substantial contribution criteria are considered not met.	
	Do no significant harm	Since the economic activity does not fulfill the criteria for substantial contribution, a complete assessment of the DNSH criteria has not been carried out.	

Minimum Safeguards

The minimum safeguards establish social and governance criteria to ensure that environmentally beneficial activities do not negatively impact broader objectives. Minimum safeguard requirements are defined in article 18 of the EU Taxonomy regulation. According to which, an undertaking shall implement procedures to ensure the alignment with:

- The OECD Guidelines for Multinational Enterprises (OECD Guidelines for MNE)
- The UN Guiding Principles on Business and Human Rights (UNGPs), including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work
- The International Bill of Human Rights
- No actual breaches of relevant laws or regulations or internal guidelines

Key factors considered in these safeguards include human rights (including labor rights), tax compliance, anti-bribery and corruption measures, and fair business practices. As previously mentioned, the assessment of minimum safeguards was performed by each portfolio company.

Arendals Fossekompani's Group Compliance Handbook and policies meet minimum social safeguards, establishing responsible business conduct and ensure due diligence processes as per UNGPs and OECD Guidelines, including human rights, bribery and corruption, taxation, and fair competition. Therefore, all of the portfolio companies in Arendals Fossekompani Group are compliant with the requirements for minimum safeguards.

The Compliance Handbook mandates company-wide risk assessments on Responsible Business Conduct, addressing social matters, human rights, anti-bribery, tax, consumer rights, and competition. Arendals Fossekompani's policies are accessible to employees and stakeholders, with onboarding training and whistleblowing channels. Companies under the Transparency Act must also conduct risk assessments and report on adverse impacts.

Each company in the Group must complete a minimum safeguards assessment in Factlines, making sure that the assessment is considered per company, in addition to a Group assessment.

AFK Vannkraft and AFK Eiendom jointly assessed compliance with minimum safeguards, incorporating OECD Guidelines and Due Diligence Guidance into the Group's Compliance Handbook. Their policies, including the Code of Conduct and Supplier Code of Conduct, affirm commitment to internationally recognised human rights.

ENRX also meets minimum safeguards, complying with human rights standards and anti-corruption laws, with no reported corruption cases in 2025. The company ensures adherence to competition laws and tax regulations.

NSSLGlobal aligns with minimum safeguards, enforcing a zero-tolerance policy towards corruption and ensuring compliance with human rights and competition laws, with no reported incidents in 2025.

Tekna's activities adhere to minimum safeguards, respecting human rights and maintaining a zero-tolerance policy for corruption, with no known cases in 2025. The company is committed to fair competition and has not faced significant disputes related to competition law.

Veyt's activities comply with minimum safeguards, adhering to human rights requirements and maintaining a zero-tolerance policy for corruption, with no reported cases in 2025.

Accounting Policies and contextual information about the KPIs

Our accounting methodology for calculating and determining the key performance indicators (KPIs) disclosed under the EU Taxonomy Regulation adheres to the requirements set forth in the EU Commission Delegated Regulation 2178/2021. In compliance with this regulation, Arendals Fossekompani reports on turnover and CapEx for both aligned and eligible, but not aligned, economic activities.

Arendals Fossekompani is calculating KPIs in accordance with the latest developments and guidance from the European Commission regarding the EU Taxonomy

Regulation. The approaches and methodologies used for KPI calculations are adjusted to ensure accurate reporting across all six environmental objectives.

Intercompany transactions have been eliminated in the KPIs. Further, joint ventures and associated companies are not included in KPIs, as they are not consolidated in the Group's financial statements.

Double counting

To ensure compliance with the EU Taxonomy Regulation, we have implemented preventive measures to avoid any dual allocation of the numerator for turnover and CapEx, and thereby preventing double counting. Where applicable, companies within the Group have utilised allocation keys based on available data to calculate KPIs, including turnover and CapEx. In some cases, non-financial metrics have been used as the basis for the allocation key. However, when such metrics are unavailable, financial metrics (revenue-based) have been employed.

Throughout 2025, Arendals Fossekompani has not issued new green bonds nor distributed previously issued green bonds for the purpose of financing Taxonomy-aligned economic activities. Therefore, Arendals Fossekompani believes there is no need for an adjusted turnover KPI to avoid double counting.

Calculation of turnover

The proportion of turnover that is aligned and the turnover that is eligible but not aligned is determined by taking the net turnover from products and services linked to both aligned activities, and eligible but not aligned activities. This amount is then divided by the Group's total net turnover, as outlined in the EU Commission Delegated Act 2178/2021.

The EU Taxonomy defines turnover as revenue recognised pursuant to IAS 1 paragraph 82(a). For Arendals Fossekompani Group, IFRS 15 Revenues from contracts with customers constitutes most of the EU Taxonomy turnover. See note 1 for the related information in the financial statement.

Turnover from economic activities contributing to climate change adaptation that are not enabling are excluded from the KPI in line with the Disclosure Delegated Act Annex I, section 1.1.1. Additionally, turnover from governmental grants has been excluded. For the most part, turnover is determined using project or activity codes directly linked to specific items in the financial accounts.

The aligned turnover for 2025 is broken down as follows:

Turnover (1 000 NOK)	TOTAL
Revenue from contracts with customers	358,837
Other sources of income	17,370
Adjustments and eliminations	-15,789
Sum	360,418

Calculation of CapEx

CapEx covers additions to tangible and intangible assets during the financial year, considered before depreciation, amortization and any re-measurement, including those resulting from revaluations and impairments. Consequently, CapEx includes costs accounted in the following IFRS-standards: IAS 16 Property, Plant and Equipment, IAS 38 Intangible Assets, IAS 40 Investment Property, IAS 41 Agriculture and IFRS 16 Leases. These standards have served as basis for Arendals Fossekompani's allocation of CapEx to the denominator and numerator. Goodwill acquired from business combinations is not included. See note 5 and 6 for the related information in the financial statement. The numerator of the CapEx KPI includes capital expenditures directly linked to processes and assets associated with Taxonomy-eligible and aligned economic activities. Some capital expenditures are specific to single activities and are recorded on project basis, such as research and development and new constructions. When specific information is not available, capital expenditures are allocated using a financial metric, specifically a revenue-based allocation key.

The aligned CapEx for 2025 is broken down as following for activity CCA 14.2 Flood risk prevention and protection infrastructure:

CapEx (1 000 NOK)	TOTAL
Additions to property, plant and equipment	35,124
Sum	35,124

None of the reported CapEx for 2025 comes from business combinations.

Calculation and assessment of OpEx

OpEx is defined as direct non-capitalized costs related to research and development, building renovation measures, short-term leases, maintenance and repair, and other direct expenditures necessary for the day-to-day servicing of property, plant, and equipment. This includes expenditures by the undertaking or third parties to whom activities are outsourced, ensuring the continued and effective functioning of such assets.

Other direct expenditures related to the day-to-day servicing of property, plant, and equipment include costs such as machine repairs, non-capitalised research and development expenses, and other direct costs associated with the daily servicing of computer equipment, software, and cloud infrastructure.

The revised EU Taxonomy Delegated Act clarifies that undertakings may choose not to perform an eligibility and alignment assessment for the OpEx KPI when total OpEx is not material to the undertaking's business model, ref. EU 2026/73 cover letter para. 8 and Article 2(1c). Importantly, the regulation does not define a quantitative threshold for what is to be regarded as financially material for the business model. An assessment of the materiality of the EU taxonomy defined OpEx has therefore been conducted where this KPI is assessed against other financial KPIs:

Assessment of materiality of EU Taxonomy defined OpEx

Arendals Fossekompani is an industrial investment company, and our operating expenses consist largely of cost of goods, staff costs and other operating costs that does not fall under the definition of OpEx in the EU taxonomy. R&D constitutes only a small part of the total OpEx (3%). In addition, we have done the following quantitative assessments for the EU Taxonomy defined OpEx:

1. In the 2025 financial statements, AFK reported total operating expenses of 3,310 MNOK. The EU Taxonomy defined OpEx amounted to 159 MNOK, representing 4.8% of total operational expenditure in the financial statements. Hence, the EU Taxonomy defined OpEx only covers a non-material proportion of AFK's total operation expense as reported in the financial statements.
2. The underlying business activities captured in OpEx, CapEx, and Turnover are consistent. The composition of economic activities reported under OpEx in 2024,

represents the material economic activities as those reported for CapEx and Turnover. One additional activity was included solely within OpEx, that was not already represented in the Turnover or CapEx KPIs; Infrastructure enabling low-carbon road transport and public transportation. This activity is found to not be financially material to our business model.

Based on this assessment we have concluded that the EU taxonomy defined OpEx is not material to our business model and will set the numerator of the OpEx KPI to zero. We will disclose the Total OpEx under this definition.

Proportion of taxonomy-alignment and eligibility per environmental objective

The following tables present the proportions of taxonomy-alignment and taxonomy-eligibility for each KPI across the six environmental objectives:

Proportion of turnover / Total turnover

OBJECTIVE	TAXONOMY-ALIGNED PER OBJECTIVE	TAXONOMY-ELIGIBLE PER OBJECTIVE
CCM	9.7%	44.2%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
PPC	0.0%	0.0%
CE	0.0%	5.7%
BIO	0.0%	0.0%

Proportion of CapEx / Total CapEx

OBJECTIVE	TAXONOMY-ALIGNED PER OBJECTIVE	TAXONOMY-ELIGIBLE PER OBJECTIVE
CCM	0.0%	60.6%
CCA	10.4%	10.4%
WTR	0.0%	0.0%
PPC	0.0%	0.0%
CE	0.0%	0.0%
BIO	0.0%	0.0%

Taxonomy KPI tables

Summary of turnover, CapEx and OpEx associated with eligible and/or aligned economic activities

Financial year		2025															
KPI	Total	Proportion of taxonomy eligible activities (%)	Taxonomy aligned activities	Breakdown by environmental objectives of taxonomy aligned activities								Proportion of enabling activities (%)	Proportion of transitional activities (%)	Not assessed activities considered non-material (%)	Taxonomy aligned activities previous financial year (N-1)	Proportion of taxonomy aligned activities previous financial year (N-1) (%)	
				Proportion of taxonomy aligned activities (%)	Climate change mitigation (%)	Climate change adaptation (%)	Water (%)	Circular economy (%)	Pollution (%)	Biodiversity (%)							
Turnover	3,701,284,125	50%	360,418,887	10%	10%	0%	0%	0%	0%	0%	0%	0%	0%	0%	5%	360,999,000	8%
CapEx	338,599,551	71%	35,124,950	10%	0%	10%	0%	0%	0%	0%	0%	100%	0%	6%	2,978,628	1%	
OpEx	159,200,337	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Summary of turnover associated with eligible and/or aligned economic activities

Financial year		2025													
Reported KPI		Turnover													
Economic activities	Code	Taxonomy eligible KPI (% of turnover)	Taxonomy aligned KPI	Taxonomy aligned KPI (% of turnover)	Environmental objective of Taxonomy aligned activities							Enabling activity	Transitional activity	Proportion of taxonomy aligned in taxonomy eligible (%)	
					Climate change mitigation (%)	Climate change adaptation (%)	Water (%)	Circular economy (%)	Pollution (%)	Biodiversity (%)					
Electricity generation from hydropower	CCM 4.5	10%	360,418,887	10%	10%	0%	0%	0%	0%	0%	0%	-	-	100%	
Manufacture of other low carbon technologies	CCM 3.6	34%	-	0%	0%	0%	0%	0%	0%	0%	0%	-	-	0%	
Sale of spare parts	CE 5.2	6%	-	0%	0%	0%	0%	0%	0%	0%	0%	-	-	0%	
Sum of alignment per objective		-	-	-	10%	0%	0%	0%	0%	0%	0%	-	-		
Total KPI Turnover		50%	360,418,887	10%	10%	0%	0%	0%	0%	0%	0%	-	-	20%	

Summary of CapEx associated with eligible and/or aligned economic activities

Economic activities	Code	Taxonomy eligible KPI (% of CapEx)	Taxonomy aligned KPI (Million EUR)	Taxonomy aligned KPI (% of CapEx)	Environmental objective of Taxonomy aligned activities							Enabling activity	Transitional activity	Proportion of taxonomy aligned in taxonomy eligible (%)
					Climate change mitigation (%)	Climate change adaptation (%)	Water (%)	Circular economy (%)	Pollution (%)	Biodiversity (%)				
Flood risk prevention and protection infrastructure	CCA 14.2	10%	35,124,950	10%	0%	10%	0%	0%	0%	0%	0%	E	-	100%
Manufacture of other low carbon technologies	CCM 3.6	19%	-	0%	0%	0%	0%	0%	0%	0%	0%	-	-	0%
Construction of new buildings	CCM 7.1	35%	-	0%	0%	0%	0%	0%	0%	0%	0%	-	-	0%
Acquisition and ownership of buildings	CCM 7.7	1%	-	0%	0%	0%	0%	0%	0%	0%	0%	-	-	0%
Data-driven solutions for GHG emissions reductions	CCM 8.2	6%	-	0%	0%	0%	0%	0%	0%	0%	0%	-	-	0%
Sum of alignment per objective		-	-	-	0%	10%	0%	0%	0%	0%	0%	-	-	
Total KPI (CapEx)		71%	35,124,950	10%	0%	10%	0%	0%	0%	0%	0%	-	-	15%



Social

Topic S1

Own workforce

SBM-3

Material impacts, risk and opportunity

Arendals Fossekompani strives to be a great place to work. As an industrial investment firm with a global workforce, we rely on our people as our most valuable resource. We are an active owner, and we focus on developing strong and competent Boards of Directors, CEOs and leadership teams across the portfolio, with robust succession plans for continuity and long-term growth. Attracting and building teams and talent across the Group is central to our success, and we believe that a diverse workforce with a wide array of skills and backgrounds drives productivity, new perspectives and value creation and helps us reach our long-term goals. Our performance is fundamentally tied to the wellbeing of our employees, and we are committed to nurturing diversity and equity across the entire Group. Our strategy and business model are well equipped to address our

material impacts and risk and taking advantage of our material opportunity, and will become more resilient by doing so.

Working conditions

Material negative impact: Accidents at production sites NEW
 Potential accidents and health and safety issues in direct production, including in the handling of dangerous materials or substances, are always a possible negative impact. These may be contained incidents which can affect our employees in production sites around the world.

TIME HORIZON: Short term (Potential)
 LOCATION IN VALUE CHAIN: Own operations

Material negative impact: Low satisfaction for employees in times of uncertainty NEW
 As our companies operate in volatile markets and pursue growth, this may have widespread consequences on the workload, morale and job satisfaction of all our employees.

TIME HORIZON: Short term (Actual)
 LOCATION IN VALUE CHAIN: Own operations

Material risk: Breach of employees' basic protections
 If our employees feel unsafe or unprotected, we may lose them or their ability to create value for the Group. A breach in our employees' basic protections might also lead to reputational damage, fines, or increased turnover. Maintaining the fundamental protections of our employees is therefore essential for us to minimise unwanted turnover, avoid costly and time-consuming effects on our operations and service delivery to customers, and ultimately sustain our performance. These protections include basic health and safety, adequate wages, social protections and collective bargaining.

TIME HORIZON: Short term
 LOCATION IN VALUE CHAIN: Own operations

Equal treatment and opportunities

Material opportunity: Gains from a diverse workforce
 We have an opportunity to gain from further enhancing our diversity and inclusivity. When employees have equal opportunities and representation, there tends to be greater worker performance, productivity, innovativeness and retention. While there are initial costs to be incurred on diversity and inclusion investments, a diverse workforce can ultimately improve our decision-making, enhance our organisational performance and enable us to access a wider talent pool, presenting opportunities to strengthen our competitive advantage in our markets.

TIME HORIZON: Medium term
 LOCATION IN VALUE CHAIN: Own operations

This risk and this opportunity are both direct consequences of our dependency on our workforce to achieve results. While all employees are essential to our work, certain groups of people may be particularly affected by our IROs:

- The health and safety of workers involved in day-to-day manual labour or night labour;
- Groups at a historical disadvantage or presenting higher risk of discrimination or harassment, such as due to their gender expression, sexual orientation, disability, ethnicity, or religion, among other factors; and
- Workers in countries with weaker national protection or welfare systems.

S1-1

Policies related to own workforce

The core policy that governs our workforce-related IROs is the Code of Conduct, supported by the process outlined in the Whistleblower Policy, which allows us to detect any incidents. These documents are relevant and applicable to Arendals Fossekompani Group as a whole, and where relevant, supplemented by additional policies targeted at specific topics such as diversity and inclusion in the parent company or in some portfolio companies. The table below outlines the policies in place that are relevant to our own workforce. The policies are reviewed periodically in light of any updates to the DMA, which integrates key stakeholders' views into the assessment process. The objectives stated therein set the context for all our engagement with our employees.

POLICY	IRO	OBJECTIVE RELATED TO IROS	DETAILS
Code of Conduct (CoC) for Arendals Fossekompani Group	WC-NI R EQ O	<ul style="list-style-type: none"> To ensure a safe and secure working environment, characterised by transparency, honesty and trust, which are important for motivation and wellbeing To treat all individuals with respect and dignity with zero tolerance for discrimination on any basis⁴ as well as bullying and harassment, and particularly aim for diversity of gender expression, age, background and expertise 	<p>Scope, Responsibility, Monitoring and Availability are as described under E1-2.</p> <p>Monitoring: in addition to monitoring outlined under E1-2 including employee training in the CoC to prevent incidents, the HSE-related aspects of the CoC are also monitored via HSE systems and associated risk assessments in all portfolio companies that have production activities. At ENRX, this is done through the ISO45001 standard and associated processes in its Germany, China and India sites.</p>
Diversity & Inclusion Policy for Arendals Fossekompani ASA	EQ O	<ul style="list-style-type: none"> To foster a diverse and inclusive workplace free from bias, discrimination or harassment, where all employees feel valued, respected, and empowered to contribute to their fullest potential, and to provide a diverse and inclusive workplace by providing equal opportunities in recruitment, professional development and promotions, as well as education 	<p>Scope: Arendals Fossekompani ASA employees and own operations⁵</p> <p>Responsibility: BoD</p> <p>Monitoring: via ESG targets and actions as described under S1-4, including on adopting best practices to advance diversity and inclusion</p> <p>Availability: shared internally with all employees and portfolio companies and available publicly on website</p>
Whistleblower Policy for Arendals Fossekompani Group	All S1 IROs	<ul style="list-style-type: none"> To encourage employees and relevant third parties to report concerns about circumstances that might be in violation of applicable laws and regulations, internal policies, guidelines and procedures as well as any other unethical conduct that employees are aware of or suspect, and to outline the process by which such reports must be managed 	<p>Scope: AFK Group employees and relevant third parties (suppliers, third-party representatives and other business partners)</p> <p>Responsibility: BoD</p> <p>Monitoring: number and review of whistleblowing cases as well as rates of training in whistleblowing (within CoC training) monitored via ESG targets</p> <p>Availability: shared internally with all employees and portfolio companies and available publicly on website</p>
Equivalent policies in portfolio companies	WC NI, R EQ O	<ul style="list-style-type: none"> NSSLGlobal: to eliminate hazards and reduce occupational health and safety risks; to encourage equality, diversity and inclusion amongst NSSLGlobal employees and provide equal opportunities in employment. Tekna: to prioritise health and safety in the workplace through continuous improvement and remain at zero fatalities and zero high-consequence injuries; to provide a safe and inclusive work environment where everyone is treated with respect and fairness 	<p>Scope: all employees and own operations in the respective companies and their subsidiaries</p> <p>Responsibility: CEO in NSSLGlobal, BoD in Tekna</p> <p>Monitoring:</p> <ul style="list-style-type: none"> NSSLGlobal: annual reviews of HSE objectives and monitoring diversity indicators, and through the grievance procedure Tekna: monitoring indicators <p>Availability: shared with all employees in each company</p>

The third-party standards and initiatives that the policies commit to or align with are outlined under General Information.

ESRS sub-topic
 WC Working conditions
 EQ Equal treatment and opportunities for all

IROs
 I Impact
 NI Negative impact
 PI Positive impact
 R Risk
 O Opportunity

Responsibility
 BoD Board of Directors

The principles outlined in these policies apply the major internationally-recognised instruments such as the UN Guiding Principles on Business and Human Rights to Arendals Fossekompani. All instruments referenced are listed under General Information.

Many portfolio companies have adopted identical or equivalent versions of these policies in addition to the coverage of Arendals Fossekompani's. Given the Arendals Fossekompani ASA Code of Conduct and Whistleblower Policy are directly relevant to employees of the Group, the table does not list additional coverage in portfolio companies of supplementary versions of such policies.

S1-2

Process for engaging with own workforce

Anchored in our strategy as an owner is the importance of attracting and building teams and talent. Our employees' interests, perspectives, and rights are therefore central to informing our strategy and business model, and we rely on our workforce to deliver on our strategy of long-term value creation.

Arendals Fossekompani continuously assesses relevant data and insights such as employee or whistleblower cases and formal and informal employee engagement to understand the views and interests of our workforce, and to identify potential or actual adverse impacts on human and labour rights. In most parts of the Group, annual professional development conversations with employees ensure that every individual has access to the conditions they need to perform their work and grow in the company. These channels also allow us as an employer to provide support to any individual in a vulnerable or marginalised situation, and for equal access to development opportunities. These processes are overseen by each company's HR function and undertaken by every people manager.

4. The Code of Conduct states that discrimination on the basis of age, gender expression, sexual orientation, disability, ethnicity, nationality, political opinion, religion or on any other basis is prohibited by law.

5. The Policy is applicable broadly and does not specifically target vulnerable groups.

The perspectives of employees are represented by various representatives, depending on the site, including union representatives, safety representatives, and additional employee representatives in some places where employees choose to elect a common representative if multiple unions are involved. Engagement via representatives typically occurs multiple times a year. In several companies, employees are formally or informally represented on the Board of Directors.

The CEO has the overall responsibility for ensuring that engagement takes place and for employees' human and labour rights and is responsible for ensuring that the views of employee representatives are used to inform decisions or activities aimed at managing the actual and potential impacts on its workforce. The CFO has the operational responsibility for the implementation of our policies, including the appropriate measures to address material impacts, risks and opportunities. In addition, the Board of Directors has the overall responsibility of ensuring that the whistleblowing process is complied with and kept up to date, in collaboration with employees and their union representatives. Through this whistleblowing process, as well as KPIs related to employee retention and absenteeism, Arendals Fossekompani assesses the effectiveness of our engagement with our workforce. Some parts of the Group also conduct employee surveys.

S1-3

Channels for own workforce to raise concerns

All Arendals Fossekompani Group's own employees and relevant third parties are encouraged to report concerns about circumstances that might be in violation of applicable laws and regulations, internal policies, guidelines and procedures as well as any other unethical conduct that employees are aware of or suspect. The first line of reporting is always the employee's direct manager. Employees may also contact the CFO or safety representative, as well as the CEO, the Chair or any member of our Board of Directors. Employees within the

Arendals Fossekompani Group are welcome to report any concerns via the internal or external whistleblowing channel at mittvarsel.no, shared via company leadership and available on our webpage arendalsfossekompani.no, respectively. Depending on local requirements, several companies in the portfolio have also established whistleblowing channels of their own for the safe reporting of concerns from their workforce.

The Whistleblower Policy and platforms described in S1-1 and G1-1 are essential to ensuring employee trust in these channels, and to tracking, monitoring and acting upon any concerns raised. The Board of Directors of each company in the Group is alerted to critical whistleblower cases raised in their respective company, often reviewed and investigated by a compliance function and reported periodically by Management. Depending on the situation, Management and other relevant functions may collaborate to resolve or continually monitor a case or other negative impact. Employee awareness of the whistleblowing process is closely monitored through our KPI on employee training rates in the Code of Conduct, which includes units on whistleblowing.

S1-4

Actions and resources

Arendals Fossekompani ASA's new Diversity and Inclusion Policy was circulated through the Group in 2025 for each portfolio company to implement or adapt to its own policy and practices. The policy cements best practices and commitments towards diversity and inclusion, especially in relation to recruitment and retention, in support of our material opportunity.

Additional actions planned for 2025 at the Group level have been deprioritised in favour of a more targeted focus on reaching our collective targets, and in 2026, we will work with each portfolio company on a case-by-case basis to support their efforts to achieve our objectives, as relevant. These targets enable the monitoring of our IROs, including our actual negative impact and the effectiveness of any actions to support those affected by it.

Dedicated financial resources beyond ongoing HR budgets have not been allocated to these actions.

S1-5

Targets and progress

Arendals Fossekompani has defined absolute targets related to our workforce's wellbeing and diversity. Our objectives are directly aligned with Arendals Fossekompani's Diversity and Inclusion Policy and our prioritisation of health and safety, as outlined in our Code of Conduct and internal procedures. The targets listed below apply to all Arendals Fossekompani Group's employees.

Progress on gender balance metrics has been trending in the wrong direction, despite increases in female representation in some parts of the Group. This is largely attributable to restructuring processes in ENRX and recruitment in predominantly male areas at NSSLGlobal. The remaining portfolio companies have shown neutral or positive progress. The trend in management teams is mainly due to a reclassification of scope due to the dissolution of the Alytic Group. In addition, ENRX and Tekna each added or replaced one management team member, which also affected their performance against this target.

The lost time injury frequency rate (LTIFR) improved from 1.7 in 2024 to 1.0 in 2025, indicating positive strides in enhancing workplace safety. All portfolio companies reporting lost time injuries reduced their LTIFR. Group sick leave increased in 2025 above the <3% target, primarily driven by levels at ENRX and Tekna of 3.2% and 3.7% respectively, partly reflecting the impact of staff reductions and restructuring. The voluntary turnover rate is on target at 9% in 2025.

To ensure progress toward our targets, we monitor metrics and projects undertaken in the portfolio throughout the year, including through Arendals Fossekompani ASA's representation on portfolio companies' Boards of Directors. Status and developments against our targets are assessed by Arendals Fossekompani's Sustainability team, and reported annually to our executive leadership and Board of Directors.

	TARGET	YEAR	STATUS 2024	STATUS 2025
Gender equality	Max. 70% of any gender in our workforce	2027	81% men 19% women	82% men 18% women
	Max. 60% of any gender in our Executive Management	2030	76% men 24% women	79% men 21% women
Employee safety and wellbeing	Lost time injury frequency rate of 0	In effect	1.7	1.0
	Aggregate sick leave of <3.0%	In effect	2.0%	3.2%
	Voluntary turnover rate of <10% annually	In effect	10%	8.9%

Notes on targets related to our own workforce

There has been no change to the Group's targets in 2025.

The target on gender balance in Executive Management considers the C-suite positions or equivalent across the Group.

The lost time injury frequency rate (LTIFR) is calculated by dividing the number of injuries from work situations in the reporting period multiplied by one million, by the total hours worked in the reporting period. In situations where the total number of hours worked in the reported period is not known, the total available work hours in the reporting period is used instead.

The aggregate sick leave is calculated by dividing the total number of sick days taken across the workforce in the year (whether work- or non-work-related) by the total number of available work days across the workforce in the year.

The employee turnover rate divides the number of employees who left the company in 2025 (whether voluntarily, involuntarily, other causes, or total) by the average employee headcount in 2025. Other causes of departure was added as a category to include causes such as retirement or death. The average number of employees is calculated as the average between the employee headcount on 1 January 2025 and on 31 December 2025.

All targets related to our own workforce apply to Arendals Fossekompani Group as a whole. These figures therefore represent averages across the Group, rather than exclusively the management team of Arendals Fossekompani ASA, for example.

Where the year indicates "in effect", the target is expected to be achieved on an ongoing, annual basis.

Data was also collected on the number of non-binary employees, for jurisdictions that recognise a gender other than male or female. The data amounted to 0 in 2025. We seek to be an inclusive employer for people with all gender expressions and will continue presenting this as a possible category for reporting.

Setting targets and involving affected stakeholders

Targets are established in relation to risks or opportunities to ensure that they are adequately managed. Target setting for the Group takes place within Arendals Fossekompani's Group Management, led by the CFO with oversight from the CEO and management team, and approved by the Board of Directors.

Feedback from engagement with employees informs our goals, ensuring alignment with employee needs and strategic objectives. Employee representatives also play an active role in monitoring progress, and identifying lessons and improvements based on performance. Standards set in the sector, including by our peers, are consulted for reference.

S1-6

Characteristics of employees

Employees by gender

HEADCOUNT ON 31 DECEMBER	2024	2025
Male	1,430	1,290
Female	342	281
Other	-	-
Not reported	-	-
Total employees	1,772	1,571

Employees by country

HEADCOUNT ON 31 DECEMBER	2024	2025
Austria	-	1
Brazil	12	8
Bulgaria	-	1
Canada	161	137
China	202	179
Denmark	10	10
France	64	56
Germany	145	87
India	262	262
Italy	7	7
Japan	5	6
Malaysia	9	8
Netherlands	9	9
Norway	407	358
Poland	42	41
Romania	92	76
Singapore	5	4
South Korea	1	1
Spain	23	22
Sweden	3	3
Thailand	15	13
United Kingdom	183	185
United States	115	97

Employees by contract type and gender

HEADCOUNT ON 31 DECEMBER	2024					2025				
	FEMALE	MALE	OTHER	NOT DISCLOSED	TOTAL	FEMALE	MALE	OTHER	NOT DISCLOSED	TOTAL
Total employees	342	1,430	-	-	1,772	281	1,290	-	-	1,571
Permanent employees	336	1,345	-	-	1,681	277	1,233	-	-	1,510
Temporary employees	6	85	-	-	91	4	57	-	-	61
Non-guaranteed hours employees	-	-	-	-	-	-	-	-	-	-
Full-time employees	324	1,394	-	-	1,718	269	1,264	-	-	1,533
Part-time employees	18	36	-	-	54	12	26	-	-	38

Employees by contract type, broken down by region

HEADCOUNT ON 31 DECEMBER	2024					2025				
	ASIA	EUROPE	NORTH AMERICA	SOUTH AMERICA	TOTAL	ASIA	EUROPE	NORTH AMERICA	SOUTH AMERICA	TOTAL
Total employees	499	985	276	12	1,772	473	856	234	8	1,571
Permanent employees	447	951	271	12	1,681	433	836	233	8	1,510
Temporary employees	52	34	5	-	91	40	20	1	-	61
Non-guaranteed hours employees	-	-	-	-	-	-	-	-	-	-
Full-time employees	499	934	273	12	1,718	473	820	232	8	1,533
Part-time employees	-	51	3	-	54	-	36	2	-	38

Overview of employees who left the company during the year

HEADCOUNT AND PROPORTION OF TOTAL EMPLOYEES	2024		2025	
	DEPARTURES	TURNOVER RATE	DEPARTURES	TURNOVER RATE
Total	387	18%	332	20%
Voluntary (e.g. resignation)	221	10%	148	9%
Involuntary (e.g. dismissal)	145	7%	159	10%
Other causes (e.g. retirement or death)	22	1%	25	2%

Definitions

Unless otherwise indicated, employees are counted in headcount on 31 December 2025. Arendals Fossekompani Group's consolidated number of employees in FTE is used in Financial Note 4. The employee turnover is defined under S1-5.

S1-8

Collective bargaining and social dialogue

Coverage of collective bargaining agreements (CBA) and workers' representatives

AS AT 31 DECEMBER	2024	2025
Percentage of all employees covered by a CBA	20%	27%
Percentage of all employees in the EEA covered by workers' representatives, as a proportion of all employees around the world	28%	22%

Coverage rate by region

	EMPLOYEES WITH A CBA EEA		EMPLOYEES WITH A CBA NON-EEA		WORKPLACE REPRESENTATION EEA	
	2024	2025	2024	2025	2024	2025
0-19%	-	-	Asia, Europe (non-EEA), North America	Asia, Europe (non-EEA), North America	-	-
20-39%	Norway	-	-	-	-	-
40-59%	-	Norway	-	-	-	Norway
60-79%	-	-	-	-	-	-
80-100%	-	-	South America	South America	Norway	-

S1-9

Diversity metrics

Gender of company leadership

HEADCOUNT AS AT 31 DECEMBER	GENDER	2024	2025
Members of Board of Directors	Female	13	9
	Male	25	32
	Non-binary	-	-
C-suite	Female	6	8
	Male	19	30
	Non-binary	-	-
Non-executive level management	Female	17	14
	Male	69	77
	Non-binary	-	-

Gender of company leadership

PERCENTAGE AS AT 31 DECEMBER		2024	2025
Members of Board of Directors	GENDER		
	Female	34%	22%
	Male	66%	78%
C-suite	Non-binary	0%	0%
	Female	24%	21%
	Male	76%	79%
Non-executive level management	Non-binary	–	–
	Female	20%	15%
	Male	80%	85%
	Non-binary	0%	0%

Employee age groups

PERCENTAGE OF EMPLOYEES AS AT 31 DECEMBER		2024	2025
Less than 30 years		19%	17%
30–50 years		55%	57%
More than 50 years		26%	26%

S1-10

Adequate wages

In all parts of the Group, all employees are paid adequate wages, in line with applicable benchmarks.

S1-11

Social protection

In most countries across the Group, employees are covered by social protection, either through governmental programmes or through company benefits, to protect them from a loss of income relating to major life events.

All employees in Arendals Fossekompani Group's own workforce are covered by social protection against a loss of income due to employment injury and acquired disability, parental leave or retirement. Most employees in the Group are also covered by social protection against a loss of income due to sickness, and unemployment starting from when the employee is working for the company. However, ENRX's employees in India who are not covered under the Employees' State Insurance scheme are not protected against a loss of income relating to sickness or unemployment starting from when the employee is working for the company.

S1-14

Health and safety metrics

Health and safety management

AS AT 31 DECEMBER	2024	2025
Percentage of the workforce covered by a health and safety management system based on legal requirements and/or recognised standards or guidelines	80%	94%

Health and safety performance

AS AT 31 DECEMBER	2024		2025	
	EMPLOYEES	OTHER WORKERS	EMPLOYEES	OTHER WORKERS
Fatalities as result of work-related injuries and work-related ill health	–	–	–	–
Recordable work-related accidents	17		15	
Rate of recordable work-related accidents	4		5	
Cases of recordable work-related ill health	–		1	
Days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	65		47	

Notes and definitions

Within the European Economic Area (EEA), coverage of collective bargaining agreements and workplace representation (S1-8) is disclosed for countries in which we have significant employment, defined as at least 50 employees by headcount representing at least 10% of the total number of employees by the ESRS. At ENRX France and ENRX Germany, agreements are in place for employee representation by a Works Council. The denominator for the % of all employees in the EEA covered by workers' representatives is the total number of global employees, in accordance with ESRS definitions.

The definition of non-executive level management (S1-9) refers to the management team for each portfolio company excluding their respective C-suite positions. This is equivalent to the second level below the administrative and supervisory bodies, as defined by the ESRS.

Work-related ill health (S1-14) can include acute, recurring, and chronic health problems caused or aggravated by work conditions or practices. These include musculoskeletal disorders, skin and respiratory diseases, malignant cancers, diseases caused by physical agents (for example, noise-induced hearing loss, vibration-caused diseases), and mental illnesses (for example, anxiety, post-traumatic stress disorder). Work-related accidents are incidents relating to work that result in injury or ill health. Accidents related to commuting are only included if the employer organised the transportation.

Number of days lost (S1-14) counts working days lost from an employee missing work for any of the reasons listed. Each day is counted as 1. The number of available work hours used in the calculation is an estimation based on standard working hours in contracts.



Governance

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Topic G1

Business conduct

SBM-3

Material risk

Our global presence makes strong business conduct essential, and we strive to uphold a high standard of ethics in our business activities all around the world. With global operations and value chains, our most material matter in terms of governance is a business conduct risk. This risk does not affect the Group's financial position, but continuously managing it is core to delivering effectively on our strategy, such that practicing good business conduct is central to us. It is essential that we continue to prioritise our high standards of corporate management, transparency, internal controls and general business ethics and Arendals Fossekompani Group is continuously working on initiatives that ensure our strategic resilience to this risk.

Corporate culture

Material risk: Dependency on corporate culture

As a global player, Arendals Fossekompani and our portfolio have complex governance structures and conduct a wide range of business activities and interactions over four continents. We are reliant on maintaining strong integrity across the entire Group, to prevent compromising our reputation and to act responsibly. Any severe breach or incident relating

to our corporate culture could cause reputational damage to the Group, and lead to discontented employees, customers or investors.

TIME HORIZON: Short term
LOCATION IN VALUE CHAIN: Own operations

G1-1

Business conduct policies and corporate culture

The core policies that govern our corporate conduct are the Code of Conduct and the Business Partner Code of Conduct, supported by the process outlined in the Whistleblower Policy. These documents are relevant and applicable to Arendals Fossekompani Group as a whole, and are reviewed annually in light of new regulations and findings from the double materiality assessment, which integrates key stakeholders' views into the assessment process. The table to the right outlines the policies in place that are relevant to our business conduct.

POLICY	IRO	OBJECTIVE RELATED TO IROS	SCOPE
Code of Conduct for Arendals Fossekompani Group	BC R	<ul style="list-style-type: none"> To ensure that the company's vision and high ethical standards are complied with by anyone associated with it, including clear principles in key areas of compliance and integrity such as anti-corruption and anti-bribery, facilitation payments, conflicts of interest, gifts and hospitality, human rights and labour rights, fair competition, anti-money laundering, sanctions and trade compliance. 	Scope, Responsibility and Availability are as described under E1-2.
Business Partner Code of Conduct for Arendals Fossekompani Group	BC R	<ul style="list-style-type: none"> To ensure that our business partners adhere to high ethical standards and integrity, and establish Arendals Fossekompani's zero tolerance for illegal or unethical behaviour, and expectation that all its business partners commit to the same. 	<p>Scope: all business partners supplying material, labour or services to Arendals Fossekompani ASA, and all portfolio companies adopt and/or adapt the BPCoC as applicable to their respective business partners</p> <p>Responsibility: BoD</p> <p>Monitoring: rate of signature of BPCoC by high-risk business partners monitored via ESG targets; the process outlined in the Whistleblower Policy is also important for monitoring the implementation of the BPCoC</p> <p>Availability: shared internally with all employees and portfolio companies and available publicly on website</p>
Whistleblower Policy for Arendals Fossekompani Group	BC R	<ul style="list-style-type: none"> To encourage employees and relevant third parties to report concerns about circumstances that might be in violation of applicable laws and regulations, internal policies, guidelines and procedures, or any other unethical conduct that employees are aware of or suspect, and to outline the process by which such reports must be managed. 	Scope, Responsibility, Monitoring and Availability are as described under S1-1.

The third-party standards and initiatives that the policies commit to or align with are outlined under General Information.

ESRS sub-topic
BC Business conduct

IROs
R Risk(s)

Responsibility
BoD Board of Directors

Many portfolio companies have adopted identical or equivalent versions of these policies in addition to the coverage of Arendals Fossekompani's. Given the Arendals Fossekompani ASA Code of Conduct and Whistleblower Policy are directly relevant to employees of the Group, the table does not list additional coverage in portfolio companies of supplementary versions of such policies.

Whistleblowing

Employees and business partners are encouraged to immediately report any concern if they suspect or witness any unethical conduct, or a breach of the Code of Conduct or of other policies and applicable laws. Employees may also have a duty to report concerns under their employment contract or applicable laws.

We encourage our portfolio companies, suppliers and business partners to report to Arendals Fossekompani any issues of concern. When appropriate, employees of portfolio companies, suppliers and business partners may use Arendals Fossekompani's third-party provider for whistleblowing (mittvarsel.no). Anyone who reports such matters will be protected from retaliation. Every report will be taken seriously and will be handled in an appropriate manner by persons free from any conflict of interest or otherwise involved in the matter. Whistleblowers are entitled to confidentiality in accordance with applicable laws.

Due diligence and risk management

Arendals Fossekompani undertakes company-wide assessments of actual and potential compliance risks related to all operations, business relationships and supply chains. These take place at least once a year, with more frequent amendments where relevant based on the circumstances. The company's business operations, business locations, interaction with governments, use of business partners and intermediaries, high-risk transactions, industry sector updates, regulatory landscape and other metrics collected must be assessed.

Where business partner onboarding Integrity Due Diligence is required, it must assess the business and background of the party, its ultimate beneficial ownership, the origin

and destination of funds and property involved in the relationship, and risks relating to the country, potential bribery, corruption, sanctions violations, and the potential violation of other laws and regulations.

Arendals Fossekompani follows the OECD Guidelines for Multinational Enterprises, including its checklist for Responsible Business Conduct.

Training on business conduct

Upon joining any company in the Arendals Fossekompani Group, all new employees are required to sign the Code of Conduct, which is also available publicly on our website at arendalsfossekompani.no.

Training on the Code of Conduct is mandatory for all employees in the Group. It is provided to new employees upon joining the company, and approximately every three years as a refresher for the rest of the workforce.

MDR-M MDR-T

Metrics and targets relating to business conduct

To monitor and evaluate our performance relating to our business conduct risk in accordance with the policies outlined in G1-1, the following targets have been set. These have been set by the Arendals Fossekompani Board of Directors and Executive Management, and apply to Arendals Fossekompani Group collectively.

Several companies in the portfolio have increased their signature of the Code of Conduct. A slight drop in the Group's total signature rate from 88% in 2024 is attributable to turnover in the companies within Other Investments, where this effort has been postponed to 2026. The remaining gap is largely attributable to ENRX. There has been progress towards 100% training in the Code of Conduct since 2024, with the same companies as above still needing to enforce trainings in 2026. A minor shortfall at Tekna is attributable to its new hires not having yet undergone training. Other business conduct targets are stable and in good place.

TARGET	YEAR	STATUS 2024	STATUS 2025
100% of the workforce has signed the Code of Conduct	2025	88%	86%
100% of the workforce has received training in the Code of Conduct	2025	76%	86%
100% of 'high-risk' partners have signed the Business Partner Code of Conduct	2027	-	-
All whistleblowing cases are handled within less than 3 months	2025	4 weeks	3 weeks
0 convictions of violation of anti-corruption or anti-bribery laws per year	In effect	0	0

Notes on targets related to our own workforce

There has been no change to the Group's targets in 2025.

Training in the Code of Conduct is delivered by each portfolio company to their employees. This can be a dedicated training in the policy and its expectations, or a broader training in expected ethical conduct and behaviour of employees. This includes how to be a whistleblower. The number of employees who have completed training in the Code of Conduct counts the number of individuals, not the percentage completion rate.

'High-risk' is defined by each portfolio company as relevant to their risk profile and operations. This target was introduced in 2024 and several portfolio companies have begun monitoring this signature rate, but the data is not yet available in a complete and comparable way for the Group. This is expected to be reported in future years.

Handling of whistleblowing cases is collected from the whistleblowing portals or systems used by each portfolio company.

MDR-A

Actions relating to business conduct

Arendals Fossekompani undertakes actions to address its risk to business conduct. In 2025, actions included:

- Circulation of the new Code of Conduct with companies in the portfolio, in particular through the Boards of Directors of each company, to encourage their adoption and ensure policy alignment across the Group;
- Introduction of training on the Code of Conduct in companies in which this has not yet taken place, in an effort to strengthen our defences against the risks we face;

- An update to the due diligence process to identify business partners that expose Arendals Fossekompani ASA to high risk and accordingly require further investigation and signature of the Business Partner Code of Conduct, in support of our target.

In 2026, we will continue to follow up with portfolio companies to ensure our targets remain met year-on-year. In addition, actions planned in relation to our business conduct risk in the next financial year include an internal review of the effectiveness of Arendals Fossekompani ASA's policy commitments and an internal audit of our business partners. Dedicated financial resources beyond ongoing governance budgets have not been allocated to these actions.

Entity-specific Cyber security

SBM-3

Material risk

At Arendals Fossekompani as in many companies, information is a central and valuable resource. Our infrastructure in producing energy and handling sensitive materials, and on-line operations including software and client-facing services, are vulnerable to digital threats. With the increasing trends in digitalisation, globalisation and the international security landscape, along with the changes taking place in Information and Communications Technology (ICT), such risks are likely to increase in the future.

⊕ Material risk: Exposure to critical cyber-attacks

Parts of our Group operate in sensitive industries that are exposed to critical cyber-attacks, which poses a risk to some of our operations. Specifically, our energy-producing infrastructure, software companies, and services to sensitive clients are at higher risk. Maintaining a strong information security infrastructure, along with associated internal controls and personnel trainings, generates ongoing costs to our companies. However, severe cyber-attacks have the potential to disrupt operations and delay our service delivery in far costlier ways, such that preventative measures are built into our business models, strategies, budgets and day-to-day decision-making. Our risk assessment on this topic, conducted using the time horizons and methods outlined in IRO-1, periodically identifies measures to maintain our resilience in the face of this risk.

TIME HORIZON: Short term
LOCATION IN VALUE CHAIN: Own operations

MDR-P

Policies on cyber security

To establish and maintain a security infrastructure and protocol adapted to the threats that we face, in addition to the coverage of the Code of Conduct to the entire Group, Arendals Fossekompani ASA, ENRX, Tekna, NSSLGlobal, Collect, Utel and Veyt all have their own ICT security policies in place. The table to the right outlines the policies most relevant to our cyber security.

MDR-A

Actions on cyber security

In 2025, further employee trainings in ICT security were undertaken in several companies across the Group. In addition to these general trainings, as part of its risk assessment on ICT security, Arendals Fossekompani Group identifies the individuals and business operations that face the highest exposure to cyber-attacks, and takes appropriate measures to ensure that these functions are adequately trained to respond to the threats they face. This is undertaken on an ongoing basis. In some parts of the Group, measures such as audits of local IT suppliers around the world and security surveillance are also conducted on a regular basis to discover and handle potential risks and help maintain business continuity in an emergency. Dedicated financial resources beyond ongoing ICT security budgets have not been allocated to these actions. Further preventative actions that occurred in 2025 and that are planned for 2026 are considered confidential for security reasons.

POLICY	OBJECTIVE RELATED TO IROS	DETAILS
ICT Security Policy for Arendals Fossekompani ASA	<ul style="list-style-type: none"> To protect the company's overall information portfolio in an appropriate manner and ensure compliance with laws, regulations, and general and industry-specific security standards; this includes guidelines on the use of AI 	<p>Scope: all information processing that takes place within Arendals Fossekompani ASA and externally for which we are responsible</p> <p>Responsibility: BoD</p> <p>Monitoring: through annual reviews to the Board of Directors including of changes to risk profile, and through ESG targets</p> <p>Availability: shared internally with employees of Arendals Fossekompani ASA</p>
Code of Conduct (CoC) for Arendals Fossekompani Group	<ul style="list-style-type: none"> To outline the duty of confidentiality and information security for employees 	Scope, Responsibility, Monitoring and Availability are as described under E1-2.
Equivalent policies in portfolio companies	<ul style="list-style-type: none"> To protect each company's overall information portfolio in an appropriate manner and ensure compliance with laws, regulations, and general and industry-specific security standards; this includes guidelines on the use of AI 	<p>Scope: employees and activities in the respective companies and their subsidiaries</p> <p>Responsibility: Executive Management in the respective companies (such as CIO, CTO and CFO)</p> <p>Monitoring: varies according to risk</p> <p>Availability: shared internally with all employees in each company</p>

The third-party standards and initiatives that the policies commit to or align with are outlined under General Information.

Abbreviations

BoD Board of Directors
CTO Chief Technology Officer
CIO Chief Information Officer
CFO Chief Financial Officer

Metrics and targets on cyber security

Arendals Fossekompani Group collects metrics against established targets relating to cyber security. These are considered sensitive to the Group's collective security and are not disclosed publicly.

Signatures by the BoD and the CEO of Arendals Fossekompani

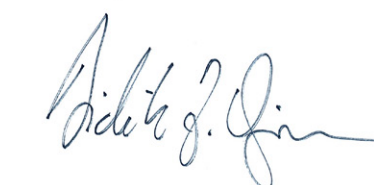
Froland, 13 April 2026



Trond Westlie
Chair



Morten Bergesen
Board Member



Didrik Vignæs
Board Member



Anne Grethe Dalane
Board Member



Lise Lindbäck
Board Member



Arild Nysæther
Board Member



Benjamin Golding
Chief Executive Officer



Financial Statements

Consolidated financial statements

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Notes

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Statement of income (1 000 NOK)

	Note	Group		Parent Company	
		2025	2024	2025	2024
Revenue	1,2	3 699 368	4 319 188	358 837	361 114
Other Income	1,2	11 871	43 330	17 370	16 048
Revenue and other income	1	3 711 239	4 362 517	376 207	377 162
Materials and consumables used		1 487 236	1 867 580	7 303	2 579
Employee benefit expenses	4	1 242 445	1 294 249	87 698	82 585
Other operating expenses	7	594 806	593 974	95 852	103 503
Operating expenses		3 324 487	3 755 803	190 853	188 667
EBITDA		386 752	606 714	185 354	188 495
Depreciation	5	166 712	154 640	11 932	13 035
Amortisation	6	53 825	40 071	1 342	1 500
Impairment loss property, plant and equipment	5	17 256	4 426	-	-
Impairment loss intangible assets	6	167 895	13 781	-	-
Operating profit		-18 936	393 797	172 080	173 960
Finance income	8	190 766	115 452	240 409	3 501 961
Finance costs	8	164 041	248 090	237 402	1 114 276
Net financial items		26 725	-132 639	3 007	2 387 685
Share of profit or loss of associates and joint ventures	11	52 833	-33 821		
Profit before income tax		60 622	227 338	175 087	2 561 645
Income tax expense	9	212 340	269 654	146 566	138 297
Profit (-loss) from continuing operations		-151 718	-42 316	28 521	2 423 348
Profit (-loss) from discontinued operations	3	-	2 286 453	-	-
Profit (-loss) for the year		-151 718	2 244 137	28 521	2 423 348
Attributable to:					
Equity holders of the company		-114 437	2 237 579	28 521	2 423 348
Non-controlling interests		-37 281	6 558	-	-
Total		-151 718	2 244 137	28 521	2 423 348
Basic/diluted earnings per share (NOK)	22	-2,08	40,72	0,52	44,10
Basic/diluted earnings per share continued (NOK)	22	-2,08	-0,89	-	-

Statement of comprehensive income (1 000 NOK)

	Note	Group		Parent Company	
		2025	2024	2025	2024
Items that may be reclassified to statement of income					
Total Effect from Foreign Exchange		-103 022	111 033	-	-
Change on Cash flow hedges		2 706	941	-	-
Tax on cash flow hedges that may be reclassified to P&L	9	-595	-207	-	-
Items that may be reclassified to statement of income		-100 911	111 767	-	-
Items that will not be reclassified to statement of income					
Change in financial assets at fair value through OCI	16	1 155	18 514	1 155	18 514
Actuarial gains and Losses	4	1 064	6 710	319	8 168
Tax on OCI that will not be reclassified to P&L	9	-70	-1 797	-70	-1 797
Items that will not be reclassified to statement of income		2 149	23 427	1 404	24 885
Total Other Comprehensive Income (OCI)		-98 763	135 195	1 404	24 885
Profit (-loss) for the year		-151 718	2 244 137	28 521	2 423 348
Total Comprehensive Income		-250 480	2 379 332	29 925	2 448 233
Attributable to:					
Equity holders of the company		-199 014	2 349 896	29 925	2 448 233
Non-controlling interests		-51 466	29 437	-	-
Total		-250 480	2 379 332	29 925	2 448 233

Statement of financial position ^(1 000 NOK)

Assets	Note	Group		Parent Company	
		2025	2024	2025	2024
Property, plant and equipment	5	1 232 737	1 248 924	261 849	222 992
Intangible assets	6	859 376	1 006 576	3 956	5 298
Investments in associates and joint ventures	11	2 602 415	2 553 150	2 570 648	2 570 648
Investment in subsidiaries	3,11	-	-	2 196 903	1 559 587
Intercompany loans - non current		-	-	76 687	707 030
Net pension assets	4	40 677	35 584	23 638	21 848
Non-current receivables	12	146 052	106 549	110 251	68 917
Shares in other companies	12,16	132 787	74 652	77 326	68 562
Deferred tax assets	9	119 437	107 228	42 216	43 501
Non-current assets		5 133 482	5 132 662	5 363 475	5 268 383
Inventories	13	656 005	803 257	-	-
Contract assets	13	107 853	218 813	-	-
Accounts receivable	14,16	642 809	569 225	33 422	21 240
Other receivables	14,16	106 978	191 606	87 694	153 417
Derivatives - current assets:	16	114	4 815	-	-
Other current assets	14	86 697	97 859	-	-
Cash and cash equivalents	15	1 513 234	1 799 668	569 788	913 390
Financial assets at fair value through OCI	16	35 504	34 421	35 504	34 421
Current assets		3 149 193	3 719 663	726 409	1 122 467
Total assets		8 282 674	8 852 326	6 089 884	6 390 850


Equity and liabilities	Note	Group		Parent Company	
		2025	2024	2025	2024
Share capital	10	223 981	223 981	223 981	223 981
Other paid-in capital		28 987	28 127	29 020	28 160
Treasury shares		-103 260	-105 684	-103 260	-105 684
Other reserves		22 748	102 868	21 325	17 972
Retained earnings		4 639 745	4 894 722	5 021 570	5 102 672
Capital and reserves attributable to owners of the company		4 812 200	5 144 014	5 192 635	5 267 102
Non-controlling Interests	11	293 213	270 016	-	-
Total equity		5 105 413	5 414 030	5 192 635	5 267 102
Non-current bond loans	17,25	498 964	498 503	498 964	498 503
Non-current interest-bearing debt	17,25	300 912	776 474	115 390	309 718
Pension liabilities	4	41 951	43 325	6 695	6 456
Other non-current liabilities	25	9 102	15 795	-	-
Deferred tax liabilities	9	25 332	45 116	-	-
Non-current lease liabilities	19,25	168 729	230 338	56 742	57 923
Non-current liabilities		1 044 990	1 609 551	677 791	872 599
Current interest-bearing debt	16,17,25	497 120	110 001	-	-
Bank overdraft	16,25	190 236	166 526	-	-
Derivatives - current liabilities	16	13	2 719	-	-
Accounts payable	16,18	233 709	276 936	14 978	17 726
Payable income tax	9	197 131	209 348	146 667	137 628
Contract liabilities	13	104 223	151 808	-	-
Current interest-bearing debt, intercompany		-	-	-	-
Current lease liabilities	16,19	53 439	60 437	2 285	2 127
Current provisions	18	94 144	86 652	1 900	37 500
Other current liabilities	18	762 257	764 319	53 627	56 168
Current liabilities		2 132 272	1 828 745	219 457	251 149
Total liabilities and equity		8 282 674	8 852 326	6 089 884	6 390 850


Trond Westlie
 Chair


Morten Bergesen
 Board Member


Didrik Vignæs
 Board Member


Arild Nysæther
 Board Member


Stine Rolstad Brenna
 Board Member


Lise Lindbäck
 Board Member


Anne Grethe Dalane
 Board Member


Benjamin Golding
 Chief Executive Officer

Statement of cash flows (1 000 NOK)

	Note	Group		Parent Company	
		2025	2024	2025	2024
Cash flow from operating activities					
Net profit for the year		-151 718	2 244 137	28 521	2 423 348
Adjusted for					
Depreciation, impairment and amortization	5,6	405 688	970 178	13 274	14 535
Gain on disposal of Value ASA	3,8	-	-3 013 547	-	-3 265 046
Loss on disposal of Commeo	3,8	-	-	-	965 788
Net financial items other	8	-26 725	133 584	-3 007	-88 427
Share of profit or loss from associates and joint ventures		-52 833	39 084	-	-
Gain/loss from sales of assets		-812	3 700	-640	-
Tax expense		212 340	275 575	146 566	138 297
Change in inventories		95 837	328 924	-	-
Change in trade and other receivables		78 277	107 974	-10 926	-18 008
Change in trade and other payables		-20 824	-101 104	-1 558	5 915
Cash flow from internal accounts payable and receivable		-	-	-119	13 926
Change in other current assets		-6 923	27 841	-	-
Change in other current liabilities		8 721	112 060	-33 506	-6 476
Change in other provisions		-32 343	-3 818	-	-
Change in employee benefits		-694	-3 155	-1 231	-477
Tax paid		-254 595	-377 947	-136 313	-255 627
Net cash from operating activities	A	253 394	743 487	1 061	-72 254
Cash flow from investing activities					
Interest received	8	92 646	99 800	47 209	44 527
Dividends received	8	44 547	383	155 241	107 676
Proceeds from the sales of PPE		2 368	13 341	917	240
Purchase of PPE and intangible assets		-338 188	-477 024	-49 915	-6 617
Purchase of shares in associates		-	-5 852	-	-
Purchase of other investments		-20 508	-20 609	-16 557	-
Proceed from sale of other investments		-	-4 084	-	-27 410
Group Contribution		-	-	-	-16 056
Cash Flow from Other Investing Activities		-29 374	20 188	-29 351	20 188
Cash flow from internal loans and borrowings		-	-	143 071	-129 883
Transactions with investments from subsidiaries		-4 955	-13 563	-274 231	-90 295
Proceeds from the sales of shares in subsidiaries ,net		4 550	714 577	6 278	1 008 528
Net cash from investing activities	B	-248 914	327 157	-17 339	910 898

	Note	Group		Parent Company	
		2025	2024	2025	2024
Cash flow from financing activities					
Equity payments from/ to non controlling interests		78 544	25 605	-	-
Cash from new borrowings	25	16 842	249 599	-	188 474
Repayment of long-term borrowings	25	-266 047	-1 084 816	-187 260	-876 002
Cash flow from net change in current interest bearing debt	25	182 719	35 973	158	-166
Interest paid and realized currency gains/losses	8	-125 606	-206 104	-33 632	-84 690
Dividend paid		-135 429	-250 298	-109 873	-219 511
Cash flow from treasury shares		3 283	11 034	3 283	9 810
Cash Flow from Other Financing Activities		-	-36 519	-	-7 252
Net cash from financing activities	C	-245 692	-1 255 526	-327 323	-989 337
Cash flow	A+B+C	-241 212	-184 882	-343 601	-150 693
Opening balance for cash and cash equivalents		1 799 668	1 928 652	913 390	1 064 083
FX effects on cash accounts		-45 205	55 898	-	-
Closing balance for cash and cash equivalents		1 513 234	1 799 668	569 788	913 390
Unused credit facilities		2 184 235	2 194 085	2 081 570	1 131 526

Statement of changes in equity ^(1000 NOK)

Group	Note	Share capital	Other paid-in capital	Treasury shares	Other reserves	Retained earnings	Capital and reserves attributable to owners of the company	Non-controlling Interests	Total equity
2024									
Balance at 1 January		223 981	25 604	-112 938	60 570	2 804 670	3 001 888	637 630	3 639 517
Profit (-loss) for the year		-	-33	-	-69 522	2 307 135	2 237 579	6 558	2 244 137
Total Other Comprehensive Income (OCI)		-	-	-	106 113	6 203	112 316	22 878	135 195
Effect of share based payment	4	-	-	-	5 707	-1 488	4 219	-	4 219
Treasury shares		-	2 556	7 254	-	1 167	10 977	58	11 034
Disposal group	3	-	-	-	-	-	-	-369 410	-369 410
Dividends paid	10	-	-	-	-	-222 965	-222 965	-27 698	-250 662
Balance at 31 December		223 981	28 127	-105 684	102 868	4 894 722	5 144 014	270 016	5 414 030
2025									
Balance at 1 January		223 981	28 127	-105 684	102 868	4 894 722	5 144 014	270 016	5 414 030
Profit (-loss) for the year		-	-	-	-	-114 437	-114 437	-37 281	-151 718
Total Other Comprehensive Income (OCI)		-	-	-	-86 045	1 467	-84 578	-14 185	-98 763
Effect of share based payment	4	-	-	-	4 302	-1 220	3 082	41	3 123
Treasury shares		-	860	2 424	-	-	3 283	-	3 283
Disposal group	3	-	-	-	1 623	-32 437	-30 814	102 054	71 240
Dividends paid	10	-	-	-	-	-108 350	-108 350	-27 433	-135 783
Balance at 31 December		223 981	28 987	-103 260	22 748	4 639 745	4 812 200	293 213	5 105 413

Parent Company	Note	Share capital	Other paid-in capital	Treasury shares	Other reserves	Retained earnings	Capital and reserves attributable to owners of the company	Non-controlling Interests	Total equity
2024									
Balance at 1 January		223 981	25 604	-112 938	1 866	2 887 448	3 025 962	-	3 025 962
Profit (-loss) for the year		-	-	-	-	2 423 348	2 423 348	-	2 423 348
Total Other Comprehensive Income (OCI)		-	-	-	18 514	6 371	24 885	-	24 885
Effect of share based payment	4	-	-	-	-2 408	5 016	2 608	-	2 608
Treasury shares		-	2 556	7 254	-	-	9 810	-	9 810
Dividends paid	10	-	-	-	-	-219 511	-219 511	-	-219 511
Balance at 31 December		223 981	28 160	-105 684	17 972	5 102 672	5 267 102	-	5 267 102
2025									
Balance at 1 January		223 981	28 160	-105 684	17 972	5 102 672	5 267 102	-	5 267 102
Profit (-loss) for the year		-	-	-	-	28 521	28 521	-	28 521
Total Other Comprehensive Income (OCI)		-	-	-	1 155	249	1 404	-	1 404
Effect of share based payment	4	-	-	-	2 198	-	2 198	-	2 198
Treasury shares		-	860	2 424	-	-	3 283	-	3 283
Dividends paid	10	-	-	-	-	-109 873	-109 873	-	-109 873
Balance at 31 December		223 981	29 020	-103 260	21 325	5 021 570	5 192 635	-	5 192 635

Notes to the annual and consolidated financial statements for 2025

Accounting policies

Information about the company

Arendals Fossekompani ASA is domiciled in Norway, and with headquarters in Bøylefoss, in the Municipality of Froland. The consolidated financial statements for financial year 2025 include the company and its subsidiaries (as a whole, referred to as "the Group"). Information about the companies included in the scope of consolidation is disclosed in Note 11, together with information about Group investments in associates.

Basis for preparation

The annual and consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the European Union and associated interpretations, as well as Norwegian disclosure requirements pursuant to the Norwegian Accounting Act applicable as of 31 December 2025.

The annual and consolidated financial statements were approved by the board of directors on 13 April 2026.

The annual and consolidated financial statements will be submitted for adoption at the Annual General Meeting scheduled for 12 May 2026. The board is authorised to amend the annual and consolidated financial statements until final adoption.

The financial statements are presented in Norwegian kroner (NOK), which is the functional currency of the parent company. All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand NOK units unless otherwise stated.

The financial statements have been prepared using the historical cost principle, except for the following assets, which are presented at fair value: Financial instruments at fair value through profit or loss and financial instruments at fair value through other comprehensive income.

The Group recognises changes in equity arising from transactions with owners in the statement of changes in equity. Other changes in equity are presented in the statement of comprehensive income (total return).

Preparation of financial statements in accordance with IFRS requires the use of assessments, estimates and assumptions that influence which accounting policies shall be applied, and influence recognised amounts for assets and liabilities, revenues and costs. Actual amounts can deviate from estimated amounts.

Estimates and underlying assumptions are reviewed on an ongoing basis. Changes in accounting estimates are recognised in the period in which they arise if they only apply to that period. If the changes also apply to subsequent periods, the effect is allocated over the current and subsequent periods.

Areas with significant estimation uncertainties, and where assumptions and assessments made have significantly influenced the application of the accounting policies, are disclosed in Note 21.

Accounting policies

The accounting policies applied in the preparation of the annual and consolidated financial statements are described below. Except for effects described in the section on changes in accounting policies below, the policies are applied consistently for all periods. In case that subsidiaries have used other principles to prepare their separate annual financial statements, adjustments have been made so the consolidated financial statements are prepared according to common policies.

Changes in accounting policies for 2025

No new standards have been adopted by the Company and the Group with effect from 1 January 2025.

Principles of consolidation

Segment reporting

Financial information for the operating segments is determined and presented based on the information provided to the company's board of directors, which is the Group's ultimate decision maker.

Foreign currency translation

Transactions in foreign currencies

Transactions in foreign currencies are translated to the functional currency of each individual Group company using the exchange rates at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated to NOK using the exchange rate at the balance sheet date. Differences that arise from the currency translation are recognised in the income statement.

Financial statements of foreign operations

Assets and liabilities in foreign currencies are translated to NOK using the exchange rate at the balance sheet date.

Foreign exchange gains/losses related to sales are presented as part of sales, foreign exchange gains/losses related to purchases are presented as part of cost of materials, and foreign exchange gains/losses related to financing is presented as part of financial items.

Hedging activities

Cash flow hedge

When a derivative is designated as a hedging instrument on variability in cash flows for a recorded asset or liability, or for a highly probable forecast transaction, the effective portion of a change in fair value is recognised in other comprehensive income. The Group performs a qualitative assessment of hedging effectiveness. A hedging instrument is derecognised when it no longer satisfies hedge accounting criteria, sold, terminated or matures. The accumulated change in fair value recognised in other comprehensive income remains until the forecast transaction occurs. If the hedged item is a financial asset, the amount recognised in other comprehensive income is transferred to the income statement in the same period as the hedged item affects the income statement. If the hedged transaction is no longer expected to occur, the accumulated unrealised gains or losses are immediately recognised in the income statement.

Equity

Ordinary shares

Ordinary shares are classified as equity. Costs associated with the issuance of shares are recognised as a reduction in net equity (share premium) after tax, if applicable.

Purchase and sale of treasury shares

On the repurchase of treasury shares, the purchase amount including directly attributable costs are recognised as a change in equity. Purchased shares are classified as treasury shares and reduce total equity. When treasury shares are sold, the received amount is recorded as an increase in equity, and the subsequent gain on the transaction is recognised in Other paid-in equity.

Depreciation

Depreciation is calculated using the straight-line method over the estimated useful lifetime for each item of property, plant and equipment, and charged to the income statement. Land is not depreciated. Estimated economic lifetimes are as follows:

Watercourse regulations	40–50 years
Power generation	
Buildings	50 years
Dams, water ways, hatches	25-40 years
Machine equipment	40 years
Thermal power plant (Spain)	25 years
Industrial activities	
Buildings	20–25 years
Machinery and equipment	7–15 years
Operational moveable property, vehicles, equipment etc.	3–12 years

Residual value is assessed annually unless it is immaterial.

Construction contracts

The booked value of construction contracts consists of earned, non-invoiced income under the percentage-of-completion method, less received advance payments. The amount is recognised in the balance sheet under trade and other receivables.

The net worth is classified as contract assets. Long-term manufacturing contracts where the customer has paid more than the earned contract value on the balance sheet date are classified as contract obligations. See also the section below on operating income and Note 13.

Employee benefits

Share-based compensation

For share-based compensation by equity instruments granted that do not vest until the employee completes a specified period of service, it is assumed that the services to be rendered as consideration for the equity instruments will be received in the future, during the vesting period. Such services are accounted for as they are rendered by the employee during the vesting period, with a corresponding increase in equity.

Operating income

Goods sold and services rendered

Operating revenue is recognised when performance obligations are satisfied through the transfer of a good or service to the the customer, either over time or at a point in time. By transfer is meant that the customer has obtained control of the good or service. The most central indicators of transfer of control is that the Group has obtained the right to payment for the good or service, that the customer has obtained the right to the good or service, that the Group has transferred physical control of the good or service, that the customer has taken on the significant risks and rewards related to ownership of the good or service. Operating revenue is presented net of sales-related taxes and rebates.

Revenue related to fixed-price contracts where the deliverable is tailored to the customer, does not have an alternative use and where the Group obtains the right to payment based on the projects progress is recognised over time as long as the projects revenue and expenses can be estimated reliably. When the project's result cannot be estimated reliably, only revenue corresponding to expenses incurred may be recognised. Losses related to onerous contracts are recognised in the period they are identified.

Depending on the type of project, progress is estimated based on costs incurred in relation to total estimated costs, as direct hours incurred in relation to total expected hours or by assessing technical grade of completion. Estimates

related to revenues, expenses and progress are revised when assumptions change. Change in estimates are recognised in the income statement in the period management becomes aware of the change of assumptions that caused the change in estimate.

In fixed-price contracts the customer normally pays fixed amounts through the project period based on a payment plan. A contract asset is recognised if, at the measurement date the value of the deliverable at the exceeds payments received from the customer. A contract liability is recognised payment from the customer exceeds the value of the deliverable at the measurement date.

Revenue from energy sales is recognised at the transaction date.

Government grants

Government grants that compensate for incurred expenses are recognised as a cost reduction in the income statement on a systematic basis in the same periods in which the expenses are incurred. Grants related to the acquisition of operating assets are recognised as reduction of cost and amortised by reducing amortisation over the operating asset's useful economic life.

Cash and cash equivalents

Cash means cash in hand and in the bank. Cash equivalents are short-term liquid investments that can be converted to cash within three months to a known amount and which have an insignificant degree of risk. Cash and cash equivalents in the cash flow statement do not include unused overdrafts.

Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell

are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss. Cash flows from discontinued operations are included in the consolidated statement of cash flows and are disclosed separately. The Group includes proceeds from disposal in cash flows from discontinued operations. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

Accounting standards and interpretations issued but not adopted

The company has not early-adopted any IFRS standards or IFRIC that have been issued but are not mandatory as of 31 December 2025. Based on the assessments made so far, it is assumed that coming standards and IFRIC approved by the EU will not have a material effect on the financial statements.

Note 1 Segment reporting

		Group Management		AFK Vannkraft		NSSL Global		ENRX	
Segment reporting per:	31.12.	2025	2024	2025	2024	2025	2024	2025	2024
Sales at a point in time		-	-	359	361	1 295	1 399	929	898
Sales over time		-	-	-	-	-	-	728	1 016
Other Income		16	14	1	2	-2	1	5	9
Revenue and other income		16	14	360	363	1 293	1 400	1 662	1 923
Operating expense		89	84	102	104	1 037	1 105	1 642	1 701
Depreciation, amortization, impairment		3	6	10	9	35	31	393	88
Operating profit		-76	-76	248	250	222	263	-373	134
Income from associates		-	-	-	-	-	1	-	-
Net financial items		3	-643	-	-	-8	13	-66	-81
Income tax expense		-5	-17	152	156	56	75	3	44
Profit (-loss) from continuing operations		-67	-702	96	95	158	202	-442	9
Total assets		5 915	6 152	286	239	1 243	1 258	1 751	2 321
Total liabilities		724	945	174	178	521	533	1 316	1 863
Net interest bearing debt excl. SH loans		104	-45	-	-	-524	-474	596	1 066

		Tekna		AFK Eiendom		Other Investments (*)		Total Segment	
Segment reporting per:	31.12.	2025	2024	2025	2024	2025	2024	2025	2024
Sales at a point in time		216	217	46	288	79	66	2 924	3 229
Sales over time		48	73	-	-	-	-	776	1 089
Other Income		5	32	8	7	-	10	34	74
Operating revenue		269	322	53	295	79	75	3 733	4 393
Operating expense		292	354	38	266	133	139	3 334	3 752
Depreciation, amortization, impairment		36	32	34	17	68	39	580	221
Operating profit		-59	-63	-19	13	-122	-102	-180	419
Income from associates		-	-	-	-	-	-	-	1
Net financial items		-15	-16	-13	-12	27	-4	-71	-742
Income tax expense		8	7	-2	9	1	-4	212	269
Profit (-loss) from continuing operations		-82	-85	-29	-8	-96	-102	-463	-591
Total assets		534	576	621	523	299	319	10 648	11 388
Total liabilities		122	367	354	330	225	168	3 436	4 385
Net interest bearing debt excl. SH loans		-73	172	223	213	119	-895	444	37

		Eliminations & Adjustments		Total Consolidated	
Segment reporting per:	31.12.	2025	2024	2025	2024
Sales at a point in time		-	1	2 924	3 230
Sales over time		-	-	776	1 089
Other Income		-22	-30	12	43
Operating revenue		-22	-30	3 711	4 363
Operating expense		-9	3	3 324	3 756
Depreciation, amortization, impairment		-174	-8	406	213
Operating profit		161	-26	-19	394
Income from associates		53	-35	53	-34
Net financial items		98	609	27	-133
Income tax expense		-	-	212	270
Profit (-loss) from continuing operations		311	549	-152	-42
Total assets		-2 365	-2 536	8 283	8 852
Total liabilities		-259	-947	3 177	3 438
Net interest bearing debt excl. SH loans		-248	6	196	43

(*) Other Investments include Kontali, Veyt, Utel and Collect.

Segment reporting

Financial information for the operating segments is determined and presented based on the information provided to the company's board of directors, which is the Group's ultimate decision-maker.

Group Management identifies and develops opportunities for value creation. As an active owner of our portfolio companies, we create value through the portfolio companies' boards and management teams. We develop strategy in dialogue with management, follow up performance and support M&A and financing.

Leveraging decades of experience, **ENRX** is a global leader in industrial induction heating systems, serving industries including automotive, tube and pipe, renewable energy, electrotechnical appliances and HVAC. ENRX's solutions help customers improve efficiency and precision while reducing energy consumption.

NSSLGlobal is an independent provider of cyber secure satellite and mobile communications and IT support, delivering high-quality voice and data services across the globe, regardless of location or terrain. NSSLGlobal's activities are divided into four main areas: Airtime, Projects, Hardware and Service. Its main customers are within the maritime segment, the military and government sector, large international corporations, and the energy sector.

Tekna is a world-leading provider of advanced materials and plasma systems for industrial applications. The company produces high-purity metal powders used in additive manufacturing for the aerospace and defence, medical and consumer electronics sectors, and develops optimised induction plasma systems used in industrial research and production.

AFK Vannkraft generates power at two locations in the Arendal watercourse. The Bøylefoss and Flatenfoss hydropower plants produce on average more than 500 GWh annually. All financial items have been allocated to Group Management segment.

AFK Eiendom is a property company which owns and develops properties in and around Arendal, and in connection with Arendals Fossekompani's portfolio companies.

Other Investments include Kontali, Veyt, Utel and Collect.

Note 1 Segment reporting cont. (1 000 NOK)

Geographical segments	Norway		Europe		Asia		North America		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Revenue	605 195	848 639	1 756 387	1 952 409	679 272	875 639	670 384	685 831	3 711 239	4 362 517
Segment assets	5 201 606	4 908 242	1 792 223	2 292 930	685 338	775 902	713 881	875 252	8 282 675	8 852 326
Parent Company	AFK Vannkraft		Group Management		Total					
	2025	2024	2025	2024	2025	2024				
Revenue and other income	359 887	363 305	16 321	13 857	376 207	377 162				
Operating expenses	102 015	104 311	88 838	84 357	190 853	188 667				
Depreciation, amortization and impairment	10 103	8 716	3 170	5 819	13 274	14 535				
Operating income	247 768	250 279	-75 688	-76 319	172 080	173 960				
Net financial items			3 007	2 387 685	-104 398	2 387 685				
Income tax expense	151 850	155 534	-5 284	-17 236	146 566	138 297				
Profit (-loss) continuing operations	95 918	94 745	-67 397	2 328 603	-78 884	2 423 348				
Total assets	285 611	239 092	5 804 272	6 151 758	6 089 884	6 390 850				
Total liabilities	173 553	178 475	723 695	945 273	-72 367	1 123 748				
Net interest bearing debt	-	-	103 593	-43 387	103 593	-43 387				

Note 2 Other income (1 000 NOK)

	Group		Parent Company	
	2025	2024	2025	2024
Other	1 916	36 488	7 765	7 240
Other income, intercompany	-	-	8 965	8 807
Gain sales of assets	1 603	656	640	-
Grants/subsidies	8 352	6 186	-	-
Other income	11 871	43 330	17 370	16 048

Note 3 Discontinued operations

Sale of Vergia in 2024

In July 2024, Arendals Fossekompani sold its 100% shareholding in Vergia. Consequently, the company's financial results have been recognised on separate lines in the income statement as discontinued operations. Profit/loss from discontinued operations regarding Vergia in the group accounts is MNOK 7 and includes the gain on disposal of Vergia of MNOK 17.

Insolvency of Commeo Germany in 2024

Commeo is a subsidiary of Arendals Fossekompani's portfolio company, Ampwell. Ampwell was established in 2022 to build an eco-system for battery technology and a Battery-as-a-Service model. The investment in Commeo was made in April 2022. The Commeo companies in Germany filed for insolvency in July 2024. All companies are subsidiaries of Arendal Fossekompani. Consequently, these company's financial results have been recognised on separate lines in the income statement as discontinued operations. After insolvency of Commeo Germany, Ampwell is no longer considered as own reporting segment. The remaining Ampwell companies are now included in reporting segment Other. Profit/loss from discontinued operations regarding Commeo in the group accounts is MNOK -803 and includes impairment losses of total MNOK 613 related to the insolvency of Commeo.

Sale of Volue in 2024

In October 2024 Arendals Fossekompani sold its 60% shareholding in Volue ASA. Arendals Fossekompani has subsequently acquired a 40% indirect ownership of Volue via the associated company Faraday Topco AS. Profit/loss from discontinued operations regarding Volue in the group accounts is MNOK 3,083 and include the gain on partial disposal of Volue of MNOK 3,014.

In the parent company financial statements, the gain of NOK 3,265 million related to sale of Volue is presented as financial income.

Note 4 Employee benefit expenses (1 000 NOK)

	Group		Parent Company	
	2025	2024	2025	2024
Salaries	1 145 708	1 166 572	65 645	60 557
Social security contributions	151 107	154 192	10 530	10 207
Pension costs	51 153	45 489	5 259	5 169
Capitalised cost	-109 093	-96 094	-	-
Share-based payments	4 302	5 707	2 198	2 608
Other benefits	-733	18 383	4 067	4 043
Total employee benefits	1 242 445	1 294 249	87 698	82 585
Average number of full-time headcounts	1 544	1 761	38	37

	Salaries, fees	Bonus paid out this year	Long-term incentive plan (LTIP)*	Benefits in kind	Share-based payment	Paid-in pension contribution	Total remuneration
2025							
Senior executives							
Benjamin Golding, CEO	4 478	3 217	1 483	18	625	137	9 958
Lars Peder Fensli, CFO	3 023	1 069	1 000	26	357	146	5 621
Håkon Tanem, Executive Vice President	2 813	873	927	58	375	144	5 190
Torkil Mogstad, Executive Vice President	2 378	678	726	34	170	93	4 079
Ingunn Ettestøl, Executive Vice President	1 998	694	662	17	204	170	3 745
Ann-Kari A. Heier, Executive Vice President	2 121	751	704	27	150	164	3 917
Total remuneration	16 811	7 282	5 502	180	1 881	854	32 510
Board members, audit and compensation committees							
Trond Westlie, Chairman, (iii)	1 003	-	-	-	-	-	1 003
Morten Bergesen, Deputy Chairman, (ii), (iv)	521	-	-	-	-	-	521
Didrik Vigsnaes, Board Member, (iii)	450	-	-	-	-	-	450
Arild Nysæther, Board Member	450	-	-	-	-	-	450
Stine Rolstad Brenna, Board Member, (ii)	514	-	-	-	-	-	514
Lise Lindback, Board Member, (iii)	450	-	-	-	-	-	450
Anne Grethe Dalane, Board member, (ii)	487	-	-	-	-	-	487
Total remuneration	3 875	-	-	-	-	-	3 875
2024							
Senior executives							
Benjamin Golding, CEO	4 107	1 987	-	24	437	129	6 684
Lars Peder Fensli, CFO	2 912	772	-	14	389	137	4 224
Håkon Tanem, Executive Vice President	2 575	-	-	53	281	135	3 044
Torkil Mogstad, Executive Vice President	2 262	426	-	38	295	89	3 110
Ingunn Ettestøl, Executive Vice President	1 896	505	-	26	260	160	2 847
Ann-Kari A. Heier, Executive Vice President	1 792	200	-	38	137	164	2 331
Total remuneration	15 544	3 890	-	193	1 799	814	22 240
Board members, audit and compensation committees							
Trond Westlie, Chairman, (iii)	1 119	-	-	-	-	-	1 119
Morten Bergesen, Deputy Chairman, (ii), (iv)	483	-	-	-	-	-	483
Didrik Vigsnaes, Board Member, (iii)	423	-	-	-	-	-	423
Christian Must, Board member, (iii)	156	-	-	-	-	-	156
Arild Nysæther, Board Member from 15.05.2024	225	-	-	-	-	-	225
Stine Rolstad Brenna, Board Member, (ii)	477	-	-	-	-	-	477
Lise Lindback, board member, (iii)	398	-	-	-	-	-	398
Anne Grethe Dalane, Board member, (ii)	453	-	-	-	-	-	453
Total remuneration	3 734	-	-	-	-	-	3 734

- (i) 17 Board meetings were held in 2025 and 17 in 2024
- (ii) Member of Audit Committee
- (iii) Member of Compensation Committee
- (iv) Member of Nomination Committee

Senior executives participate in the collective pension scheme for employees of the parent company and subsidiaries. Refer to the description in the note on pensions. All companies in the Group have phased out defined-benefit pension schemes with effect from 31 December 2015.

Bonuses, options and other benefits are not pensionable. Senior executives of the Group received no remuneration or benefits from other Group companies except as shown above. No additional remuneration was paid for special services beyond normal management duties. Regarding loans and security provided to members of the management team, the Board of Directors and other elected bodies of the company refer to Note 24.

Employment terms for the CEO and other senior executives:

The following severance pay has been agreed for the CEO in the event of the termination of his employment: Salary will be paid during the notice period (6 months). In addition he will receive a severance pay amounting to 6 months of salary.

* Executive Management will for each of the years 2025, 2026 and 2027 be granted shares in Arendals Fossekompagni ASA corresponding to a pretax value of a third of base salary. The shares have a three-year lock-up period. For more information see the Remuneration policy.

Until 2024, in accordance with the previous incentive program, Executives could borrow up to two-thirds of the purchase price for the shares on the same terms as ordinary employee loans. Loans are secured by a mortgage on the shares and run as long as the employment relationship lasts.

Note 4 Pension liabilities (1 000 NOK)

Pension obligations / costs

The Group's Norwegian companies are obligated to maintain an occupational pension scheme pursuant to the Mandatory Occupational Pension Scheme. The pension scheme satisfies statutory requirements. The pension scheme includes a retirement pension, disability pension and survivor pension. With effect no later than 31.12.2015, all the companies in the Group discontinued their defined benefit plan.

	Group		Parent Company	
	2025	2024	2025	2024
Pension liabilities				
Present value of unfunded liabilities	18 376	18 275	5 868	5 658
Present value of funded liabilities	50 092	60 390	49 095	46 709
Fair value of pension assets	-72 733	-75 871	-72 733	-68 557
Recognised employers' contributions	1 659	1 618	827	798
Present value of net liabilities	-2 607	4 412	-16 943	-15 392
Of which presented as pension assets	40 677	35 584	23 638	21 848
Other pension liabilities	3 831	3 329	-	-
Gross pension liabilities	41 901	43 325	6 695	6 456
Change in recognised net liability for defined-benefit pensions				
Net funded defined-benefit pension liability as at 1 January	-14 197	-4 236	-21 848	-13 369
Liability for unfunded schemes as at 1 January	6 456	6 623	6 456	6 623
Disposal	10 828	11 061	-	-
Paid-in contributions	-125	1 273	-125	-
Paid out from the scheme	-502	-1 012	-502	-255
Actuarial (gains) losses from other comprehensive income	-1 081	-6 710	-319	-8 168
Exchange rate changes, pension liabilities	-29	502	-	-
Costs of defined-benefit schemes	-127	241	-604	-223
Net liability for defined-benefit schemes as at 31 December	1 223	7 741	-16 943	-15 392
Costs recognised in the income statement				
Costs relating to this period's pension entitlements	256	574	-	-
Interest on the liabilities	2 191	2 134	1 969	1 616
Expected return on pension plan assets	-2 618	-2 245	-2 618	-1 863
Recognised employers' contributions	44	-222	44	24
Costs of defined-contribution pension schemes	49 401	43 542	3 985	3 716
Net interest on pension liabilities transferred to finance	604	253	604	223
Transfer effect of discontinuation of separate line in income statement	1 274	1 454	1 274	1 454
Total pension costs	51 153	45 489	5 259	5 169
Actual return on pension plan assets	7 150	11 235	8 372	5 055
Development of the Group's funded pension liabilities				
Present value of funded liabilities	50 092	60 390	49 095	46 709
Fair value of pension assets	-72 733	-75 871	-72 733	-68 557
Net result	-22 642	-15 481	-23 638	-21 848

Note 4 Share-based payments

Share option plan Tekna Group

The guidelines for remuneration of leading persons in the Tekna group was approved by the shareholders at the annual general assembly dated 3 May 2023. The establishment of the share option plan was approved by the shareholders at the annual general assembly dated 15 May 2024. The board of directors of Tekna Holding ASA (the "Company") has resolved to implement an employee share option plan (the "Plan"). The Plan is available to eligible individuals as determined by the board of directors. The Plan enables the eligible person to acquire a proprietary interest in the growth and eligible individuals as determined by the board of directors. The Plan enables the eligible person to acquire a proprietary interest in the growth and performance of the Company and to enhance the ability of the Company to attract, retain and reward qualified individuals. Options can be granted on an annual or ad hoc basis, with annual grants projected for 2024, 2025, and 2026, all subject to the board's discretion. Upon exercising their options, option holders can choose between acquiring shares after paying the strike price or opting for a cashless transaction. The latter involves the transfer of a number of treasury shares equivalent to the NOK amount of the number of exercised options, multiplied by the difference between the Company's shares' market price and the strike price. On 21 November 2025, the board of directors has granted a total of 3,410,000 options in the 2025 allocation round. These options have a strike price of NOK 3.25. Issued options vest 33% after one year, 33% after two years, and 33% after three years. The expiry date for any option granted is the date falling 24 months following the vesting date and will lapse if not exercised. The share options plan have been treated as an equity-settled plan under IFRS. The strike price of the share options will be based on the volume weighted average share price over the last five last trading days preceding the grant date. The total profit each option holder may achieve shall be limited to 400% of the fair market value of the share at grant, or limited to 400% of annual fixed salary of the option holder in the year of grant.

Set out below are summaries of options granted under the plan:

	2025		2024	
	Average exercise price per share option (NOK)	Number of options	Average exercise price per share option	Number of options
As at 1 January	0,62	2 124 000	-	-
Granted during the year	0,44	3 410 000	0,62	2 124 000
Exercised during the year	-	-	-	-
Forfeited during the year	0,62	-659 000	-	-
As at 31 December	0,49	4 875 000	0,62	2 124 000

During 2025, certain share options were forfeited in connection with employee departures, resulting in a reduction in the number of outstanding options. No options expired during the periods covered by the tables above.

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price (NOK)	Share options	Share options
			31 December 2025	31 December 2024
23-Oct-24	23-Oct-27	0,62	-	488 333
23-Oct-24	23-Oct-28	0,62	-	488 333
23-Oct-24	23-Oct-29	0,62	-	488 334
21-Nov-25	21-Nov-28	0,44	1 136 667	-
21-Nov-25	21-Nov-29	0,44	1 136 667	-
21-Nov-25	21-Nov-30	0,44	1 136 667	-
Total	-	-	3 410 000	1 465 000

Weighted average remaining contractual life (years) of options outstanding at end of period 3,92

Note 4 Share-based payments cont.

Fair value of options granted

The assessed fair value at grant date of options granted during the year ended 31 December 2025 was NOK 0.8, 0.98 and 1.11 for the different vesting periods. The fair value at grant date is independently determined using an adjusted form of the Black-Scholes model that considers the exercise price, the term of the option, the share price at grant date and expected price volatility of the the risk-free interest rate for the term of the option, and the volatilities of the peer group companies. The model inputs for options granted during the year ended 31 December 2025 included:

Vesting Year	2025	2026	2027
a) Options are granted for no consideration and vest after one, two and three years (service condition). Vested options are exercisable for a period of 24 months years after vesting.			
b) Share price	4,6	4,6	4,6
c) Exercise price	4,88	4,88	4,88
d) Risk free-rate (3, 4 and 5 year)	3,53%	3,53%	3,53%
e) Volatility	35%	38%	39%
f) Maturity	3	4	5
g) Days (360 per year)	1 080	1 440	1 800
h) Date of exercise	23 Oct 27	23 Oct 28	23 Oct 29
i) Valuation date	23 Oct 24	23 Oct 24	23 Oct 24

The estimated expected price volatility is based on the median of volatilities of the peer group companies over an historical period of 3-5 years since Tekna has a short historical period only. The estimated expected lifetime of the options is set at 3,4 and 5 years. Total expenses arising from share options are recognized during the period as part of employee benefit expenses and based on vesting of 84% regarding service conditions from share options granted 2024 and 100% for share options granted 2025, which represents the actual churn, and adjusted for the profit cap of 400% of the fair market value of the share at grant.

Vesting Year	2026	2027	2028
a) Options are granted for no consideration and vest after one, two and three years (service condition). Vested options are exercisable for a period of 24 months years after vesting.			
b) Share price	3.15	3.15	3.15
c) Exercise price	3.25	3.25	3.25
d) Risk free-rate (3, 4 and 5 year)	3.81%	3.86%	3.91%
e) Volatility	32%	34%	34%
f) Maturity	3	4	5
g) Days (360 per year)	1,080	1,440	1,800
h) Date of exercise	20 Nov 28	21 Nov 29	21 Nov 30
i) Valuation date	21 Nov 25	21 Nov 25	21 Nov 25

Employee share scheme Arendals Fossekompagni ASA

In 2022, Arendals Fossekompagni established an incentive program for senior management and key employees which implies senior management is allowed to purchase shares in the Company each year up to a predetermined maximum amount. The shares are offered with 20% discount and three years lock-up period. In 2025 there has been established a new incentive program for senior management which is not based on share-based payments.

Employee share scheme Alytic Group

In 2021, Alytic AS established an incentive program for senior management and key employees which implies senior management is allowed to purchase a certain maximum number of shares in the Company each year. The shares are offered with 25% discount without any lock-up period. During 2025, senior management and key employees purchased 14,500 shares from the Company with 25% discount resulting in a share price of NOK 90,83. The price has been calculated based on equity investments in the Company resulting in an estimated stock market price of NOK 121,10.

Employee share scheme ENRX group

In December 2021, ENRX group granted performance shares to key employees for the share price of NOK 47,68 per share (exercise price) with a lock-up period of 3-5 years. The cost of the equity settled transactions is determined by the fair value at grant date using an appropriate valuation model in form of a Discounted Cash Flow (DCF) model with several underlying assumptions. The fair value of the shares granted is calculated at NOK 77,64 per share. The value between the exercise price of the performance shares and the calculated fair value of the performance shares is expensed over the vesting period equal to the lockup period. The lockup period started 1 January 2022.

Expenses arising from share-based payment transactions ^(1000 NOK)

Total expenses arising from share-based payment transactions recognized during the period as part of employee benefit expense were as follows:

	2025	2024
Options issued under employee share option plan in Tekna	1 239	154
Shares purchased under employee share scheme in AFK	2 198	2 608
Shares purchased under employee share scheme in Alytic	439	1 464
Shares purchased under employee share scheme in ENRX	426	1 480
Total expenses	4 302	5 707

Note 5 Property, plant & equipment ^(1 000 NOK)

Group 2024	Hydro power plants	Under construction	Vehicles, machinery and equipment	Buildings and land	Right-of-use vehicles, machinery and eq.	Right-of-use buildings and land	Property, plant and equipment
Balance at 1 January 2024	317 833	280 178	988 443	692 565	41 856	491 829	2 812 704
Additions	-	49 226	71 277	71 591	1 234	54 328	247 656
Disposal	-	-	-24 381	-9 763	-504	-6 686	-41 333
Disposal of companies and businesses	-	-10 100	-179 593	-192 601	-3 461	-203 945	-589 700
Transferred from under construction	-	-187 879	16 989	170 890	-	-	-
Change in RoU	-	-	-	-	3 660	63 781	67 441
Effect of movements in FX rates	-	8 433	53 270	13 543	2 400	22 338	99 983
Balance at 31 December 2024	317 833	139 858	926 005	746 225	45 185	421 645	2 596 751
Depreciation and impairment losses							
Balance at 1 January 2024	-192 831	-	-694 594	-240 382	-25 227	-231 133	-1 384 168
Depreciation	-5 861	-	-71 757	-27 994	-8 487	-71 078	-185 176
Impairment	-	-	-40 276	-192 008	-2 463	-105	-234 852
Disposal	-	-	19 567	-10 458	504	6 686	16 298
Disposal of companies and businesses	-	-	157 956	191 862	4 813	109 394	464 024
Change in RoU	-	-	-	-	1 838	33 199	35 037
Effect of movements in FX rates	-	-	-40 811	-5 375	-1 501	-11 302	-58 989
Balance at 31 December 2024	-198 692	-	-669 915	-284 355	-30 525	-164 339	-1 347 827
Book value at 1 January 2024	125 003	280 178	293 849	452 182	16 628	260 696	1 428 536
Book value at 31 December 2024	119 142	139 858	256 089	461 870	14 660	257 305	1 248 924

Group 2025	Hydro power plants	Under construction	Vehicles, machinery and equipment	Buildings and land	Right-of-use vehicles, machinery and eq.	Right-of-use buildings and land	Property, plant and equipment
Balance at 1 January 2025	317 833	139 858	926 005	746 225	45 185	421 645	2 596 751
Additions	7 050	172 179	30 557	6 020	2 415	2 931	221 152
Disposal	-	-3 178	-91 683	-9 785	-9 607	-14 281	-128 535
Disposal of companies and businesses	-	-	-594	-	-	-21 955	-22 550
Transferred from under construction	-	-84 600	12 835	71 765	-	-	-
Change in RoU	-	-	-	-	2 474	14 521	16 995
Effect of movements in FX rates	-	-3 250	-41 905	-17 098	-1 113	-17 458	-80 824
Balance at 31 December 2025	324 883	221 009	835 215	797 126	39 353	385 403	2 602 989
Depreciation and impairment losses							
Balance at 1 January 2025	-198 692	-	-669 915	-284 355	-30 525	-164 339	-1 347 827
Depreciation	-5 640	-	-64 387	-33 131	-7 432	-56 122	-166 712
Impairment	-	-	-	-17 256	-	-	-17 256
Disposal	-	-	81 620	9 151	8 901	495	100 166
Disposal of companies and businesses	-	-	553	-	-	-	553
Change in RoU	-	-	-	-	911	13 844	14 755
Effect of movements in FX rates	-	-	30 777	6 412	824	8 056	46 069
Balance at 31 December 2025	-204 332	-	-621 353	-319 179	-27 321	-198 067	-1 370 252
Book value at 1 January 2025	119 142	139 858	256 089	461 870	14 660	257 305	1 248 924
Book value at 31 December 2025	120 551	221 009	213 862	477 947	12 032	187 336	1 232 737

Note 5 Property, plant & equipment cont. (1 000 NOK)

Provision of security

As at 31 December 2025 operating assets in the subsidiaries with a book value of kNOK 355 794 (2024: kNOK 456 353) were pledged as security for bank loans (see Note 17).

Parent Company 2024	Hydro power plants	Under construction	Vehicles, machinery and equipment	Buildings and land	Right-of- use vehicles, machinery and eq.	Right-of- use buildings and land	Property, plant and equipment
Balance at 1 January 2024	317 833	-	49 755	4 756	504	65 026	437 874
Additions	-	5 560	1 057	-	-	-	6 617
Disposal	-	-	-285	-	-504	-	-789
Change in RoU	-	-	-	-	-	2 254	2 254
Balance at 31 December 2024	317 833	5 560	50 528	4 756	-	67 279	445 956
Depreciation and impairment losses	-	-	-	-	-	-	-
Balance at 1 January 2024	-192 831	-	-11 027	-	-336	-6 284	-210 477
Depreciation	-5 861	-	-3 518	-	-168	-3 488	-13 035
Disposal	-	-	45	-	504	-	549
Balance at 31 December 2024	-198 692	-	-14 500	-	-	-9 772	-222 964
Book value at 1 January 2024	125 003	-	38 728	4 756	168	58 742	227 396
Book value at 31 December 2024	119 142	5 560	36 027	4 756	-	57 507	222 992
2025							
Balance at 1 January 2025	317 833	5 560	50 528	4 756	-	67 279	445 956
Additions	7 050	39 286	1 177	2 402	-	-	49 915
Disposal	-	-	-4 080	-	-	-	-4 080
Transferred from under construction	-	-2 581	-	2 581	-	-	-
Change in RoU	-	-	-	-	-	1 151	1 151
Balance at 31 December 2025	324 883	42 265	47 624	9 740	-	68 431	492 942
Depreciation and impairment losses	-	-	-	-	-	-	-
Balance at 1 January 2025	-198 692	-	-14 500	-	-	-9 772	-222 964
Depreciation	-5 640	-	-3 018	-	-	-3 274	-11 932
Disposal	-	-	3 803	-	-	-	3 803
Balance at 31 December 2025	-204 332	-	-13 715	-	-	-13 046	-231 093
Book value at 1 January 2025	119 142	5 560	36 027	4 756	-	57 507	222 992
Book value at 31 December 2025	120 551	42 265	33 909	9 740	-	55 384	261 849

Note 6 Intangible assets (1 000 NOK)

Group 2024	Goodwill	Other intangible assets	Concessions	Capitalised development cost	Intangible assets under development	Intangible assets and goodwill
Balance at 1 January 2024	1 384 750	714 768	12 250	798 351	33 070	2 943 189
Additions	-	22 554	-	254 754	7 622	284 930
Disposal of companies and businesses	-534 600	-369 377	-	-823 576	-6 717	-1 734 270
Effect of movements in exchange rates	70 885	32 135	-	7 365	405	110 792
Balance at 31 December 2024	921 035	400 081	12 250	236 895	34 380	1 604 640
Amortization and impairment losses	-	-	-	-	-	-
Balance at 1 January 2024	-45 149	-275 048	-7 804	-238 628	-	-566 630
Amortization	207	-49 760	-245	-104 773	-	-154 571
Impairment	-13 781	-115 798	-	-	-	-129 579
Disposal of companies and businesses	-220 859	189 127	-	306 620	-	274 888
Effect of movements in exchange rates	758	-19 964	-	-2 968	-	-22 173
Balance at 31 December 2024	-278 823	-271 444	-8 049	-39 749	-	-598 065
Book value at 1 January 2024	1 339 601	439 720	4 446	559 723	33 070	2 376 559
Book value at 31 December 2024	642 211	128 637	4 201	197 146	34 380	1 006 576
2025						
Balance at 1 January 2025	921 035	400 081	12 250	236 895	34 380	1 604 640
Additions	-	7 201	-	97 853	11 981	117 035
Reclassification from Under development	-	-	-	31 437	-31 437	-
Disposal of companies and businesses	-8 940	-14 005	-	-50 670	-201	-73 816
Effect of movements in exchange rates	-16 557	-11 088	-	1 071	-865	-27 439
Balance at 31 December 2025	895 538	382 189	12 250	316 586	13 857	1 620 420
Amortization and impairment losses	-	-	-	-	-	-
Balance at 1 January 2025	-278 823	-271 444	-8 049	-39 749	-	-598 065
Amortization	-	-21 030	-245	-32 550	-	-53 825
Impairment	-14 521	-70 851	-	-82 523	-	-167 895
Disposal of companies and businesses	8 921	19 415	-	23 160	-	51 495
Effect of movements in exchange rates	-544	8 312	-	-523	-	7 245
Balance at 31 December 2025	-284 967	-335 599	-8 294	-132 184	-	-761 044
Book value at 1 January 2025	642 211	128 637	4 201	197 146	34 380	1 006 576
Book value at 31 December 2025	610 571	46 590	3 956	184 402	13 857	859 376

Note 6 Intangible assets (1 000 NOK)

Parent Company 2024	Goodwill	Other intangible assets	Concessions	Capitalised development cost	Intangible assets under development	Intangible assets and goodwill
Balance at 1 January 2024		8 530	12 250	-	-	20 780
Balance at 31 December 2024		8 530	12 250	-	-	20 780
Amortization and impairment losses						
Balance at 1 January 2024		-6 179	-7 804	-	-	-13 983
Amortization		-1 255	-245	-	-	-1 500
Balance at 31 December 2024		-7 434	-8 049	-	-	-15 483
Book value at 1 January 2024		2 351	4 446	-	-	6 797
Book value at 31 December 2024		1 097	4 201	-	-	5 298
2025						
Balance at 1 January 2025		8 530	12 250	-	-	20 780
Balance at 31 December 2025		8 530	12 250	-	-	20 780
Amortization and impairment losses						
Balance at 1 January 2025		-7 434	-8 049	-	-	-15 483
Amortization		-1 097	-245	-	-	-1 342
Balance at 31 December 2025		-8 530	-8 294	-	-	-16 824
Book value at 1 January 2025		1 097	4 201	-	-	5 298
Book value at 31 December 2025		-	3 956	-	-	3 956

A breakdown of the allocation of intangible assets between the companies is provided below.

Intangible assets by company	Goodwill	Other intangible assets	Concessions	Capitalised development cost	Intangible assets under development	Intangible assets and goodwill
Arendals Fossekompani	-	-	3 956	-	-	3 956
ENRX	234 261	12 970	-	84 479	-	331 710
NSSLGlobal	309 673	186	-	-	-	309 859
Tekna	-	26 581	-	3 866	13 857	44 304
Other investments	65 899	6 853	-	96 057	-	168 809
AFK Eiendom	738	-	-	-	-	738
Total intangible assets	610 571	46 590	3 956	184 402	13 857	859 376

Other intangible assets consist mainly of technology, patents and trademarks, customer relationships and customer contracts.

Capitalised development cost consist mainly of software development and platform development.

Concession rights in the parent company are amortised over the term of the concession (50 years).

Other intangible assets are amortised over periods of 4 to 10 years.

Goodwill is tested annually for impairment (see accounting policies and Note 21). Goodwill is allocated to and tested for impairment for the operating segments, which is the level goodwill is monitored by group management. The recoverable amount of goodwill is estimated based on value in use for the segments ENRX and NSSLGlobal. For the segments Tekna and Alytic/ Other investments, fair value less cost to sell is used to calculate the recoverable amount.

The impairment testing for 2025 resulted in impairments of intangible assets totaling NOK 168 million. Estimated value in use is based on discounted future cash flows. These measure the cash flows based on market requirements of return and risk. Value in use for 2025 has been calculated in the same way as in 2024. Budgets have been applied for 2026 and long-term forecasts from strategy plans for the period up to 2030. In addition, a convergence period of 5 years is applied to bridge 2030 financials to a terminal period with an applied growth rate of 2.0% after the 5+5 year forecasting period. The risk-free interest rate has been assessed separately for each company depending on currency of cash flows. Risk premiums between 4.1% and 5.0% were used in the calculations, depending on relevant markets, the nature of the business, maturity and uncertainty in forecasting. Moreover, scenario weighting and peer multiple analyses are used for sensitivity purposes. Special circumstances relating to the individual calculations are commented on below.

ENRX

The Required Rate of Return (WACC before tax) has been set to 11.7%. Revenue growth is based 2026 budget and board reviewed strategy forecast for the Heat business until 2030, outlining expected growth for the Heat products and services. Revenue growth in the terminal period is set at 2.0%, according to an assumed inflation target. A sensitivity analysis based on a unilateral change in estimated future EBITDA shows that a reduction of more than 14% may lead to impairment. Equivalently, a one percentage point change in WACC may cause impairment.

As a result of the sale of 75% of ENRX' Charge business, impairments of intangible assets of NOK 127 million were made in the consolidated financials in 2025. In addition, impairments of NOK 7 million related to patents in ENRX were recognised in the consolidated financials.

NSSLGlobal

The Required Rate of Return (WACC before tax) has been set to 11.1%. Both revenue growth and EBITDA development in the forecast period are assumed moderate, with limited revenue growth and lower EBITDA margins compared to the last three-year average. Revenue growth in the terminal period is set at 2.0%, according to an assumed inflation target. A sensitivity analysis based on a unilateral change in estimated future EBITDA shows that a reduction of more than 78% may lead to impairment.

Tekna

Tekna is listed on Oslo Stock Exchange, and the market capitalisation of the company is considered as a best-estimate for fair value less cost to sell, and as such, the recoverable amount. The market value as per 31.12.2025 was MNOK 717, while the book value of equity of the company in the group accounts as per 31.12.2025 was MNOK 413. The market value can decrease by approximately 43% before an impairment may be needed.

Other Investments

As a result of Arendals Fossekompani deciding not to actively pursue new early phase investments and the resulting dissolution of the Alytic investment team, impairments of NOK 33 million were made in the consolidated financials in 2025 based on fair value less cost to sell.

Research and development cost

In 2025 development costs of tNOK 109 835 (tNOK 86 916) were capitalized. Other research and development costs in the Group are expensed as they arise and amounted to tNOK 112 219 in 2025 and tNOK 139 408 in 2024.

Note 7 Other operating costs (1 000 NOK)

	Group		Parent Company	
	2025	2024	2025	2024
Other operating cost				
Contractors	20 135	10 549	-	-
Maintenance property, plant and equipment	55 894	61 285	31 722	36 561
Loss sales of PPE	791	89	-	-
Premises, service and office costs	46 464	50 214	399	1 400
Audit and other fees	85 784	73 092	22 043	15 271
Consession fees	3 366	3 365	3 366	3 365
Company cars, lifts and trucks	7 974	10 747	305	462
Communication costs	3 237	4 400	-	-
Travelling costs, indirect	25 581	32 230	2 575	2 882
Sales and marketing costs	35 021	48 632	3 698	4 080
Manufacturing indirect costs	24 399	32 089	127	126
Other operating costs (Misc.)	78 678	84 059	8 341	11 054
Insurances	14 370	16 392	3 576	3 411
ICT costs	70 154	66 593	9 767	11 140
Property tax	14 750	16 494	9 444	9 327
R&D costs	4 508	12 129	-	-
Loss allowance	3 030	2 070	-	-
Operating costs, IC	-	-	488	4 425
Restructuring	40 445	-	-	-
Other direct costs	60 226	69 546	-	-
Other operating expenses	594 806	593 974	95 852	103 503
Remuneration to auditor				
Statutory audit	20 567	19 127	7 158	6 129
Other assurance services	1 097	1 607	279	165
Tax advice	1 334	1 616	294	470
Other non-audit services	1 352	1 071	632	109
Total remuneration to auditor	24 350	23 421	8 363	6 872

Note 8 Finance income and finance costs (1 000 NOK)

	Group		Parent Company	
	2025	2024	2025	2024
Finance income				
Interest income, intercompany	-	-	41 262	73 096
Interest income	62 037	94 527	40 788	42 334
Currency exchange income	24 237	19 226	710	13 196
Other finance income	28 516	1 328	-	7
Gain on partial sale of subsidiaries	-	-	2 409	607
Gain on total sale of subsidiaries	31 967	-12	-	3 265 046
Dividend income	44 008	383	44 008	361
Dividend income, intercompany	-	-	111 233	107 314
Finance income	190 766	115 452	240 409	3 501 961
Finance cost				
Interest expense	68 236	106 211	32 667	70 449
Interest expense cashpool	7 981	37 753	-	-
Interest expense on lease	11 597	9 959	3 012	3 072
Currency exchange expense	30 901	2 042	-	328
Other finance cost *	47 762	56 879	-4 484	34 606
Impairment loss on subsidiaries	-	-	202 000	-
Loss on partial sale of subsidiary	-	-	379	1 467
Loss on total sale of subsidiary	-	-	-	27 141
Impairment loss IC receivables	-	-	3 827	965 788
Impairment loss financial assets	-2 552	49 367	-	11 425
Translation differences	116	-14 119	-	-
Finance costs	164 041	248 090	237 402	1 114 276
Net financial items	26 725	-132 639	3 007	2 387 685

* Include fair value adjustments of investments

Note 9 Tax

Note 9.1 Tax expense (1 000 NOK)

Ordinary income tax in Norway:

Ordinary income tax

Ordinary income tax on general income. The tax rate was 22% in 2024 and 2025.

The 22% tax rate was used to calculate deferred tax assets and deferred tax liabilities as at 31 December 2025.

Special tax rules for Norwegian energy companies comprise the following elements:

Natural resource tax

Natural resource tax of 1.3 øre per kWh of the company's average annual production in the past seven years. Estimated natural resource tax is deducted from the company's tax payable on general income.

Natural resource tax still has to be paid in years when no tax is calculated as being payable.

The amount is recognised as a receivable and is offset against tax payable on general income in subsequent years. Natural resource tax accrues to the municipalities and counties in the concession area.

Resource rent tax

Taxation of income from use of natural resources like hydropower.

The resource rent tax for hydropower is determined for each individual power station and accrues to the state.

This tax is based on gross resource rent income less operating costs and tax-free allowances.

Resource rent income is based on market prices and therefore differs slightly from the company's recognised sales figures. Effective resource rent tax on hydropower has been increased from 37% to 45% with effect from the 2022 fiscal year.

Small hydropower stations do not pay resource rent tax. Corporate tax is calculated before resource rent tax on hydropower.

An effective resource rent tax rate of 45% therefore means that the formal resource rent tax is set at 57.7%.

The total marginal tax (resource rent tax and corporate tax) will then be 67% for hydropower. In addition, in 2023 high-price contribution was set at 23% of power revenues that exceed NOK 0.70 per kWh. This means that total marginal tax will be 90% for hydropower exceeding NOK 0.70 per kWh. High-price contribution tax was removed from October 2023.

	Group		Parent Company	
	2025	2024	2025	2024
Current tax expense				
Natural resource tax for the year	-	-	-	-
Tax payable on general income less natural resource tax	161 100	178 127	49 326	38 221
High-price tax contribution	-	-	-	-
Adjustment for previous years	1 803	-409	-1 316	-317
Adjustment for disposals	-	-11 494	-	-
Resource rent tax payable for the year	97 341	99 407	97 341	99 407
Total current tax	260 244	265 631	145 352	137 311
Deferred tax expense				
Effect of change in temporary differences	-47 904	4 015	1 215	986
Effect of changed tax rate	-	8	-	-
Effect of change in temporary differences, resource rent tax	-	-	-	-
Effect of changed tax rate, resource rent tax	-	-	-	-
Total deferred tax expense	-47 904	4 023	1 215	986
Total tax expense in the income statement	212 340	269 654	146 566	138 297
Reconciliation of effective tax rate				
Total pre tax income	60 622	3 257 718	175 087	2 561 645
Adjustment for disposals	-	-46 896	-	-
Tax based on current ordinary tax rate	-267 467	494 093	38 519	563 562
Resource rent tax for the year	97 341	99 406	97 341	99 407
Effect of different tax rates abroad	9 062	14 651	-	-
Calculated tax	-161 064	561 253	135 860	662 969
Effect of non-deductible expenses	288 407	356 403	45 680	217 862
Effect of non-taxable income	4 706	-664 411	-33 658	-742 216
Effect of unrecognised tax loss carryforward	83 708	16 418	-	-
Effect of changed tax rates	-142	-96	-	-
Effect of changed tax assessments for previous years	-7 030	-5 474	-	-
Over-/underprovision relating to previous years	3 752	5 562	-1 316	-317
Tax expense in reconciliation of effective tax rate	212 336	269 654	146 566	138 297
Current ordinary tax rate in Norway	22,0%	22,0%	22,0%	22,0%
Effective tax rate	350,3 %	9,7%	83,7%	5,4%
Tax recognised in other comprehensive income (OCI)				
Tax on cash flow hedges that may be reclassified to P&L	-595	-207	-	-
Tax on OCI that will not be reclassified to P&L	-70	-1 797	-70	-1 797
Total tax recognised in OCI	-666	-2 004	-70	-1 797

Tax payable: Tax payable of kNOK 197 131 (2024: kNOK 209 348) for the Group and kNOK 146 667 (2024: kNOK 137 628) for the parent company consists of unassessed tax payable for the current period.

Note 9.1 Tax expense cont. (1 000 NOK)

Group	Assets		Liabilities		Net	
	2025	2024	2025	2024	2025	2024
Property, plant and equipment	26 823	21 619	-21 314	-43 952	5 509	-22 333
Goodwill, intangible assets	39	944	-24 250	-21 200	-24 211	-20 256
Non-current receivables and liabilities in foreign currency	-	3 054	-3 363	-13 008	-3 363	-9 954
Construction contracts	-	-	-2 359	-6 780	-2 359	-6 780
Inventories	12 451	10 941	-189	-608	12 262	10 333
Trade and other receivables	1 067	2 960	-	-	1 067	2 960
Leases	4 894	30 252	-1 322	-1 490	3 572	28 763
Untaxed gains and losses	285	356	-	-6	285	350
Provisions	24 739	19 717	-2 199	-56	22 540	19 661
Other assets	4 222	-45	-	-316	4 222	-361
Financial instruments	-4 423	598	-25	-150	-4 448	448
Employee benefits	219	553	-3 727	-4 306	-3 508	-3 753
Tax loss carryforward	244 169	307 644	-	896	244 169	308 540
Unrecognised tax loss carryforward	-192 283	-273 747	-	-3 118	-192 283	-276 866
Total deferred ordinary income tax	122 163	124 848	-58 749	-94 095	63 414	30 753
PPE, resource rent tax	30 690	31 358	-	-	30 690	31 358
Total deferred resource rent tax	30 690	31 358	-	-	30 690	31 358
Deferred tax asset/liability	152 853	156 206	-58 749	-94 095	94 104	62 112
Offsetting of assets and liabilities	-33 416	-48 979	33 416	48 979	-	-
Net deferred tax asset/liability	119 437	107 228	-25 332	-45 116	94 104	62 112
Recognised tax loss carryforward	51 886	33 897	-	-2 222	51 886	31 675
Reconciliation change in deferred tax assets						
Change in deferred tax assets	-	-	-	-	31 993	-
Deferred tax disposals	-	-	-	-	7 003	-
Tax Other Comprehensive Income	-	-	-	-	666	-
Tax on Group contribution	-	-	-	-	10 785	-
Effects Foreign Exchange	-	-	-	-	-2 542	-
Sum effect change temporary diff.	-	-	-	-	47 904	-

Parent Company	Assets		Liabilities		Net	
	2025	2024	2025	2024	2025	2024
Property, plant and equipment	14 418	14 927	-	-	14 418	14 927
Leases	801	559	-	-	801	559
Gains and losses account	35	43	-	-	35	43
Employee benefits	-	-	-3 727	-3 386	-3 727	-3 386
Total deferred ordinary income tax	15 254	15 529	-3 727	-3 386	11 526	12 143
PPE, resource rent tax	30 690	31 358	-	-	30 690	31 358
Total deferred resource rent tax	30 690	31 358	-	-	30 690	31 358
Deferred tax asset/liability	45 944	46 888	-3 727	-3 386	42 216	43 501
Offsetting of assets and liabilities	-3 727	-3 386	3 727	3 386	-	-
Net deferred tax asset/liability	42 216	43 501	-	-	42 216	43 501

Note 9.2 Recognised tax loss carryforward per country (1 000 NOK)

	Group	
	2025	2024
Norway	29 953	18 837
Germany	17 867	8 640
France	4 005	3 988
Other	62	209
Total	51 886	31 675

Note 9.3 Change in deferred tax over the year (1 000 NOK)

Group 2024	Total Opening Balance	Changes in Net Income	Reclassification	From OCI	Change in tax loss carry-forward	Group Contribution N-GAAP	Total Effect from Foreign Exchange	Closing Balance
Ordinary income tax								
Property, plant and equipment	-20 000	-11 484	6 926	-	-	-	2 225	-22 333
Goodwill, intangible assets	-91 031	-3 293	75 988	-	-	-	-1 921	-20 256
Non-current rec. and liab. in for. currency	-7 900	-1 807	-	-	-	-	-247	-9 954
Construction contracts	-6 535	-3 536	3 416	-	-	-	-125	-6 780
Inventories	8 190	1 624	-875	-	-	-	1 394	10 333
Trade and other receivables	1 449	3	-481	-	-	-	170	1 140
Leases	17 615	16 037	-4 150	-	-	-	1 081	30 583
Gains and losses account	-3 630	-88	4 068	-	-	-	-	350
Provisions	16 730	416	-4 943	-	-	-	5 808	18 011
Other items	778	731	120	-	-	-	-339	1 289
Financial instruments	656	-2 848	-	-207	-	2 847	-	448
Employee benefits	-1 937	-773	745	-1 797	-	-	10	-3 753
Tax loss carryforward	48 277	1 759	-19 155	-	-23	-884	1 701	31 675
Total ordinary income tax	-37 339	-3 258	61 658	-2 004	-23	1 963	9 756	30 753
Property, plant and equipment	32 123	-765	-	-	-	-	-	31 358
Total resource rent tax	32 123	-765	-	-	-	-	-	31 358
Total change in deferred tax	-5 216	-4 023	61 658	-2 004	-23	1 963	9 756	62 112
Group 2025								
Ordinary income tax								
Property, plant and equipment	-22 333	26 643	9 178	-	-	-	83	13 571
Goodwill, intangible assets	-20 256	-2 128	23	-	-	-	87	-22 273
Non-current rec. and liab. in for. currency	-9 954	7 015	-	-	-	-	784	-2 155
Construction contracts	-6 780	4 415	-	-	-	-	5	-2 359
Inventories	10 333	2 353	-	-	-	-	-423	12 262
Trade and other receivables	1 140	13	1	-	-	-	-87	1 067
Leases	30 583	-26 804	-1	-	-	-	-87	3 691
Gains and losses account	350	-65	-	-	-	-	-	285
Provisions	18 011	5 156	2 652	-	-	-	-1 049	24 770
Other items	1 289	2 052	-	-	-	-	-147	3 195
Financial instruments	448	-2 967	-	-595	-	-1 335	-	-4 448
Employee benefits	-3 753	311	-	-70	-	-	5	-3 508
Tax loss carryforward	31 675	32 577	-	-	-	-13 877	229	50 603
Total ordinary income tax	30 753	48 572	11 853	-666	-	-15 212	-600	74 701
Property, plant and equipment	31 358	-668	-	-	-	-	-	30 690
Total resource rent tax	31 358	-668	-	-	-	-	-	30 690
Total change in deferred tax	62 112	47 904	11 853	-666	-	-15 212	-600	105 391

Parent Company 2024	Total Opening Balance	Changes in Net Income	Reclassification	From OCI	Change in tax loss carry-forward	Group Contribution N-GAAP	Total Effect from Foreign Exchange	Closing Balance
Ordinary income tax								
Property, plant and equipment	15 295	-368	-	-	-	-	-	14 927
Leases	297	263	-	-	-	-	-	559
Gains and losses account	54	-11	-	-	-	-	-	43
Employee benefits	-1 484	-105	-	-1 797	-	-	-	-3 386
Total ordinary income tax	14 162	-222	-	-1 797	-	-	-	12 143
Property, plant and equipment	32 123	-765	-	-	-	-	-	31 358
Total resource rent tax	32 123	-765	-	-	-	-	-	31 358
Total change in deferred tax	46 285	-986	-	-1 797	-	-	-	43 501
Parent Company 2025								
Ordinary income tax								
Property, plant and equipment	14 927	-509	-	-	-	-	-	14 418
Leases	559	242	-	-	-	-	-	801
Gains and losses account	43	-9	-	-	-	-	-	35
Financial instruments	-	-	-	-	-	-	-	-
Employee benefits	-3 386	-271	-	-70	-	-	-	-3 727
Tax loss carryforward	-	-	-	-	-	-	-	-
Total ordinary income tax	12 143	-547	-	-70	-	-	-	11 526
Property, plant and equipment	31 358	-668	-	-	-	-	-	30 690
Loss carried forward - Resource rent	-	-	-	-	-	-	-	-
Total resource rent tax	31 358	-668	-	-	-	-	-	30 690
Total change in deferred tax	43 501	-1 215	-	-70	-	-	-	42 216

Note 10 Dividend

Until Q1 2025 the company paid dividend quarterly. After that, any dividend will be paid out on an annual basis. The following cash dividend has been paid; In February (for Q4), kNOK 54 936 (kNOK 54 857), in May kNOK 54 936 (kNOK 54 857) in September kNOK 0 (kNOK 54 857) and in November kNOK 0 (kNOK 54 939). No dividend is paid on treasury shares.

	Ordinary dividend	
	Approved 2025 and paid in 2025	Approved 2024 and paid in 2024
Paid	109 872	219 511
Total	109 872	219 511

Note 11 Investments in subsidiaries, joint ventures and associates

Note 11.1 Investments in subsidiaries (1 000 NOK)

Subsidiaries	Domicile	Shareholding		Non-controlling interests' share of equity, by subgroup		Value in parent company balance sheet	
		2025	2024	2025	2024	2025	2024
NSSLGlobal Ltd	UK	80,0%	80,0%	144 320	142 426	273 298	273 298
ENRX AS	Skien	97,5%	95,1%	10 580	24 785	927 260	453 785
Alytic AS	Arendal	98,2%	96,0%	13 839	31 799	118 876	280 048
Tekna Holding ASA	Arendal	72,4%	69,5%	113 583	63 867	551 242	322 920
AFK Eiendom AS	Arendal	100,0%	100,0%	10 171	7 140	324 384	227 692
AFK Småkraft AS	Arendal	100,0%	100,0%	-	-	1 643	1 643
Ampwell AS	Arendal	100,0%	100,0%	721	-	100	100
AFK Tyskland Holding AS	Arendal	100,0%	100,0%	-	-	100	100
		-	-	293 213	270 016	2 196 903	1 559 587

Note 11.2 Group companies

			Shareholding					Shareholding	
			2025	2024				2025	2024
Subsidiaries in NSSLGlobal Ltd.					Subsidiaries in Tekna Holding ASA				
NSSLGlobal LLC	London	UK	100,0%	100,0%	Tekna Holdings Canada Inc.	Sherbrooke	Canada	100,0%	100,0%
NSSLGlobal PTE Ltd	Singapore	Singapore	100,0%	100,0%	Tekna Plasma Systems Inc.	Sherbrooke	Canada	100,0%	100,0%
Nera Satellite Services LTD	London	UK	100,0%	100,0%	Tekna Advanced Materials Inc.	Sherbrooke	Canada	100,0%	100,0%
NSSL Ltd	London	UK	100,0%	100,0%	Tekna Plasma Europe S.A.S.	Mâcon	France	100,0%	100,0%
Aero-Satcom Ltd.	London	UK	100,0%	50,0%	Tekna Plasma Systems(Suzhou)Co Ltd.	Suzhou	China	100,0%	100,0%
NSSLGlobal AB	Hönö	Sweden	100,0%	100,0%	Tekna Plasma India Private Ltd.	Chennai	India	100,0%	100,0%
NSSLGlobal AS	Oslo	Norway	100,0%	100,0%	Tekna Plasma Korea Co, Ltd	Incheon	South Korea	100,0%	100,0%
NSSLGlobal Continental Europe APS	Brøndby	Denmark	100,0%	100,0%	Tekna Inc	Delawere	USA	100,0%	100,0%
NSSLGlobal APS	Brøndby	Denmark	100,0%	100,0%					
NSSLGlobal Polska SP. Z.o.o.	Warszawa	Poland	100,0%	100,0%	Subsidiaries in Alytic AS				
NSSLGlobal Israel Ltd	Beit Shemesh	Israel	0,0%	100,0%	Kontali Holding AS	Arendal	Norway	100,0%	100,0%
NSSLGlobal Kabushiki Kaisha	Tokyo	Japan	100,0%	100,0%	Kontali Analyse AS	Kristiansund	Norway	85,9%	84,5%
NSSL Global BV	Scheemda	Netherlands	100,0%	100,0%	Seafood TIP	Utrecht	Netherlands	85,9%	84,5%
NSSLGlobal GmbH	Barbützel	Germany	100,0%	100,0%	Utel Holding AS	Arendal	Norway	100,0%	100,0%
					Utel Systems AS	Grimstad	Norway	89,7%	89,3%
Subsidiaries in ENRX Group ASA					Veyt Holding AS	Arendal	Norway	100,0%	100,0%
Induction Holding AS	Skien	Norway	100,0%	100,0%	Veyt AS	Oslo	Norway	61,2%	61,8%
ENRX IPT GmbH	Efringer-Kirchen	Germany	100,0%	100,0%	Greenfact GmbH	Berlin	Germany	100,0%	100,0%
ENRX Holding AS	Skien	Norway	100,0%	100,0%	Greenfact Ltd	London	UK	100,0%	100,0%
ENRX AS	Skien	Norway	100,0%	100,0%	Factlines Holding AS	Oslo	Norway	100,0%	100,0%
ENRX AS filial	Västerås	Sweden	0,0%	100,0%	Factlines AS	Oslo	Norway	0,0%	68,8%
ENRX GmbH	Freiburg	Germany	0,0%	100,0%	Alytic Blue AS	Oslo	Norway	100,0%	100,0%
EFD France Holding s.a.r.l.	Grenoble	France	100,0%	100,0%					
ENRX S.A.S.	Grenoble	France	100,0%	100,0%	Subsidiaries in AFK Eiendom AS				
ENRX Ltd.	Wolverhampton	UK	100,0%	100,0%	Vindholmen Eiendom AS	Arendal	Norway	100,0%	100,0%
ENRX Corporation	Detroit	USA	100,0%	100,0%	Bedriftsveien 17 AS	Arendal	Norway	100,0%	100,0%
EHE Acquisition Corporation Inc	Seattle	USA	100,0%	100,0%	Bøleveien 4 AS	Skien	Norway	100,0%	100,0%
ENRX s.r.l	Milano	Italy	100,0%	100,0%	Steinodden Eiendom AS	Arendal	Norway	77,6%	77,6%
ENRX Private Ltd.	Bangalore	India	100,0%	100,0%	Arendal Lufthavn Gullknapp AS	Arendal	Norway	92,3%	92,3%
ENRX (Shanghai) Co., Ltd.	Shanghai	China	100,0%	100,0%	Gullknapp Invest AS	Arendal	Norway	100,0%	100,0%
ENRX (Zhuhai) Co., Ltd.	Zhuhai City	China	100,0%	100,0%	Longum Property AS	Arendal	Norway	100,0%	100,0%
ENRX Ges.m.b.H	Vienna	Austria	100,0%	100,0%	AFK Longum Invest AS	Arendal	Norway	100,0%	100,0%
ENRX s.l	Bilbao	Spain	100,0%	100,0%	Bryggebyen Folkebad AS	Arendal	Norway	100,0%	100,0%
ENRX SRL	Bucuresti	Romania	100,0%	100,0%	Folkebad Drift AS	Arendal	Norway	100,0%	100,0%
ENRX SP. Z o.o	Gliwice	Poland	100,0%	100,0%	Bøylestad Energipark AS	Froland	Norway	100,0%	100,0%
ENRX Ltd.	Bangkok	Thailand	100,0%	100,0%	Vergia Property AS	Arendal	Norway	100,0%	100,0%
ENRX K.K.	Yokohama	Japan	100,0%	100,0%					
ENRX Brasil Ltd	Sao Paolo	Brazil	100,0%	100,0%	Subsidiaries in Ampwell AS				
ENRX Sdn. Bhd.	Selangor	Malaysia	100,0%	100,0%	AFK Storage 3 AS	Arendal	Norway	100,0%	100,0%
EFD Induction S de R.L	Queretaro	Mexico	100,0%	100,0%	Collect Holding AS	Arendal	Norway	100,0%	100,0%
					Collect Energy SL	Barcelona	Spain	79,5%	77,2%
					Commeo Holding AS	Arendal	Norway	100,0%	100,0%
					Ampwell GmbH	Berlin	Germany	100,0%	100,0%
					Subsidiaries in AFK Tyskland Holding AS				
					Arendals Fossekompani Deutschland GmbH	Berlin	Germany	100,0%	100,0%

Note 11.3 Investments in associates and joint ventures ^(1 000 NOK)

The Group has the following investments in associates and joint ventures. All businesses are organized as companies with limited liability corresponding to Norwegian corporations. Guidelines for the operation of companies are based on shareholder agreements. According to the shareholder agreements of joint operations it is required unanimity between the parties for making decisions about relevant activities. Accordingly, participants in the companies have joint control over the activities. In December 2025 the Group has acquired 100% of the shares in Aero-Satcom Ltd and from that date the entity is accounted for and consolidated as a group company. In the consolidated group accounts the investments in joint ventures and associates are accounted for in accordance with the equity method. In the company accounts the investments in joint ventures and associates are accounted for based on historic cost.

Entity	Country	Ownership interest
Imphytec Powders SAS	France	48,00%
Kilandsfoss AS	Norway	33,33%
Glomsdam Krafverk AS	Norway	50,00%
Faraday Topco AS	Norway	39,56%
Aero-Satcom Ltd	UK	50%, 100% from Dec 2025

Based on an overall assessment where the size and complexity is taken into consideration these investments are considered to be significant joint ventures. Further information regarding these companies is disclosed below.

	North Ammonia AS	Seagust AS	Hydepoint AS	Kilandsfoss AS	Glomsdam Krafverk AS	Aero-Satcom Ltd	Imphytec Powders SAS	Faraday Topco AS*	Total
Balance at 1 January 2024	4 043	2 158	-2 961	10 116	-150	7 109	-	-	20 315
Income from associates	-	-	-	1 891	-103	975	-	-36 585	-33 821
Aquisitions through business combinations	-	-	-	-	-	-	-	2 570 648	2 570 648
Other comprehensive income	-	-	-	-	-	-	-	-1 488	-1 488
Investment/disposal of companies and businesses	-4 043	-2 158	2 961	-	-	-	-	-	-3 239
Exchange differences on translation of foreign operations	-	-	-	-	-	734	-	-	734
Balance at 31 December	-	-	-	12 007	-253	8 818	-	2 532 575	2 553 148
Balance at 1 January 2025	-	-	-	12 007	-253	8 818	-	2 532 575	2 553 148
Income from associates	-	-	-	-1 930	-19	22	-	54 760	52 833
Investment/disposal of companies and businesses	-	-	-	-	-	-8 841	-	-	-8 841
Issue of shares	-	-	-	5 000	275	-	-	-	5 275
Balance at 31 December	-	-	-	15 076	4	-	-	2 587 335	2 602 415

* Faraday Topco AS owns indirectly 100% of shares in Volue AS. None of the companies have observable market values in form of market price or similar.

Summarised financial information for material associates and joint ventures

The tables below provide summarised financial information for Faraday Topco AS for 2025 and 2024 (2 months) on 100% basis:

Summarised balance sheet	2025	2024
Intangible assets	6 172	7 094
Property, plant and equipment	117	158
Net pension assets	-	11
Non-current receivables and other investments	35	25
Deferred tax asset	57	30
Total non-current assets	6 380	7 317
Inventories	-	34
Contract assets	29	78
Accounts receivables	311	332
Other receivables	148	153
Cash and cash equivalents	1 285	238
Total current assets	1 773	836
Total assets	8 153	8 154
Non-current interest-bearing debt	295	292
Other non-current liabilities	14	18
Deferred taxes	284	77
Employee benefits	3	-
Provisions	97	-
Non-current RoU liabilities	72	101
Total non-current liabilities	765	488
Accounts payable	364	267
Current interest-bearing debt	-	149
Payable income tax	23	41
Contract liabilities	58	42
Current RoU liabilities	27	38
Other current liabilities	351	424
Total current liabilities	824	962
Total liabilities	1 589	1 450
Net assets	6 564	6 703
Summarised statement of comprehensive income	2025	2024 (2 months)
Revenues	1 430	299
Materials and consumables used	-162	-52
Employee benefit expense	-825	-253
Other operating cost	-405	-58
EBITDA	37	-64
Depreciation and amortisation	-451	-34
Net financial items	-4	-9
Income tax expense	42	16
Net profit for the year continued	-376	-91
Discontinued operations	513	-
Net profit for the year	137	-91
Other comprehensive income	-	-4
Total comprehensive income	137	-95

Note 12 Other receivables (1 000 NOK)

	Group		Parent Company	
	2025	2024	2025	2024
Long-term investments				
Loans to employees	24 187	23 695	23 138	22 379
Contributions to company pension plan	22 002	22 002	22 002	22 002
Other non-current receivables	61 265	19 514	59 476	18 323
Shares in other companies	132 787	74 652	77 326	68 562
Other investments	38 599	41 338	5 635	6 213
Total long-term investments	278 839	181 201	187 577	137 479

Security provided for loans to employees

All loans to employees incur interest at a rate that never triggers a taxable benefit. The loans are repaid over 5 years (vehicles) or 20 years (housing). Loans exceeding NOK 200,000 are secured by mortgages on property or shares.

Note 13 Inventories and contracts with customers (1 000 NOK)

	Group	
	2025	2024
Inventories		
Raw materials	263 628	339 639
Work in progress	153 938	166 834
Spare parts	31 680	36 763
Finished goods	206 759	260 021
Total inventories (net after provision for obsolescence)	656 005	803 257
Provision for obsolescence	107 328	128 726

The provision for obsolescence in 2025 is mainly related to slow-moving items in ENRX NOK 61 million (NOK 72 million), spare parts in NSSL NOK 13 million (NOK 10 million) and smaller and larger size fractions of powders in Tekna NOK 33 million (NOK 47 million).

Construction contracts (sales over time)

The subsidiaries ENRX, Tekna and NSSL recognise construction contracts in accordance with percentage of completion method. Changes during the year are due to most contracts having a duration less than a year. At year-end these subsidiaries had the following carrying amounts associated with construction contracts and projects in progress:

	Group	
	2025	2024
Contract assets	107 853	218 813
Contract liabilities	104 223	151 808
Net contract assets / - liabilities	3 630	67 005

Contract liabilities consist of prepayments from customers for both revenue over time and point in time.

	Group	
	2025	2024
Booked income from uncompleted contracts per 31.12		
Booked accrued income per 31.12	200 670	360 033
Booked accrued expenses per 31.12	-151 982	-222 381
Reported margin per 31.12	48 688	137 652

	Group	
	2025	2024
Remaining income from sales over time contracts		
Within one year	183 979	250 748
Between one and two years	35 443	-
More than two years	7 271	-
Remaining income (sales over time)	226 692	250 748

Contract Assets

Posted gross value of contract assets are distributed as follows:

	2025	2024
Receivables		
ENRX Group	104 127	206 962
Tekna Group	3 726	11 851
Sum	107 853	218 813

Provisions for expected losses on projects are distributed as follows:

	2025	2024
Onerous contracts		
ENRX	34 609	-
Sum	34 609	-

Provisions are calculated based on historical losses and individual assessment of each item and customer.

Onerous contracts

Changes in the period's provisions are explained as follows:

	Group	
	2025	2024
Total Opening Balance	-	13 500
Changes in expected losses (loss rates) and outstanding receivables (volume)	34 243	-
Discontinued operations	-	-13 500
Realized losses during the period (-)	-	-
Exchange differences on translation of foreign operations	366	-
Closing Balance	34 609	-

Note 14 Trade and other receivables (1 000 NOK)

	Group		Parent Company	
	2025	2024	2025	2024
Accounts receivables				
Trade accounts receivables	671 489	590 830	28 660	15 407
Loss allowance (Note 16)	-28 679	-21 605	-	-
Trade accounts rec, IC	-	-	4 762	5 833
Total	642 809	569 225	33 422	21 240
Other receivables				
Intercompany loans - current	-	-	86 037	145 242
Other current receivables	106 978	191 606	1 658	8 175
Total	106 978	191 606	87 694	153 417
Advances paid to suppliers	70 220	67 315	-	-
Accrued revenues at the point in time	16 477	30 544	-	-
Total	86 697	97 859	-	-

Note 15 Cash and cash equivalents (1 000 NOK)

	Group		Parent Company	
	2025	2024	2025	2024
Cash and cash equivalents	1 513 234	1 799 668	569 788	913 390
Here of restricted cash	29 965	36 722	3 770	3 360

Note 16 Financial risk management / financial instruments (1 000 NOK)

Financial assets at fair value through OCI

The breakdown of the parent company's financial assets is as follows:

	Number of shares		Shareholding in %		Fair value	
	2025	2024	2025	2024	2025	2024
Listed shares						
Kongsberg Gruppen	129 060	25 812	0,01%	0,01%	33 375	33 039
Spotlio *	-	423 167	-	0,21%	-	101
Norse Atlantic	320 625	320 625	0,26%	0,26%	2 129	1 281
Total listed shares	-	-	-	-	35 504	34 421
Financial assets at fair value through OCI	-	-	-	-	35 504	34 421

* This share has been transferred to "Shares in other companies" - see note 12.

Fair value – change during the year:

Financial assets at fair value through OCI	2025	2024
Balance at 1 January	34 421	15 907
Change in financial assets at fair value through OCI	1 083	18 514
Balance at 31 December	35 504	34 421

The following dividend is received:

Kongsberg Gruppen kNOK 568 (kNOK 361). Change in assets at fair value are based on changes in the market values of listed shares.

A sensitivity analysis indicates that a 10% change in fair value as at 31 December 2025 would change equity by kNOK 3,550

and profit for the year from continuing operations by kNOK 0 (2024: by kNOK 3,400 and kNOK 0 respectively).

Financial risk management

The company and the Group are exposed to credit risk, liquidity risk from the use of financial instruments and market risk. The Board of Directors has overall responsibility for establishing and supervision of the Group's guidelines on risk management. Principles, procedures and systems for risk management in the key areas are reviewed and assessed regularly. Industrial investments consist of a limited number of large investments. The investment strategy is based on the premise that long-term, active engagement provides the greatest return. Other investments are in liquid deposits with no connection to the Group.

Credit risk

Credit risk is the risk of financial losses if a customer or counterparty to a financial instrument is unable to fulfil their obligations. Credit risk normally arises when the company or Group extends credit to customers or invests in securities. Credit risk associated with investments is considered to be limited since investments are mainly made in liquid securities with a good creditworthiness. A specification of the investments is given earlier in this note. The Group has routines to ensure that credit is only extended for sales to customers that have had no previous payment issues and that stay within their credit limit.

Note 16 Financial risk management / financial instruments cont. (1 000 NOK)

The maximum exposure to credit risk associated with receivables at the balance sheet date was:

	Group		Parent Company	
	2025	2024	2025	2024
Total receivables	836 484	863 505	121 117	174 657
Account receivables	671 489	590 830	28 660	15 407
Loss allowance	28 679	21 605	-	-

Trade receivables

Breakdown of the book value of outstanding trade receivables in:

Account receivables	Overdue					Trade accounts receivable
	Not due	1-30 days	31-60 days	61-90 days	More than 90 days	
2025						
Arendals Fossekompani ASA	28 259		265	96	40	28 660
ENRX Group	177 930	67 036	24 113	28 601	98 065	395 745
NSSL Global Limited Group	130 327	24 458	9 187	11 614	14 093	189 680
Tekna Group	33 695	7 623	883	6 047	934	49 182
AFK Property Group	2 399	-	-	-	200	2 599
Alytic Group	3 112	1 408	361	273	283	5 438
Vergia Group	-	-	-	-	-	-
Ampwell Group	185	-	-	-	-	185
AFK Tyskland Group	-	-	-	-	-	-
Total	375 906	100 525	34 808	46 632	113 617	671 489

The company has applied impairment losses for expected credit losses as follows:

Loss allowance	Overdue					Loss allowance
	Not due	1-30 days	31-60 days	61-90 days	More than 90 days	
2025						
ENRX Group	1 087	943	2 088	88	14 711	18 917
NSSL Global Limited Group	403	-	-	-	8 138	8 541
Tekna Group	-	-	-	-	752	752
AFK Property Group	-	-	-	-	200	200
Alytic Group	-	-	270	-	-	270
Total	1 490	943	2 358	88	23 801	28 679

Expected credit losses (ECL) are measured based on a credit risk assessment on a customer by customer basis, using all available information and updated when appropriate. Credit losses for 2024 and 2023 have been minor.

Changes in the period's loss allowance are explained as follows:

	Group	Group
Loss allowance	2025	2024
Total Opening Balance	21 605	59 743
Changes in expected losses (loss rates) and outstanding receivables (volume)	9 105	-39 743
Realized losses during the period (-)	-3 030	-274
Exchange differences on translation of foreign operations	999	1 880
Closing Balance	28 679	21 605

Breakdown of the book value of outstanding trade receivables in:

Account receivables	Overdue					Trade accounts receivable
	Not due	1-30 days	31-60 days	61-90 days	More than 90 days	
2024						
Arendals Fossekompani ASA	15 366	-	-	-	41	15 407
Volue Group	-	-	-	-	-	-
ENRX Group	243 044	48 412	15 698	7 726	61 602	376 482
NSSL Global Limited Group	98 373	17 939	17 834	1 839	14 169	150 154
Tekna Group	24 400	10 329	1 584	-	1 744	38 057
AFK Property Group	1 819	-	-	-	200	2 019
Alytic Group	4 860	663	1 727	59	702	8 010
Vergia Group	-	-	-	-	-	-
Ampwell Group	688	-	-	-	-	688
AFK Tyskland Group	14	-	-	-	-	14
Total	388 563	77 343	36 843	9 623	78 457	590 830

The company has applied impairment losses for expected credit losses as follows:

Loss allowance	Overdue					Loss allowance
	Not due	1-30 days	31-60 days	61-90 days	More than 90 days	
2024						
Volue Group						
ENRX Group	872	45	129	5	7 550	8 601
NSSL Global Limited Group	228	105	10	3	11 119	11 465
Tekna Group	-	-	-	-	1 070	1 070
AFK Property Group	-	-	-	-	200	200
Alytic Group	-	-	270	-	-	270
Total	1 100	150	409	8	19 938	21 605

Liquidity risk

Liquidity risk is the risk that the Group will not be able to fulfil its financial obligations as they fall due. The aim of liquidity management is to secure sufficient liquidity to fulfil the obligations as they fall due, without this causing unacceptable losses to the company and the Group. Cash flow from the company and the Group's ordinary operations, combined with significant investments in liquid securities as well as unutilised credit facilities mean that the liquidity risk is considered to be low. Subsidiaries ENRX and NSSLGlobal have established an group account arrangement covering most of the subsidiaries. This includes currencies NOK, EURO, USD, SEK, DKK og GBP. This helps increase the flexibility and efficiency of liquidity management. The breakdown of the liabilities of the company and the Group is as follows: (Contractual cash flows include interest calculated based on interest rates at the balance sheet date). (Contractual cash flows of the bond loans that have maturity of 12 months or less are related to interest payments)

Group 2025	Carrying amount	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
Accounts payable	233 709	233 709	233 302	407	-	-	-
Current interest-bearing debt	497 120	505 112	438 870	66 242	-	-	-
Bank overdraft	190 236	196 292	196 292	-	-	-	-
Current lease liabilities	53 439	56 817	29 087	27 730	-	-	-
Total current liabilities	974 503	991 930	897 552	94 379	-	-	-
Non-current bond loans	498 964	539 225	13 075	-	13 075	513 075	-
Non-current interest-bearing debt	300 912	368 081	1 731	1 732	25 485	161 637	177 495
Non-current lease liabilities	168 729	175 884	-	-	46 668	74 439	54 777
Total non-current liabilities	968 605	1 083 190	14 806	1 732	85 228	749 151	232 273
2024	Carrying amount	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
Accounts payable	276 936	276 936	276 861	75	-	-	-
Current interest-bearing debt	110 001	112 528	52 259	50 269	-	10 000	-
Bank overdraft	166 526	168 526	99 086	69 441	-	-	-
Current lease liabilities	60 437	63 967	33 937	30 030	-	-	-
Total current liabilities	613 900	621 957	462 142	149 815	-	10 000	-
Non-current bond loans	498 503	539 225	-	13 075	13 075	513 075	-
Non-current interest-bearing debt	776 474	969 084	16 669	18 680	341 491	140 188	452 056
Non-current lease liabilities	230 338	259 628	5 720	4 596	71 893	94 608	82 811
Total non-current liabilities	1 505 315	1 767 938	22 389	36 351	426 460	747 871	534 866
Parent Company 2025	Carrying amount	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
Accounts payable	14 978	14 978	14 978	-	-	-	-
Current interest-bearing liab, IC							
Current lease liabilities	2 285	5 186	2 593	2 593	-	-	-
Total current liabilities	17 263	20 164	17 571	2 593	-	-	-
Non-current bond loans	498 964	539 225	13 075	-	13 075	513 075	-
Non-current interest-bearing debt	115 390	132 699	1 731	1 731	3 462	10 385	115 390
Non-current lease liabilities	56 742	73 105	-	-	5 186	14 461	53 457
Total non-current liabilities	671 095	745 028	14 806	1 731	21 723	537 921	168 847
2024	Carrying amount	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
Accounts payable	17 726	17 726	17 726	-	-	-	-
Current interest-bearing liab, IC							
Current lease liabilities	2 127	5 083	2 541	2 541	-	-	-
Total current liabilities	19 853	22 808	20 267	2 541	-	-	-
Non-current bond loans	498 503	539 225	-	13 075	13 075	513 075	-
Non-current interest-bearing debt	309 718	396 559	8 134	8 134	16 269	48 805	315 217
Non-current lease liabilities	57 923	76 538	-	-	5 083	14 516	56 939
Total non-current liabilities	866 143	1 012 322	8 134	21 209	34 427	576 396	372 156

For other receivables and payables measured at amortised cost the book value is assumed to equal the fair value. For contractual cash flows related to derivatives we refer to hedge accounting further below.

Market risk ^(1 000 EUR)

Market risk is the risk that changes in market prices such as exchange rates, interest rates and share prices will impact net income or the value of financial instruments.

Foreign exchange risk

The company and the Group are exposed to foreign exchange risk on purchases, sales and loans in currencies other than the companies' functional currency. The Group's main exposure is to EUR, GBP and USD. The foreign exchange exposure is primarily associated with operations in the Group's foreign subsidiaries and with the company's and the Group's liabilities in foreign currency. The ENRX subgroup uses derivatives to limit foreign exchange risk associated with sales and trade receivables. The parent company and ENRX also use foreign currency loans and currency swaps to limit foreign exchange risk associated with changes in value in the subsidiaries. The main foreign currency exposure in the parent company and the Group's Norwegian subsidiaries is to EUR.

Exposure at 31 December was as follows:

	Group		Parent Company	
	2025	2024	2025	2024
Bank deposits	4 903	3 844	299	243
Trade receivables	13 208	17 314	22	50
Trade payables	1 677	737	-	-
Interest-bearing liabilities	-19 881	-9 689	-	-
Balance sheet exposure (foreign exchange risk)	-93	12 206	322	293

A sensitivity analysis indicates that a 5% appreciation of NOK against EUR as at the year-end would impact earnings for the Group in 2025 by the equivalent of MEUR 0 and in 2024 by the equivalent of MEUR -0.6. The amounts are stated before taxes. Other subsidiaries have only modest exposure to currencies other than the company's functional currency.

Hedge accounting ^(1 000 NOK)

The derivative financial assets are all net settled. Therefore, the maximum exposure to credit risk at the reporting date is the fair value of the derivative assets which are included in the consolidated statement of financial position. The customer payments in foreign currencies in order backlog is hedged according to NOK according to strategy. Cash flow hedge accounting is generally applied to qualifying foreign currency hedges. Under the ENRX hedge accounting model, the portion of the fair value change related to a change in the spot rate is recognised in the fair value reserve within equity until the cumulative profit or loss is recycled to the statement of income simultaneously with the hedge item. There is no inefficiency in the hedging - see Note 8 Financial items"

At year-end the companies had the following forward currency contracts specified as hedging:

2025	Contract value	Unrealised gains/losses
Hedging of future cash flows	109 306	-13
Fair value hedging		
Balance sheet exposure (hedging)	109 306	-13
2024	Contract value	Unrealised gains/losses
Hedging of future cash flows	150 366	2 096
Fair value hedging		
Balance sheet exposure (hedging)	150 366	2 096

Unrealised gains/losses relating to hedging of future cash flows are recognised in "Other comprehensive income". The unrealised loss shown in the table is the value before deducting tax. Net unrealised losses/gains are recognised as other current liabilities/assets.

Note 16 Financial risk management / financial instruments cont. (1 000 NOK)

Nominal value, carrying amount and maturity of forward currency contracts:

	2026	2027	2028	Nominal amount (currency)	Carrying amount (NOK '000)
Currency					
EUR	7 550	-	-	7 550	-94
USD	1 650	-	-	1 650	95
JPY	11 400	-	-	11 400	2
GBP	160	-	-	160	-16
Total	-	-	-	-	-13
Change in carrying amount in the period:	2025	2024			
Balance at 1 January	2 096	885			
Changes in value posted as OCI	-10	-941			
Reclassifies from equity to income statement	-2 099	2 152			
Balance at 31 December	-13	2 096			
Asset	-	4 815			
Liabilities	13	2 719			
Total	-13	2 096			

Interest rate risk

Most of the company's and the Group's interest-bearing financial assets and liabilities accrue interest at variable rates. In 2021 the parent company issued a bond of 500 MNOK at an fixed interest rate of 2,615%. An overview of interest-bearing assets can be found earlier in this note and of liabilities in Note 17. A 1% change in interest rates would affect earnings, and profit and financial items through the year, by a net amount of around NOK -0,8 million. The amount is stated before taxes.

Price risk for energy sales

Most of the company's and the Group's energy sales take place in the spot market, which means there is exposure to risk associated with price fluctuations. In the past two years no energy derivatives have been used as hedging instruments to limit the risk.

Market risk relating to securities

The company and the Group are exposed to price risk on investments in equity instruments classified as financial assets at fair value through OCI and financial assets at fair value through income statement. All decisions on significant purchases and sales are made by the Board of Directors. The main objective of the investment strategy is to maximise the return through ongoing dividends and increases in the value of the portfolio. An overview of the company's financial assets is given earlier in this note.

Bond loan

	Group				Parent Company			
	2025		2024		2025		2024	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
Liabilities								
Bond loans	498 964	476 150	498 503	461 250	498 964	476 150	498 503	461 250
Unrecognized income between book- and fair value	-	-22 792	-	-37 253	-	-22 814	-	-37 253

Fair value categories financial assets and liabilities

Carrying amount financial assets 2025	Group				Parent Company			
	Fair value through income	Fair value through OCI	Amort. cost	Sum	Fair value through income	Fair value through OCI	Amort. cost	Sum
Trade and other receivables	-	-	749 787	749 787	-	-	35 080	35 080
Cash and cash equivalents	-	-	1 513 234	1 513 234	-	-	569 788	569 788
through OCI	-	35 504	-	35 504	-	35 504	-	35 504
Financial assets at fair value through income statement	132 787	-	-	132 787	77 326	-	-	77 326
Loans to Group companies	-	-	-	-	-	-	162 724	162 724
Derivatives	114	-	-	114	-	-	-	-
Sum	132 901	35 504	2 263 021	2 431 426	77 326	35 504	767 592	880 422
Carrying amount financial liabilities								
Derivative liabilities	13	-	-	13	-	-	-	-
Interest-bearing loans and borrowings	-	-	997 369	997 369	-	-	115 390	115 390
Bond loans	-	-	498 964	498 964	-	-	498 964	498 964
Trade and other payables	-	-	233 709	233 709	-	-	14 978	14 978
Sum	13	-	1 730 042	1 730 055	-	-	629 331	629 331

Carrying amount financial assets 2024	Group				Parent Company			
	Fair value through income	Fair value through OCI	Amort. cost	Sum	Fair value through income	Fair value through OCI	Amort. cost	Sum
Trade and other receivables	-	-	791 397	791 397	-	-	29 415	29 415
Cash and cash equivalents	-	-	1 799 668	1 799 668	-	-	913 390	913 390
Financial assets at fair value through OCI	-	34 421	-	34 421	-	34 421	-	34 421
Financial assets at fair value through income statement	74 652	-	-	74 652	68 562	-	-	68 562
Loans to Group companies	-	-	-	-	-	-	852 272	852 272
Derivatives	4 815	-	-	4 815	-	-	-	-
Sum	79 467	34 421	2 591 064	2 704 953	68 562	34 421	1 795 076	1 898 059
Carrying amount financial liabilities								
Derivative liabilities	2 719	-	-	2 719	-	-	-	-
Interest-bearing loans and borrowings	-	-	1 068 796	1 068 796	-	-	309 718	309 718
Bond loans	-	-	498 503	498 503	-	-	498 503	498 503
Trade and other payables	-	-	276 936	276 936	-	-	17 726	17 726
Sum	2 719	-	1 844 235	1 846 955	-	-	825 946	825 946

Note 16 Financial risk management / financial instruments cont. (1 000 NOK)

Fair value hierarchy

The table below analyses financial instruments measured at fair value according to valuation method. The different levels are defined as follows:

Level 1: Fair value is measured using listed prices from active markets for identical financial instruments. No adjustment is made to these prices.

Level 2: Fair value is measured using other observable inputs than those used at level 1, either directly (prices) or indirectly (derived from prices).

Level 3: Fair value is measured using inputs that are not based on observable market data (unobservable inputs).

2025	Level 1	Level 2	Level 3	Sum
Financial assets at fair value through OCI		35 504	-	35 504
Financial assets at fair value through income statement		-	132 787	132 787
Sum		35 504	132 787	168 291
Other derivative financial assets		114	-	114
Other derivative financial liabilities		-13	-	-13
Sum		35 604	132 787	168 391

2024	Level 1	Level 2	Level 3	Sum
Financial assets at fair value through OCI		34 421	-	34 421
Financial assets at fair value through income statement			74 652	74 652
Sum		34 421	74 652	109 073
Other derivative financial assets		4 815	-	4 815
Other derivative financial liabilities		-2 719	-	-2 719
Sum		36 517	74 652	111 169

Note 17 Interest-bearing debt and provisions (1 000 NOK)

This note provides information on the contractual terms of the Group's interest-bearing loans and borrowings. For more information on the Group's interest rate risk and foreign exchange risk see Note 16.

Note 17.1 Bond loans

	Group / Parent	
	2025	2024
2,516% 2021 - 2028	500 000	500 000
Capitalised loan costs	-1 036	-1 497
Bond loans - booked value	498 964	498 503
Fair value (Ref. note 16)	476 150	461 250

Note 17.2 Debenture loans

		Parent Company	
		2025	2024
Euribor + fixed margin	Floating interest	118 430	315 218
Capitalised loan costs		-3 040	-5 500
Total debenture loans parent company		115 390	309 718
		Subsidiaries	
Tekna Group	Interest-free		
Tekna Group	Floating interest		
Tekna Group	Fixed interest rate	6 899	26 202
Tekna Group	Debenture loans	23 544	8 086
ENRX Group	Floating interest	368 074	375 320
AFK Property Group	Floating interest	262 173	161 689
Alytic AS	Floating interest	31 053	21 256
Total Debenture loans Subsidiaries		691 743	592 552
Total Debenture loans Group		807 133	902 270

Note 17.3 Loans secured by pledged assets

	Group		Parent Company	
	2025	2024	2025	2024
Non-current interest-bearing debt	214 482	408 864	-	-
Bank overdraft	52 788	56 664	-	-
Total	267 270	465 529	-	-

Note 17.4 Loans are secured by the following pledged assets

Buildings and land	179 404	262 092
Vehicles, machinery and equipment	176 390	194 261
Inventories	298 005	344 044
Trade receivables	276 365	305 534
Total security	930 164	1 105 931

Security for promissory note and bond loans with a countervalue of 500 MNOK issued by the parent company has been given in the form of negative pledges. Trade receivables in two of the subsidiaries have been pledged as security for bank guarantees and overdrafts given. For the Group the value-adjusted equity must be at least 40% and have a value of at least MNOK 1 500.

For ENRX the equity must be at least 30%, and cash reserve > MEUR 5.

Tekna have some covenants connected to operational activities, but none financial covenants.

All the companies except for ENRX are in compliance with the requirements of their covenants at 31 December 2025.

ENRX are in compliance with their covenants as per 16 March 2026.

Note 18 Trade payables and other current liabilities (1 000 NOK)

Note 18.1 Account payables

	Group		Parent Company	
	2025	2024	2025	2024
Trade payables	224 209	267 835	14 884	16 443
Other payables	9 500	9 102	-	-
Trade acc payable, IC	-	-	93	1 283
Account Payables	233 709	276 936	14 978	17 726

Note 18.2 Specification of Provision

Group 2024	Total Opening Balance	Changes in expected losses (loss rates) and outstanding receivables (volume)	Realized losses during the period (-)	Total Effect from Foreign Exchange	Closing Balance
Restructuring	6 551	-6 777	-	226	-
Warranties / Guaranties	3 684	24 178	-5 266	1 432	24 029
Other provisions	32 953	28 159	-1 252	2 762	62 622
Onerous contracts	13 500	-13 500	-	-	-
Total provisions	56 688	32 061	-6 518	4 420	86 652

2025

Restructuring	-	5 459	-	-	5 459
Warranties / Guaranties	24 029	7 601	-9 001	-1 626	21 003
Other provisions	62 622	-251	-28 042	-1 256	33 073
Onerous contracts	-	34 243	-	366	34 609
Total provisions	86 652	47 052	-37 044	-2 517	94 144

Parent Company 2024	Total Opening Balance	Changes in expected losses (loss rates) and outstanding receivables (volume)	Realized losses during the period (-)	Total Effect from Foreign Exchange	Closing Balance
Other provisions	1 600	35 900	-	-	37 500
Total provisions	1 600	35 900	-	-	37 500

2025

Other provisions	37 500	-6 709	-28 891	-	1 900
Total provisions	37 500	-6 709	-28 891	-	1 900

Note 18.3 Specification of Accruals

	Group		Parent Company	
	2025	2024	2025	2024
Accrued Labor cost / holiday pay	80 063	84 972	5 473	5 273
Accrued Bonus	67 741	70 432	6 000	12 000
Accrued operating cost	287 644	258 745	3 397	1 426
Other current liability	74 072	105 589	-	1 269
Total accruals	509 519	519 739	14 870	19 967

Note 19 Leases (1 000 NOK)

Carrying amount right-of-use assets

	Group		Parent Company	
	2025	2024	2025	2024
Buildings	187 336	257 303	55 384	57 507
Vehicles, machinery and equipment	12 032	14 662	-	-
Sum	199 368	271 965	55 384	57 507

Lease liabilities

	Group		Parent Company	
	2025	2024	2025	2024
Current lease liabilities	53 439	60 437	2 285	2 127
Non-current lease liabilities	168 729	230 338	56 742	57 923
Sum	222 168	290 774	59 027	60 050

Income effects

	Group		Parent Company	
	2025	2024	2025	2024
Buildings depreciation	56 122	52 330	3 274	3 488
Vehicles, machinery and equipment	7 432	7 355	-	168
Sum depreciation	63 554	59 684	3 274	3 656
Interest expense on lease	11 597	9 959	3 012	3 072

We refer to note 5 for a specification of the movements of Right-of-Use assets.

Note 20 Events after the close of the year

On 13 January 2026, Volue announced Stephan Sieber as CEO. On 2 February 2026, ENRX closed the sale of a majority stake of its Charge business to IPT Energy Group BV.

On 9 February 2026, Volue announced the acquisition of the Norwegian company Optimeering.

On 12 February, Arendals Fossekompani announced an agreement to bring in TA Associates as a strategic investement partner in Volue.

On 17 March 2026 subsidiary Utel Systems AS was filed for insolvency.

On 13 April 2026, the Board of Directors proposed to pay an ordinary cash dividend of NOK 3.00 per share for the financial year 2025. Upon approval, the dividend will be paid in May 2026.

Note 21 Accounting estimates and assessments

Key accounting estimates

Key accounting estimates are estimates that are important for the presentation of the company's and the Group's financial position and earnings, and which require subjective assessment. Arendals Fossekompani assesses such estimates continually based on historical results and experience, consultation with experts, trends, forecasts and other methods considered reasonable in each individual case.

Impairment losses

Goodwill and other intangible assets with an indefinite life are tested for impairment annually. The company's investments in subsidiaries and associates are similarly tested for impairment. The assessments are based on analysis of the company's financial position and forecasts/outlook. Recoverable amounts that are measured against carrying amounts are the expected selling price or the present value of cash flows from the investment. Other assets, including property, plant and equipment and financial instruments available for sale, are tested for impairment when there is an indication that a fall in value may have occurred.

Construction contracts

The Group recognises revenue from individual projects in accordance with the percentage of completion method. For such projects the degree of completion is calculated as costs incurred relative to total estimated costs. The greatest uncertainty is associated with measurement of the project's total estimated costs. The group has implemented controls to ensure that accounting for revenue over time reflects management's best estimate with respect to total contract revenue, cost, and if applicable stage of completion. The group uses the stage of completion method to determine the contract revenue recognised over time in the period. The method to determine the stage of completion is costs spent compared to total estimated costs or direct labour spent compared to total estimated direct labour. The estimation uncertainty is primarily related to cost calculation and measurement of progress. When project's remaining costs cannot be reliably estimated, only revenues equal to the accrued project costs will be recognised as revenues.

Note 22 Earnings per share in NOK

Basic earnings per share/diluted

Basic earnings per share are based on profit attributable to the equity holders of the parent and the weighted average number of outstanding ordinary shares during the year, which was 54.960.702 (2024: 54.936.418), calculated as follows:

Profit attributable to ordinary shares ^(1 000 NOK)	2025	2024
Net profit for the year - total	-151 718	2 244 137
Minority interest	-37 281	6 558
Equity holders of the parent	-114 437	2 237 579
Profit attributable to ordinary shares ^(1 000 NOK)	2025	2024
Net profit for the year - continued	-151 718	-42 316
Minority interest	-37 281	6 558
Equity holders of the parent	-114 437	-48 874
Profit attributable to ordinary shares ^(1 000 NOK)	2025	2024
Net profit for the year - discontinued	-	2 286 453
Minority interest	-	6 558
Equity holders of the parent	-	2 279 895
Weighted average number of ordinary shares		
Issued ordinary shares, 1 January	55 995 250	55 995 250
Effect of treasury shares	-1 034 548	-1 058 832
Number of outstanding shares as at 31 Dec	54 960 702	54 936 418
Weighted average number of ordinary shares for the year	54 948 560	54 896 879
Basic earnings per share / diluted earnings per share (NOK)	(2,08)	40,76
Basic earnings per share / diluted earnings per share continued (NOK)	(2,08)	(0,89)
Basic earnings per share / diluted earnings per share discontinued (NOK)	-	41,65

Note 23 The 20 largest shareholders

	Number of shares	Shareholding
Ulefoss Invest AS	14 709 875	26,8%
Havfonn AS	14 567 900	26,5%
Must Invest AS	14 106 225	25,7%
Arendals Fossekompani ASA	1 034 548	1,9%
Folketrygdfondet	761 759	1,4%
Svanhild og Arne Must Fond	657 225	1,2%
Fabulous AS	453 853	0,8%
Per-Dietrich Johansen	375 375	0,7%
Fondsfinans Pensjonskasse	356 228	0,6%
Fløtemarken AS	323 671	0,6%
Erik Bøhler	280 100	0,5%
Sverre Valvik AS	270 000	0,5%
Bøhler Invest AS	265 000	0,5%
Aksel Oland	237 994	0,4%
Ropern AS	237 478	0,4%
Annelise Altenburg Must	216 675	0,4%
Ottersland AS	200 000	0,4%
Erik Christian Must	180 000	0,3%
Trine Must	180 000	0,3%
Citibank	173 529	0,3%
Sum of the 20 largest shareholders	49 587 435	90,2%

With reference to section 7-26 of the Norwegian Accounting Act the following can be disclosed concerning shares owned by individual Board members and the CEO, including shares owned by spouses, children who are minors or by companies in which the person in question has a controlling interest.

Board of Directors	Own holdings	Related parties	Total
Trond Westlie	7 048	-	7 048
Morten Bergesen	-	14 567 900	14 567 900
Didrik Vigsnaes	-	18 000	18 000
Arild Nysæther	-	-	-
Lise Lindback	-	-	-
Anne Grethe Dalane	1 000	-	1 000
Stine Rolstad Brenna	-	7 500	7 500
Sum Board of Directors	8 048	14 593 400	14 601 448

Senior executives:

Benjamin Golding*	60 193	-	56 593
Lars Peder Fensli *	36 245	-	35 920
Håkon Tanem	59 669	-	42 669
Torkil Mogstad *	17 759	-	17 759
Ingunn Ettestøl*	21 909	-	11 909
Ann-Kari Heier	19 635	-	19 635
Sum Senior executives	215 410	-	184 485

* See Note 4 regarding share-based payments.

Note 24 Related parties

The company's/Group's related parties comprise subsidiaries, associates and members of the Board of Directors and senior management team.

Key executives

Members of the Board of Directors and the company management and their closest relations control 26,9% of shares with voting rights in the company. Loans to senior executives (see Note 4) amounted to kNOK 19,685 (2024: kNOK 18,788) as at 31 December. These loans are included in "other investments". Interest is charged on loans to senior executives at a rate that never triggers a taxable benefit. In addition to regular salaries, senior executives have agreements on other benefits in the form of a defined-contribution pension scheme and share-based payments. (See Note 4).

Related party transactions

Transactions between Group companies and other related parties are based on the principles of market value and arm's length. In 2025 Arendals Fossekompani purchased services relating to market management for kNOK 936 from Volue Market Services (2024: kNOK 854). In addition services were purchased from Volue Insight AS for kNOK 674 in 2025. Arendals Fossekompani ASA supply AFK Eiendom and Alytic with administrative services, all invoiced based market value. Interest is charged on loans from the AFK parent company to companies in the Group in accordance with the agreement entered into.

Note 25 Change in loans and borrowings (1 000 NOK)

Group	Note	Loans maturing after more than one year		Loans maturing in less than one year		Total interest-bearing liabilities	
		2025	2024	2025	2024	2025	2024
Total Opening Balance		1 521 110	2 500 788	336 964	469 222	1 858 073	2 970 010
Cash from new borrowings	CF	16 842	249 599	-	-	16 842	249 599
Repayment of non-current lease liabilities	CF	-36 639	-44 767	-	-	-36 639	-44 767
Repayment of long-term borrowings	CF	-229 408	-1 040 049	-	-	-229 408	-1 040 049
Cash flow from net change in current interest bearing debt	CF	-	-	182 719	35 973	182 719	35 973
Change in lease liabilities without cash flow effects	5	16 995	123 003	-3 679	-	16 995	123 003
Disposal		-15 545	-324 277	-43 947	-179 723	-63 171	-504 000
Reclassification		-275 366	-	275 366	-	-	-
Total Effect from Foreign Exchange		-20 283	56 814	-6 628	11 491	-26 911	68 305
Closing Balance		977 707	1 521 110	740 794	336 964	1 718 501	1 858 073
Parent Company							
Total Opening Balance		866 143	1 520 331	2 127	2 293	868 270	1 522 624
Cash from new borrowings	CF	-	188 474	-	-	-	188 474
Repayment of long-term borrowings	CF	-187 260	-876 002	-	-	-187 260	-876 002
Cash flow from net change in current interest bearing debt	CF	-	-	158	-166	158	-166
Change in lease liabilities without cash flow effects		1 151	2 254	-	-	1 151	2 254
Total Effect from Foreign Exchange		-8 939	31 086	-	-	-8 939	31 086
Closing Balance		671 095	866 143	2 285	2 127	673 381	868 270

	Group	
	2025	2024
Bond	498 964	498 503
Interest-bearing liabilities and credits (long-term)	300 912	776 474
Other non-current liabilities	9 102	15 795
Non-current lease liabilities	168 729	230 338
Loans maturing after more than one year	977 707	1 521 110
Interest-bearing liabilities and credits (short-term)	687 356	276 527
Current lease liabilities	53 439	60 437
Loans maturing in less than one year	740 794	336 964
Total interest-bearing liabilities	1 718 501	1 858 073

	Parent Company	
	2025	2024
Bond	498 964	498 503
Interest-bearing liabilities and credits (long-term)	115 390	309 718
Non-current lease liabilities	56 742	57 923
Loans maturing after more than one year	671 095	866 143
Current lease liabilities	2 285	2 127
Loans maturing in less than one year	2 285	2 127
Total interest-bearing liabilities	673 381	868 270

Note 26 Climate-related risks

Arendals Fossekompani assessed climate-related risks based on the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) as part of its double materiality assessment. The assessment covers Arendals Fossekompani's and our portfolio's exposure to transition risks and opportunities, as well as physical risks. Under a Net Zero 2050 scenario, key transition risks include market, technology and policy/legal risks, and opportunities within new markets and clean energy. The portfolio's physical risk has been assessed using climate modelling in IPCC climate scenarios, considering exposure to climate hazards events at our offices and production sites and in our value chain where possible. There is a physical risk of disruption to our facilities and value chains due to climate hazards, but the consequences are highly uncertain, and the risk is being mitigated by our investments in infrastructural upgrades. To ensure the resilience of our business model Arendals Fossekompani is actively pursuing opportunities related to demand for solutions related to renewable energy through our investment strategy. We also have ongoing assessments related to climate-related risks, and other internal initiatives to reduce climate risk exposure and to mitigate transitional risks of increased costs related to mandates and regulation of existing products and services in the portfolio. Arendals Fossekompani follows developments and will regularly assess its portfolio risk exposure to transitional and physical climate risks. Further detail on the process, scenarios and findings are documented in the Sustainability Statement.

Net Interest Bearing Debt

	AFK Vannkraft		Group Management		NSSL Global Limited Group		ENRX Group	
	2025	2024	2025	2024	2025	2024	2025	2024
Bond	-	-	498 964	498 503	-	-	-	-
Non-current interest-bearing debt	-	-	115 390	309 718	-	-	638	277 974
Interest-bearing current borrowings	-	-	-	-	-	-	361 872	85 449
1st year installm. non-current borrowings	-	-	-	-	-	-	62	102
Non-current lease liabilities	-	-	56 742	57 923	46 152	52 238	138 347	188 784
Current lease liabilities	-	-	2 285	2 127	8 002	12 156	40 812	46 344
Bank overdraft	-	-	-	-	176	6 172	179 047	160 354
Non-current interest-bearing debt, intercompany	-	-	-	-	-	-	-	436 413
Current interest-bearing debt, intercompany	-	-	3 010	2 452	-	-	-	15 923
Non-current borrowings IC, plug	-	-	-	-	-	-	61	-53
Other current liabilities IC, plug	-	-	-25	-	-10	-25	-2	-11 676
Current and non current liabilities IC	-	-	2 985	2 452	-10	-25	59	440 607
Total liabilities	-	-	676 366	870 722	54 319	70 541	720 837	1 199 614
Cash and cash equivalents	-	-	569 885	914 110	578 381	544 294	125 166	145 655
Total assets	-	-	569 885	914 110	578 381	544 294	125 166	145 655
Net interest bearing debt	-	-	106 481	-43 387	-524 061	-473 752	595 671	1 053 958

	Tekna Group		AFK Property Group		Alytic Group		Other		Total Segment	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Bond	-	-	-	-	-	-	-	-	498 964	498 503
Non-current interest-bearing debt	27 645	30 970	148 084	155 152	9 155	2 661	-	-	300 912	776 474
Interest-bearing current borrowings (inp)	-	-	106 360	-	18 298	14 595	-	-	486 530	100 044
1st year installm. non-current borrowings	2 798	3 318	7 730	6 537	-	-	-	-	10 590	9 957
Non-current lease liabilities	9 207	12 914	1 150	1 121	14 795	22 175	-	-	266 392	335 155
Current lease liabilities	4 856	5 105	317	454	3 851	791	-	-	60 124	66 977
Bank overdraft	11 013	-	-	-	-	-	-	-	190 236	166 526
Current and non current liabilities IC	-	217 477	42 595	110 972	23 996	4 306	1 039 305	1 011 548	1 108 929	1 787 339
Total liabilities	55 519	269 784	306 235	274 237	70 095	44 528	1 039 305	1 011 548	2 922 677	3 740 975
Cash and cash equivalents	128 265	97 463	83 126	61 550	24 834	30 713	3 537	5 834	1 513 195	1 799 891
Total assets	128 265	97 463	83 126	61 550	24 834	30 713	3 537	5 834	1 513 195	1 799 891
Net interest bearing debt	-72 746	172 321	223 109	212 686	45 260	13 815	1 035 768	1 005 715	1 409 482	1 941 356

	Eliminations & Adjustments		Total Consolidated	
	2025	2024	2025	2024
Bond	-	-	498 964	498 503
Non-current interest-bearing debt	-	-	300 912	776 474
Interest-bearing current borrowings (inp)	-	-	486 530	100 044
1st year installm. non-current borrowings	-	-	10 590	9 957
Non-current lease liabilities	-97 663	-104 818	168 729	230 338
Current lease liabilities	-6 685	-6 540	53 439	60 437
Bank overdraft	-	-	190 236	166 526
Current and non current liabilities IC	-1 083 945	-1 775 727	24 984	11 611
Total liabilities	-1 188 293	-1 887 085	1 734 383	1 853 890
Cash and cash equivalents	39	-223	1 513 234	1 799 668
Financial assets classified as held for trading	-	-	-	-
Total assets	39	-223	1 513 234	1 799 668
Net interest bearing debt	-1 188 332	-1 887 134	221 149	54 222

Alternative Performance Measure

MEASURE	DEFINITION
Net Interest Bearing Debt (NIBD)	Interest bearing debt – external interest-bearing receivables – cash and cash equivalents. Intercompany loans are excluded from the NIBD definition
Adjusted EBITDA	EBITDA adjusted for non-recurring items
Adjusted cash EBITDA	Adjusted EBITDA less capitalised R&D and leasing costs
ARR	Annualised recurring revenue

Signatures

Declaration by the BoD and the CEO

Auditor's report

List of abbreviations

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Declaration by the Board of Directors and the CEO

The Annual Report for the Group and Parent Company has been prepared in accordance with the provisions of the Norwegian Accounting Act and Norwegian Accounting Standard 16 as at 31 December 2025.

The consolidated sustainability statements for 2025, as part of the management report have been prepared, in all material respects, in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) pursuant to the Accounting Act § 2-3 and 2-4. Disclosures within the EU Taxonomy, are in all material respects, prepared in accordance with Article 8 of EU Taxonomy Regulation (EU 2020/852).

To the best of our knowledge:

- the Annual Financial Statements for 2025 for the Group and the Parent Company have been prepared in accordance with applicable accounting standards
- the information presented in the financial statements provides a true and fair view of Group's and the Parent Company's assets, liabilities, financial position and performance as a whole as at 31 December 2025

- the Annual Report for the Group and the Parent Company provides a true and fair view of:
- the development, results and financial position of the Group and the Parent Company, and the key risks and uncertainties faced by the Group and the Parent Company.

There are no material uncertainties associated with the annual financial statements, and there are no other extraordinary circumstances that have affected the financial statements.

The Board of Directors confirms that the accounts have been prepared based on the assumption that Arendals Fossekompani is a going concern, and that this assumption continues to apply.

Froland, 13 April 2026

The single-entity financial statements and consolidated financial statements have been prepared in accordance with IFRS as adopted by the European Union, along with relevant interpretations, and in compliance with further disclosure requirements pursuant to the Norwegian Accounting Act applicable as at 31 December 2025.

Trond Westlie
Chair

Morten Bergesen
Board Member

Didrik Vignæs
Board Member

Arild Nysæther
Board Member

Stine Rolstad Brenna
Board Member

Lise Lindbäck
Board Member

Anne Grethe Dalane
Board Member

Benjamin Golding
Chief Executive Officer

Report on the Audit of the Financial Statements



To the General Meeting of Arendals Fossekompani ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Arendals Fossekompani ASA, which comprise:

- the financial statements of the parent company Arendals Fossekompani ASA (the Company), which comprise the statement of financial position as at 31 December 2025, the statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and
- the consolidated financial statements of Arendals Fossekompani ASA and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2025, the statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of Arendals Fossekompani ASA for 8 years from the election by the general meeting of the shareholders on 26 April 2018 for the accounting year 2018.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have not identified regulatory changes, transactions or other events this year that qualify as new Key Audit Matters. Accounting for discontinued operations was considered an area of focus in the prior year due to the sale of Volue and discontinuation of Comteo. Discontinued operations was not an area of focus this year. *Revenue recognized over time* and *Valuation of goodwill and intangible assets* carried the same characteristics and risks as in the prior year and therefore continued to be areas of focus this year.

Key Audit Matters	How our audit addressed the Key Audit Matter
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Revenue recognized over time

In 2025, revenue recognized over time from contracts with customers constituted NOK 776 million, equal to 21% of total operating revenues. NOK 201 million of revenue recognized over time is accrued income from uncompleted contracts at the balance sheet date.

We focused on revenue recognized over time from contracts with customers as the contracts may have a long duration, and the recognition of revenues and costs is subject to management judgement. Furthermore, management's judgement affects several significant financial statement line items and thus has a pervasive effect on the financial statements.

The accounting principles and notes 1 and 13 to the financial statements include further information on the Group's recognition of revenue over time from contracts with customers.

We obtained a sample of customer contracts and assessed the accounting treatment against the Group's accounting principles and IFRS 15. We found that the accounting treatment was consistent with the content of the contracts and IFRS 15.

We obtained an understanding and evaluated design and implementation of internal controls relevant to accounting for revenue recognized over time. This included internal controls related to estimates of total contract revenue, cost, and if applicable, stage of completion.

Estimating project revenue and associated costs, and, if applicable, calculating stage of completion requires exercise of judgement. We performed various procedures to assess whether management's judgements were reasonable, including:

- Obtained and read contract agreements, and change orders, when applicable to understand contract scope and key terms.
- Evaluated the timely identification of circumstances that may warrant a modification to the total estimated costs including, but not limited to, contracts subject to claims and contract modifications.
- Discussed with project leaders and management to evaluate progress to date, the estimate of costs to be incurred, and factors impacting the amount of time and cost to complete the contract.
- Compared the costs incurred and the estimated costs to complete to the original total estimated costs.
- Tested on a sample basis, the costs incurred to support evidence.
- Compared the original total estimated costs to the total costs incurred for contracts completed during the year.
- Compared actual margins to the margins on similar contracts completed in the past.

We found that assumptions used, and judgments made by management were reasonable. We further evaluated the disclosures in notes 1 and 13 and found them to be appropriate.

Valuation of goodwill and intangible assets

At 31 December 2025, the carrying amount of the Group's goodwill and intangible assets was NOK 859 million, equal to approximately 10% of total assets. Goodwill and intangible assets with indefinite economic life are tested for impairment at least annually. Impairment testing is performed at the level of cash generating unit.

We obtained and gained an understanding of management's impairment assessment related to goodwill and intangible assets. Our procedures included an assessment of the valuation method and model and whether key assumptions used by management were reasonable based on our understanding of the business and industry of each cash generating unit. We tested the model for mathematical accuracy and traced data used in

When testing for impairment, the carrying amount is compared to the recoverable amount.

At 31 December 2025, management's impairment assessment indicated that goodwill and other intangible assets in the cash generating units ENRX and Other investments were impaired by NOK 168 million. The recoverable amount exceeded the carrying amount for all other cash generating units where goodwill and intangible assets were recognized.

We focused on valuation of goodwill and intangible assets because these assets constitute a significant share of the Group's total assets, and because calculation of the recoverable amount may require application of significant judgement by management.

Note 6 to the financial statements includes further information on goodwill and intangible assets, cash generating units and impairment testing.

Other Information

The Board of Directors and the Chief Executive Officer (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Directors' report applies correspondingly to the statement on Corporate Governance.

Our opinion on whether the Board of Directors' report contains the information required by applicable statutory requirements, does not cover the Sustainability Statement, on which a separate assurance report is issued.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on the Audit of the Financial Statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Arendals Fossekompani ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name AFK Annual Report 2025.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

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Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: <https://revisorforeningen.no/revisjonsberetninger>

Arendal, 14 April 2026

PricewaterhouseCoopers AS



Fredrik Botha
State Authorised Public Accountant

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Independent Sustainability Auditor's Limited Assurance Report



To the General Meeting of Arendals Fossekompani ASA

Independent Sustainability Auditor's Limited Assurance Report

Limited Assurance Conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of Arendals Fossekompani ASA (the «Company») included in Sustainability Statement of the Board of Directors' report (the «Sustainability Statement»), as at 31 December 2025 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify the information reported in the Sustainability Statement (the «Process») is in accordance with the description set out in in the subsections "IRO-1 Description of the process to identify and assess material impacts, risks and opportunities" and "The Process" within the General Information chapter; and
- compliance of the disclosures in the section "EU Taxonomy" of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the «Taxonomy Regulation»).

Basis for Conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information («ISAE 3000 (Revised)»), issued by the International Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the *Sustainability Auditor's Responsibilities* section of our report.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements as required by relevant laws and regulations in Norway and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities for the Sustainability Statement

The Board of Directors and the Managing Director (Management) are responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this Process in in the subsections "IRO-1 Description of the process to identify and assess material impacts, risks and opportunities" and "The Process" within the General Information chapter of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;

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- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statement, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the ESRS;
- preparing the disclosures in the section "EU Taxonomy" of the Sustainability Statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that Management determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the Sustainability Statement

In reporting forward-looking information in accordance with ESRS, Management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Sustainability Auditor's Responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Company's description of its Process set out in in the subsections "IRO-1 Description of the process to identify and assess material impacts, risks and opportunities" and "The Process" within the General Information chapter.

Our other responsibilities in respect of the Sustainability Statement include:

- Identifying where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed

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A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
 - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
 - reviewing the Company's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Company was consistent with the description of the Process set out in in the subsections "IRO-1 Description of the process to identify and assess material impacts, risks and opportunities" and "The Process" within the General Information chapter.

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement by:
 - Obtaining an understanding of the Group's control environment, processes, control activities and information system relevant to the preparation of the Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control; and
 - Obtaining an understanding of the Group's risk assessment process;
- Evaluated whether the information identified by the Process is included in the Sustainability Statement;
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- Performed inquiries of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- Performed substantive assurance procedures on selected information in the Sustainability Statement;
- Where applicable, compared disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and other sections of the Board of Directors' report;
- Evaluated the methods, assumptions and data for developing estimates and forward-looking information;
- Obtained an understanding of the Company's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- Evaluated whether information about the identified taxonomy-eligible and taxonomy-aligned economic activities is included in the Sustainability Statement; and
- Performed inquiries of relevant personnel, analytical procedures and substantive procedures on selected taxonomy disclosures included in the Sustainability Statement.

Kristiansand, 13 April 2026

PricewaterhouseCoopers AS

Hanne S. Johansen

Hanne Sælemyr Johansen
State Authorised Public Accountant – Sustainability Auditor

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List of abbreviations

ABBREVIATION	DEFINITION
AC	Audit Committee
AFK	Arendals Fossekompani
AM	Additive Manufacturing
AMGTA	Additive Manufacturer Green Trade Association
ARP	Activity and Reporting Obligations
ARR	Annual Recurring Revenue
BCoC	Business Partner Code of Conduct
BOD	Board of Directors
CAD	Cash Available for Distribution
CSRD	Corporate Sustainability Reporting Directive
CDP	Carbon Disclosure Project
CapEx	Capital Expenditure
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CoC	Code of conduct
CSO	Chief Sustainability Officer
CSR	Corporate Social Responsibility
DCF	Discounted Cash Flow
DNSH	Do No Significant Harm
EAT	Earning after tax
EBT	Earnings before tax
EBIT	Earnings before interest and taxes
EBITDA	Earnings Before Interest, Taxes Depreciation, and Amortization
EU	European union
ERP	Enterprise Resource Planning
ESG	Environmental, Social and Governance
GHG	Greenhouse Gas

GRI	Global Reporting Initiative
GWh	Gigawatt hours
HR	Human Resources
HSE	Health, Safety, and Environment
HSSE	Health, Safety, Security and Environment
IFRS	International Financial Reporting Standards
ICT	Information and Communication Technologies
IEA	International Energy Agency
ILO	Declaration of the International Labour Organisation
inp	Interestbearing current borrowings
IoT	Internet of Things
IR	Injury Rate
ISO	International Organisation for Standardisation
KPI	Key Performance Indicator
kWh	Kilowatt hours
LCA	Life Cycle Assessment
LEO	Low Earth Orbit
LTIR	Lost Time Incident Rate
MACD	Moving Average Convergence Divergence
MAR	Market Abuse Regulation
M&A	Mergers and Acquisitions
MoD	Ministry of Defense
MoU	Memorandum of Understanding
MWh	Megawatt hours
NAA	Norwegian Accounting Act
NGO	Non Governmental Organisation
NHO	Confederation of Norwegian Enterprises
NVE	The Norwegian Water Resources and Energy Directorate
OCI	Other Comprehensive Income
OECD	The Organisation for Co-operation and Development
OHS	Occupational Health and Safety
OpEx	Operating Expenditure
R&D	Research and Development
SaaS	Software-as-a-Service
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Target initiative
SCoC	Supplier Code of Conduct
SDG	Sustainable Development Goal
SQM	Square meter
TCFD	Task Force on Climate-related Financial Disclosures
TRIR	Total Recordable Incident Rate
TSC	Technical Screening Criteria
UN	United Nations
WACC	Weighted Average Cost of Capital

Want to
read more?

Find the full reporting for 2025 at arendalsfossekompani.no

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