volue

Technology for a sustainable tomorrow

Annual report 2021

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Volue in brief

Volue was established in March 2020 as the result of the merger of four companies: Powel, Markedskraft, Scanmatic and Wattsight. The company transferred listing from Euronext Growth to Oslo Stock Exchange in May 2021.

Volue is a market leader in technologies and services that power the green transition. Based on 50 years of experience, Volue provides innovative solutions, systems and insights to industries critical to society. Over 700 employees work with more than 2,200 customers across energy, power grid, water and infrastructure projects that ensure a sustainable, flexible and robust future. The company is headquartered in Oslo, Norway and active in 40+ countries.

Volue operates in industry segments that offer critical infrastructure to society, including energy, water supply and infrastructure building. In addition, Volue delivers instrumentation and automation for transport, offshore, maritime and defence purposes. Volue is operating through three industry segments; Energy, Power Grid and Infrastructure, with eight product lines: Optimisation, Trading, Insight, Market Services, Power Grid, Industrial IoT, Water and Construction.

Volue's digital platforms and innovative solutions support digital water management and the automation of processes and machines for the construction industry. Our software suite, built on deep domain knowledge, enables customers across the clean energy value chain to provide services critical to society flexibly, reliably and efficiently, thereby accelerating the green energy transition.

Purpose

We realise the green transition

Mission

To build a global technology leader who provides innovative services ciritcal to society, unlocking a cleaner, better and more profitable future

Vision

To develop technology for a sustainable tomorrow

Volue by numbers

700+

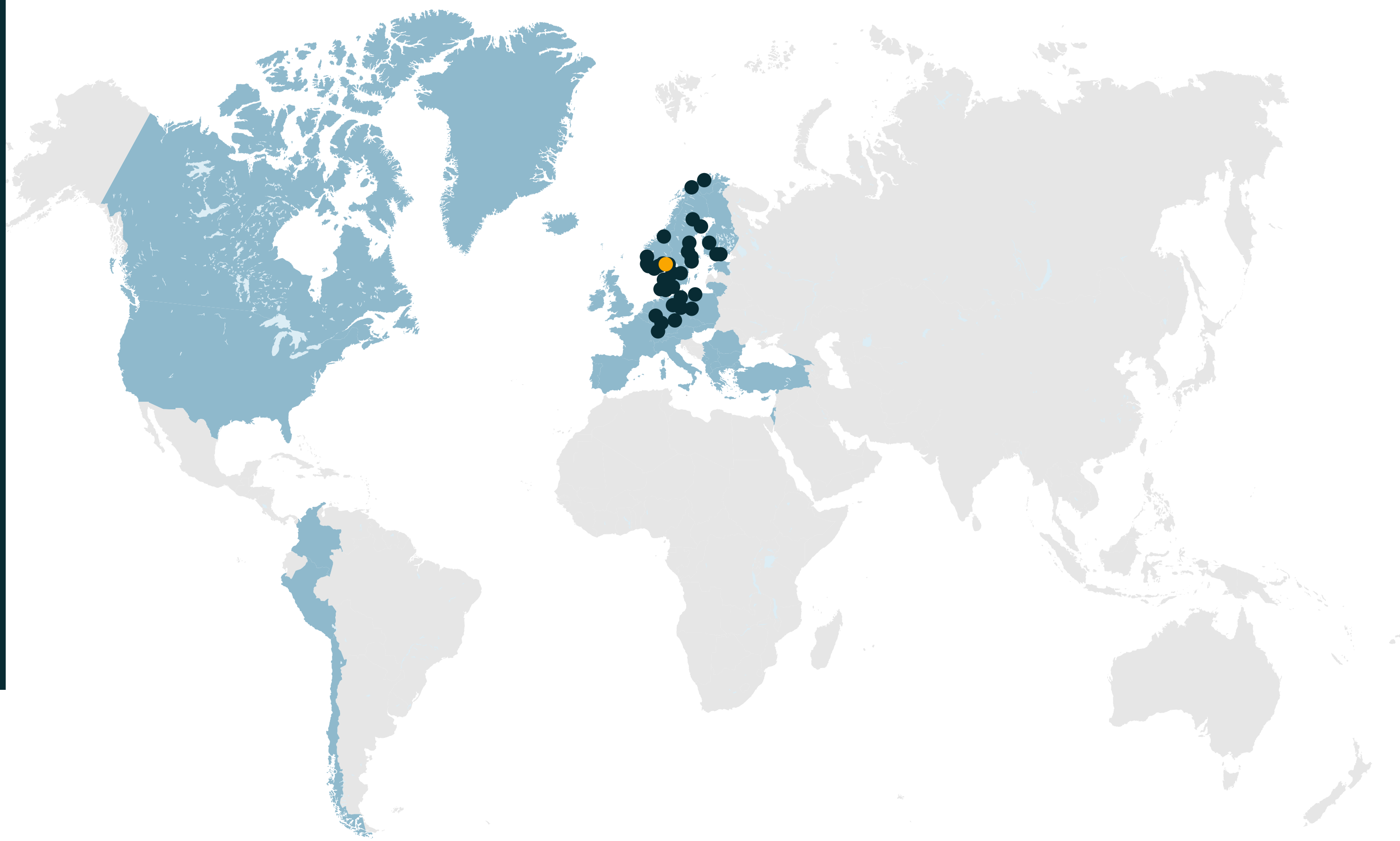
EMPLOYEES

2 200+

CUSTOMERS
IN 40+ COUNTRIES

30+

OFFICES
IN 8 COUNTRIES



Where we are:

- Volue's HQ
- Volue's offices
- Countries where Volue has customers

Key figures

Amounts in NOK million and per cent

	2021	2020
Operating revenues	1,039	892
Adjusted EBITDA	214	197
Adjusted EBITDA margin (%)	21%	22%
EBITDA	138	148
Operating profit	45	82
Ordinary profit for continued operations	28	60
Operating cash flow	138	230
NIBD	-382	-432
Equity	767	743
Equity ratio (%)	44%	50%

Highlights 2021

- Operating revenues of NOK 1,039 million, 17% overall growth
- Adjusted EBITDA of NOK 214 million with margin of 21%
- Solid performance in ARR business, with steady growth in new SaaS business
- 17% growth in ARR from 2020
- Strong sales performance, more than 3,200 deals closed in 2021
- Expanded international activities and European footprint
- Acquistion of ProCom and successful integration of ProCom and Likron
- Building back better after cyber incident, cyber insurance settlement of NOK 20 million
- On track for 2025 ambitions - increasing revenues target to exceed NOK 2 billion

Letter from the CEO

2021 was a strong year for Volue. Despite the difficulties created by the ongoing pandemic, we dedicated our efforts to serving our customers and invested in profitable growth, expanding Volue's footprint in Europe and beyond.

I am very proud that we met our bold ambitions for 2021. We exceeded our operating revenue goal of NOK 1 billion – our revenues grew by 17% to NOK 1,039 million, and we reported a 21% adjusted EBITDA. Out of the total revenues, 64% were recurring revenues, accounting for 17% growth.

In April, Euronext approved Volue for admission to trading on the Oslo Stock Exchange, which meant that we could also tick off another one of our 2021 goals.

At the end of 2021, we completed the acquisition and successful integration of the German company ProCom, adding three million euros in annual recurring revenues, approximately 60 employees, and new customers to our business.

Position of strength in a strong market

I am very proud of what our company and people achieved in 2021. I am impressed and humbled by what the Volue team has been able to achieve this past year. Every day our employees rise to the challenge of building technology for a sustainable tomorrow.

The market remains strong and attractive, and we believe that the integration of ProCom and Likron (acquired at the end of 2020) will cement our position as the leading technology provider for the European energy industry, offering products and services along the entire clean energy value chain.

Today, 40% of the market participants across the European exchanges are our customers. Overall, we have more than 2,200 customers, and in 2021 we closed more than 3,200 deals. These include a number of strategic contracts. We celebrated the new year with a breakthrough contract signed in December with the largest renewable energy company in Spain, a great achievement for our efforts in Iberia.

At the same time, we delivered on our market expansion strategy by opening an office in Tokyo, Japan. In addition, Volue will continue to explore business opportunities outside the European region.

Technology for a sustainable tomorrow

2021 was defined not only by the world's response to the ongoing pandemic but also to the looming climate crisis. Climate change now poses a major threat to our world, and global warming impacts everyone. Only collaboration and dedicated efforts will help us achieve the change we need, and at Volue, we are set to take our part of this shared responsibility.

Last year, Volue presented its first ESG report, describing our sustainability efforts within four main areas: Environment, Great Place to Work, Ethical Business Conduct, and Reliable Products and Operations. This year, we have built on our ESG commitments by working with dedication on these sustainability areas and have set new bold targets for 2022.

To aid us on our sustainability journey, we have looked to proven sustainability frameworks that could help us keep our strategic focus and create greater impact. In 2021, Volue became a signatory of the UN Global Compact, the world's largest corporate initiative for sustainability, and this year we are also reporting according to the GRI standards for the first time.

I encourage you to take a look at Volue's ESG report for 2021.

The Volue Platform

At the core of our value-offering is our platform. We measure success by how the platform is utilised by our customers.

With more than 30 billion automated calculations in the cloud, we execute over 25 million trades every year on behalf of our customers.

Our market insight service for power professionals holds 150,000 price curves, accessed 650 billion times annually.

Our sensor platform collects 120 trillion data points from our 4,500 installations.

These numbers increase every year, and this is how we retain 99% of our customers.

Industry developments

The power industry has been widely recognised as stable, predictable and conservative for a century, and today's volatility in the power markets represents a paradigm change.

We find ourselves in a world ever more dependent on electricity. As we close down coal and nuclear power plants to deliver on our sustainability goals, we count more and more on new energy sources – the largely weather-dependent solar and wind assets. At the same time, gas prices are skyrocketing as geopolitical challenges lead to a shortage of supply.

In many ways, our end markets are experiencing what we think is the perfect storm. A storm that is projected to last for decades.

In this, we see risks but also tremendous opportunities. To manage the green transition, our customers are asking us for wall-to-wall digitalisation across processes and disciplines.

In the Energy segment, we've worked to expand our platform into solar, wind, batteries, and more. This is important to our customers, as they continue to operate their existing assets while expanding capacity to new asset types.

Our Power Grid business, which has supported Nordic customers in building probably the strongest grid in Europe, has ready-made solutions for the European DSOs in terms of both the digitalisation of grid operations and distributed energy resources (DERs).

By 2030, we'll have 200 million small-scale power assets in Europe – rooftop solar, small wind and hydro, biomass and geothermal power, as well as storage such as electric vehicles and residential electric water heaters. Volue is building tools that accelerate the integration of DERs in the power system. Through forecasting where and when DERs are needed in the grid, we reduce the need for additional grid investment.

Priorities and ambitions for 2022 and beyond

Volue is here to deliver services critical to society for a cleaner, better, and more profitable future.

We offer an unrivalled landscape of capabilities, allowing our customers to increase performance in a volatile market. Our unique coverage along the energy management value chain puts us in a pole position to deliver game-changing services that help our customers increase their top-line, reduce risk and protect profit margins.

An important goal for us this year is to continue to invest in market expansion outside our European home market. We want to achieve this while maintaining a

healthy EBITDA margin in line with Q4 2021.

At the core of our growth strategy is a focus on recurring revenues through Volue's ongoing SaaS transformation.

Seeing that the energy market is quite fragmented, we believe that there is an opportunity to take a leading position in much-needed market consolidation.

As we operate in attractive end-markets undergoing transformation, in 2022 we will focus our investments on scalable growth.

Last but not least, as we continue to pursue synergies within the Volue group, we see that there are many opportunities for increased operational efficiency.

With a successful 2021 behind us, we are quite bullish about the future. We are now looking to exceed our NOK 2 billion revenue target for 2025.

We believe in growth first of all because our end market is growing. Our customers' spending on advanced software solutions is growing as a consequence of the green transition and market changes.

We also see opportunities for European expansion. We now have a solid footprint in the European market, and we continue to invest in sales and marketing outside the Nordic region.

Our experience also shows that Volue has a great opportunity to realise synergies by selling our expanded portfolio of offerings.

Looking at our recurring revenues, we see that SaaS contracts hold double the amount of recurring revenues, compared to traditional contracts. This is because we take a larger responsibility when operating the software with an associated Service Level Agreement.

We see this in our infrastructure business, which is very much focused on SaaS transformation in our home market, with more than 900 customers in the infrastructure construction business and covering 84% of the Norwegian population with our water and wastewater business.

As we progress with our SaaS transformation, we believe in an uptick in margins, with an EBITDA level towards 30%, SaaS revenues increasing to 50% and recurring revenues towards 80% in 2025.

Less than two years ago, Volue comprised four individual companies with separate management teams, a fragmented customer approach, no common R&D or product development strategies, and a mostly Norwegian footprint. The company grew through the acquisitions of Likron and ProCom and, today, the six companies have joined forces behind one brand and in one organisation. We believe that Volue with its size and market reach can bring value to the industry by acting as a consolidator.

Entering 2022, I feel that we have created a robust organisation ready to support the digital transformation of the industries we work in. I am convinced that the efforts of our people will enable us to successfully execute our strategy.

Last but not least, thank you to our customers, partners, and shareholders for their continued trust and support!

Board of Directors' report

Volue reported solid performance and strong growth for the full year 2021. The Company delivered operating revenues of NOK 1,039 million (892 million in 2020) and adjusted EBITDA of NOK 214 million (197 million in 2020) with an adjusted EBITDA margin of 21%. See note three to the financial statement for description on non-recurring items in EBITDA.

All product lines delivered strong operational performance, and good order intake with more than 3,200 deals closed during the year. The Company is continuing the build-up of a highly sticky customer base and has since 2018 reported an average yearly churn of about 1%. Growth and scalability are core for improving margins over time, and Volue continues to strategically invest to scale for further growth.

The revenue growth of 17% year-on-year was mainly driven by the Energy Segment, increasing by 30% from NOK 456 million in 2020 to NOK 595 million in 2021. Expansion of European footprint and growing international activities are the main drivers for growth through new markets and solution such as trading, optimalisation, forecast and analyses. Annual recurring revenues reached NOK 667 million, a 17% growth from 2021, while SaaS revenues showed a 50% growth year on year.

The market remains strong and attractive as the shift towards green, non-controllable energy sources drives increased volatility and complexity for customers, requiring dynamic and cloud-based software solutions. Volue also believes the integration of ProCom and Likron will further help cementing its position as the leading provider in Europe.

Business and location

Volue's business model is to supply software and technology solutions for the energy, power grid and infrastructure markets, serving over 2 200 customers in 40+ countries. Based on 50 years of green technology expertise, Volue offers software solutions, systems and market insight that optimise production, trading, distribution and consumption of energy, as well as infrastructure and construction projects. As one of Norway's leading software companies, Volue has unrivalled coverage along the clean-energy value- chain, from monitoring using sensors to realising cash in trading. Volue's technology secures availability of the core services society relies on – energy, water and infrastructure.

Volue is headquartered in Oslo, Norway, with teams based across 30 offices all over Europe, thereby enabling the company to be closely connected to its customers, markets, and industries.

Industry segments

The business is organised into three industry segments: Energy, Power Grid and Infrastructure, with eight product lines. The Energy segment delivers solutions that help customers master the energy transition by enabling wall-to-wall digitalisation of the green energy value chain. The Power Grid segment enables power distributors to support electrification of society by unlocking flexibility and digital management of the power grid. The infrastructure segment offers customers flexible capabilities for digital water management and helps automate processes and machines for the construction industry.

Energy Segment

Operating revenues in the Energy segment increased by 30% to NOK 595 million in 2021 (459 million in 2020), representing 57% (52% in 2020) of the group's revenues. Adjusted EBITDA rose to NOK 124 million in 2021 (97 million in 2020) with an EBITDA margin of 21% in 2021, (21% in 2020).

The Energy Segment delivered very strong results and increased profit due to scalable growth. The adjusted EBITDA margins improved following strong uplift in SaaS and overall sales.

Volue sees high volatility in the power market, which creates tail-wind for the trading software from the company's SaaS-platform as well as increasing demand for the Company's services. Volue's business outside the Nordic is growing rapidly and in the home market where Volue is leading, there is a strong development within portfolio management as a service. Combined, this results in strong growth in SaaS revenues. Expansion of European footprint and growing international activities are the main drivers for further growth through new markets and solution such as trading, optimalisation, forecast and analyses.

Part of Volue's initial focus was the most complex optimisation challenges for hydropower. Since then, the Company has expanded its platform into thermal, solar, wind and batteries, which is important to Volue's customers as they continue to operate existing assets, while at the same time expanding capacity in new asset types. Trading solutions is a growing part of the portfolio and the integrated business of Likron and ProCom will be core as part of Volue's offering across the value chain.

CAPEX levels in the Energy segment represents approximately 10% of revenues, which is mainly composed of by R&D investments. Going forward, significant investments into new products related to optimisation and trading solutions are planned.

Power Grid Segment

Operating revenues in the Power Grid segment increased by 6% to NOK 249 million in 2021 (236 million in 2020), representing 24% (26% in 2020) of the group's revenues. Adjusted EBITDA decreased to NOK 32 million in 2021 (57 million in 2020) with an adjusted EBITDA margin of 13%, compared with 24% in 2020.

Within Power Grid, Volue holds a strong market position in the Nordics. The segment delivered strong sales and good progress on project deliveries, resulting in solid uplift in ARR level. The combination of increased activities for market expansion and Go-Live of a delivery project in Sweden influenced the EBITDA margins negatively. EBITDA margins are expected to improve going forward as the market outlook for the segment is good.

With decades of experience supporting customers, the Nordic region has built one of the strongest grids in Europe, which is now being put under pressure by the enormous growth in power supply assets that will start playing an active role in the energy system. The electrification of the society is growing, creating new challenges and opportunities and Volue is in a strong position to capitalise on this growth through its 50 years' of asset and vendor independent experience.

Volue aims to further expand its footprint in the Power Grid segment through its market position in the Energy segment.

CAPEX levels in the Power Grid segment represented approximately 10% of revenues in 2021 and are related to R&D. CAPEX levels are expected to increase over the next 12 months due to ongoing investments in new product development such as Distributed Energy Resources.

Infrastructure Segment
Operating revenues in the Infrastructure segment slightly decreased to NOK 197 million in 2021, from NOK 201 million in 2020, representing 19% of the group's revenues. Adjusted EBITDA increased by 8% to NOK 57 million in 2021 (53 million in 2020), with an adjusted EBITDA margin of 29%, up from 26% in 2020.

For the Infrastructure segment, shift in business models towards SaaS are progressing as planned. This gives an expected short term revenue impact. The shift in business models combined with ongoing investments in market expansion, is putting pressure on EBITDA margins throughout 2022.

Volue has so far focused on SaaS transformation in its home market. Volue forecasts further increased profitable growth in Scandinavia, driven by the on-going expansion to Sweden and Denmark.

CAPEX levels in the Infrastructure segment represented approximately 12% of revenues in 2021 but are expected to remain at Q4 2021 level of around 14% in the near term. The ongoing investments are made to increase offerings on Volue's SaaS platform as well as additions to the current product range addressing innovative solution for the water industry.

Important events in 2021
Cyber-incident
In the spring of 2021, Volue was the subject of a serious cyberattack. The cyberattack impacted operation in some of the company´s business areas. Mitigating actions were immediately implemented and there was limited impact on front-end customer platforms.

The company immediately deployed its cyber task force and initiated mitigating actions. All affected applications were shut down and backup solutions initiated as far as possible. The company was supported by its external data security partners to neutralise the attack and relevant authorities were informed.

In December, Volue received an insurance settlement of NOK 20 million related to the cyber incident in May 2021. The settlement has been recognised as other income in the quarter, reducing the estimated financial impact related to the cyber incident from NOK 40 million to NOK 20 million. The amount received was the maximum payout under Volue's insurance coverage and was in line with the Company's expectations.

Volue presented a www.volue.com/news/postmortem on its website about what happened during the cyberattack and how the company will prevent similar attacks from happening in the future. The Board of Directors are pleased with the way the company handled the cyber-incident and the build back better program. Externally the company has been given credit for the transparency in the market and with our customers.

New products and initiatives
The company is working on several new initiatives such as Distributed Energy Resources and new products related to optimisation and trading solutions, which will require higher investments going forward.

The way societies produce, distribute and consume energy will change dramatically. By 2030, there will be more than 200 million Distributed Energy Resources such as electrical vehicles, rooftop solar and heat pumps in Europe, needing cost efficient and digital value chains. The SaaS market potential is significant and Volue is well positioned to build the tools necessary to solve these complex challenges for the next generation power market optimisation.

Acquisition of ProCom

On 1 October 2021, Volue closed the acquisition of German ProCom GmbH (ProCom) with a preliminary purchase price of EUR 2.15 million. Through the acquisition, Volue added EUR 3 million in annual recurring revenues, approximately 60 employees, and over 60 customers. ProCom is headquartered in Aachen, Germany and has offices in Cologne and Berlin. With a proud heritage as a family business, ProCom has provided leading technology solutions for more than 40 years to the energy sector and adjacent industries. ProCom further strengthens Volue's offering within optimalisation solutions for power producers in Europe and we get access to a new scalable market in the DACH region with an existing and complementary customer base.

Transfer of listing from Euronext Growth to Oslo Stock Exchange

Volue transferred its listing from Euronext Growth to Oslo Stock Exchange with first day of listing at Oslo Stock Exchange 4 May 2021.

Financial statements

The Board of Directors believes that the annual financial statements provide a true and fair view of the net assets, financial position and result of Volue ASA for the year. The company's consolidated financial statements are presented in compliance with International Financial Reporting Standards (IFRS) as adopted by the EU.

Profit and loss

Operating revenue was NOK 1,039 million, up from NOK 892 million in 2020, which represents 17% revenue growth. EBITDA was NOK 138 million compared with NOK 148 million in 2020. Volue had a profit for the period of NOK 28 million compared to NOK 99 million in 2020. Earnings per share were NOK 0.19 in 2021, compared to 0.76 in 2020. Adjusted EBITDA was reported to NOK 214 million, see note 3 to the financial statement for further information regarding non-recurring effecting adjusted EBITDA.

Cash flow

Net cash from operating activities was NOK 138 million in 2021 compared with NOK 210 million in 2020. The decrease in cash flow from operating revenues is related to change assets and liabilities, while cash flow from net income is in line with 2020. Net cash used for investing activities in 2021 was NOK -120 million, compared to NOK -159 million in 2020, Net cash from financing activities was NOK -41 million, compared to NOK 141 million in 2020. Net cash flow was NOK -22 million.

Financial position

The Board considers the Volue's cash and financial position to be strong. Volue had a debt/equity ratio of 1.28 at year-end compared with 0.98 at the end of 2020.

Net interest-bearing debt was NOK 382 million at year end, while total assets were NOK 1,746 million. Total equity attributable to shareholders of the parent company as of 31 December 2021 amounted to NOK 764 million. At the end of 2021, Volue had NOK 404 million in cash and cash equivalents.

According to section 3–3 of the Norwegian Accounting Act, we confirm that the consolidated financial statements and the financial statements of the parent company have been prepared based on the going concern assumption, and that it is appropriate to make that assumption.

Volue ASA

The parent company Volue ASA is a holding company, with very limited activity and a few corporate functions. Profit for the year was NOK -3.1 million in 2021. Net cash flow was NOK -90 million and the equity ratio was 97% at year end 2021.

Risk factors and risk management

Risk factors

Volue operates on an international level and provides software solutions, platforms and related services within various market segments, including energy and electricity, infrastructure and construction, water supply and the government/ municipalities. The Group's operations may consequently be affected by global economic and political conditions in the markets in which it operates. The outlook for the world economy remains subject to uncertainty. Downturns in general economic conditions, whether globally or in the specific region or end markets segments in which the Group operates, can result in reduced demand for the Group's software solutions and platforms, or lead to less competence and manpower being available; both which could have a material negative impact on the Group's revenues, profitability and growth prospects.

Both the technology market and the energy market are highly competitive, especially in relation to software solutions and investment services offered to participants within the energy markets. Some of the Group's competitors are large, sophisticated and well-capitalised technology and software companies that may have greater financial, technical and marketing resources than the Group. Increased competition in the energy market could result in price reductions, loss of market share, reduced margins and fewer customer orders. Moreover, in the 'war for talent' the Group could lose competent personnel to its competitors.

The Group's software solutions, platforms, analyses and trading and management services are based on complex software technology. The Group sets high-quality and security standards for its products and services, but it is possible that software solutions and platforms nevertheless may contain errors or defects or otherwise not perform as expected. Although the Group carries out control procedures for testing, monitoring, securing and developing its solutions and platforms, there is a risk that these procedures may fail to test for all possible conditions for use, or identify all defects or errors in the specific software used in its solutions and platforms. Additionally, errors or defects in the Group's software solutions and platforms may lead to significant reputational damage for the Group, which could result in loss of customers, loss of good will and consequently reduced future sales.

The Group's software solutions and platforms are subject to substantial external threats associated with data security, such as risk of virus attacks, attempts at hacking, social manipulation and phishing scams. Furthermore, there is a risk that the data and systems delivered to the Group by third parties and in which the Group base the development and the functionality of its software solutions and platforms on are incorrect or inadequate, that the rights to such third party data is not secured sufficiently, or that such data and systems contain failures, viruses or other defects or errors, which could materially affect the quality, functionality and use of the Group's products and services. Moreover, the Group's business includes also processing of sensitive information on behalf of the Group's customers such as critical infrastructure data or personal data. Any failure to comply with the applicable laws and regulations with regards to processing of such data as well as the contractual obligations towards the customers can lead to significant financial implications such as customers' indemnification claims, fines from public authorities, etc.

The foreign exchange rate risk for the Group relates to the fact that the Group's business transactions and operations are made in several currencies, including the Norwegian krone, Euro and U.S dollar. Unfavourable fluctuations in exchange rates of especially the Norwegian Krone, the Euro or the U.S. dollar could have an adverse effect on the Group's business, financial positions and profits.

Risk management

Volue's Board of Directors and Executive Management conduct risk assessments relating to various dimensions and aspects of operations, to verify that adequate risk management systems are in place. The Group's financial risk is predominantly controlled by the finance departments in the group companies, under policies approved by the Board of Directors. Financial risks are identified, evaluated, and hedged in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as currency risk, interest rate risk and credit risk.

With regards to the legal and compliance risk, the Group's management has approved several policies and internal quality routines, including a legal policy, which shall ensure that the Group is sufficiently informed about the nature of any legal and compliance risks in all markets or countries it operates. In addition to the framework of management procedures and policies, internal guidelines and standard contracts, the Group's Legal, Compliance and Quality team supports the organisation proactively in order to minimise the Group's risk of being exposed to any breach of applicable laws and regulations, or contractual obligations towards its customers. Furthermore, the Group's quality team conducts regular internal audits for ensuring compliance with the internal management framework and is also responsible for handling external audits such as ISO certification audit, etc.

Research and development

Research and development Investments into research and development (R&D) has been an important part of Volue's strategy to develop new and innovative technological solutions and is expected to remain an important part of the company's strategy going forward. Volue has a long-term ambition to invest significantly in R&D, with approximately 10-12% of its annual revenue being capitalised in balance sheet, to secure long-term growth. For 2021, the company capitalised invested a total of NOK 106 million in R&D, up from NOK 86 million in 2020, representing 10% of the revenues for the year.

Sustainability

Volue sets high ethical standards, and communication should be open, clear and honest. The Company is responsible for ensuring safe and good workplaces where it is present and seeks to create value for society, customers, employees and shareholders.

Volue's expertise within energy production, optimisation, trading and distribution allows energy companies to get the most out of their resources and can play an important role in enabling a future with a greener, yet more volatile, energy mix and increased electrification. Further, by providing instrumentation and automation for hydropower producers, Volue improves the accuracy in the monitoring of hydropower dams including production predictions, planning and sustainable governance of regulated water courses.

In 2020, Volue published its first sustainability report. The report has been updated for 2021 and is prepared in accordance with the Global Reporting Initiative (GRI) Standards framework, in addition to Section 3-3 of the Norwegian Accounting Act regarding corporate social responsibility and the Euronext Guidelines for sustainability reporting.

The sustainability report describes Volue's performance in areas defined as material to the Company, based on systematic stakeholder dialogue and a materiality assessment conducted in 2021. Focus areas for Volue includes Great place to work, Ethical business conduct, Environment and Secure products and operations. In addition to stating how the Company performs on each area, the report also discusses improvements and lists ambitions and targets going forward.

In 2021, Volue became a signatory of the UN Global Compact (UNGC) – a voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support UN goals. As a signatory, Volue actively engages with the UN Global Compact and make an annual financial contribution, based on our annual gross sales or revenue.

The next section provides a summary of the sustainability work and results in 2021. For further information, refer to the ESG report 2021.

Organisation and equal opportunities

Recruiting and retaining top talent and ensuring a diverse workforce is a prerequisite for future value creation. At the end of 2021 the group employed a total of 715 people, and adjusting for part- time and temporarily hired employees, this translates to 648 full-time equivalents.

Volue will cultivate a company culture characterised by respect, inclusion, equality, and diversity. The company prohibits discrimination in any form and shall comply with internationally accepted guidelines and conventions regarding worker's rights, gender equality and anti-discrimination.

In Norway, Volue operates according to the Norwegian Working Environment Act and the Equality and Anti-Discrimination Act, which aims to promote equality and prevent discrimination on the basis of gender, ethnicity, religion, political beliefs, disability, sexual orientation and/or age. The Company also complies with similar laws in other countries where it is present.

Volue aspires to substantially increase the share of non-Nordic employees and is working throughout the employee lifecycle to see where measures can be implemented to enhance diversity across the organisation. To date, Volue's workforce comprises several different nationalities, of which 74% are Nordic and 26% are non-Nordic employees.

Women represented 23% of Volue's workforce (permanent employees) in 2021. The executive leadership team (ELT) had at year-end 2021 six male and two female members. The Board of directors had five male and five female members. "A Diversity Policy has previously been established for Powel (one of the four companies that was merged into the Volue Group in 2020). Volue has based its diversity and equality work on the same policy and will in 2022 establish a new Diversity Policy which will be implemented for the whole Group."

A continuous goal for Volue is to increase the number of female employees and leaders, and the Company's ambition is to establish a 30% gender balance on all levels of the organisation. To achieve this, Volue is part of several diversity initiatives, including the ODA Network and Kraftkvinnene. Additionally, the Company regularly conduct development talks, has introduced training programmes for employees and carry out several engagement surveys throughout the year.

The average pay for men and women varies due to differences in job categories and seniority. Guidelines for remuneration of the ELT was approved by the Extraordinary General Meeting in December 2021 and a full disclosure can be found in the separate Remuneration report. Guidelines for remuneration of leading persons are available in the company's website.

Further details about organisation and Volue's statements on equality and anti-discrimination are available in the Company's sustainability report.

Health, safety, security and environment (HSSE)

Throughout 2020 and 2021, Volue has placed even greater emphasis on employee satisfaction and welfare, in light of the ongoing Covid-19 pandemic. Absence due to illness in 2021 ranged from 1% to 4.8% (2% in average for 2020) depending on country, and Volue's goal is to keep absence at a minimum and to not exceed a 3% absence rate. The labour turnover rate was 11%, with 99 employees leaving the company in 2021. There were no work-related injuries in 2021.

In 2022, Volue will increase effort and focus on systematic HSSE work, risk assessment and reporting of occupational incidents.

Business ethics and human rights

Volue aspires to build a strong company culture, where ethical behaviour, transparency and openness are values that employees and business partners adheres to. In addition to ensuring that the work is carried out safely this involves respecting the freedom of association and not accepting any form of forced labour, child labour or work-related discrimination.

Volue will always align its conduct with internationally renowned standards for human and worker's rights, such as the Human Rights Act and OECD guidelines for multinational enterprises. The company established a new Code of Conduct in 2021 which includes rules with regards to business conduct, values, and ethics. The Code of Conduct is available on Volue's website. In addition thereto, the company has introduced a Supplier Code of Conduct which includes the aforementioned rules and ethics and which is mandatory to be signed by any new supplier to the Group.

An external whistleblower channel was established in 2021, which allows all employees and stakeholders of Volue as well as any externals such as suppliers etc to report any potential or actual breach of the Company's Code of Conduct, both through internal channels and the Company's website. The whistleblower channel is operated by a neutral third party and any whistleblower has the option to be anonymous.

Climate

Volue's environmental impact is two-fold. First, the company has an impact through developing products and services which enable a green transition for customers. Second, the company has an environmental impact from internal business operations such as emissions from employee business travels, energy consumption at the company's office locations and waste generation.

Volue is in a position where impacts of climate changes and subsequently the energy transition represents business opportunities rather than risks. The opportunities are connected to customers within the Energy, Power Grid and Infrastructure market segments and includes their operation of existing physical assets and to their transition plans.

Volue started climate accounting in 2020 and is in the process of setting targets for reducing energy consumption and GHG emissions from its business operations. The climate accounting was updated in 2021 using CEMAsys' digital solution, and a full overview can be found in the separate climate report on the company's website.

Volue has a limited amount of company cars and does not use heating oil and thus has no emissions in Scope 1. Volue's emissions from Scope 2 come from electricity and district heating from the offices and show an emission of 67.2 tCO2e in 2020 and 96.2 tCO2e in 2021. Volue has included emissions from flights, mileage allowance and train travel in its Scope 3 calculations for 2021. This shows emissions of 88.9 tCO2e in 2021.

All Volue's business locations have a waste management system to facilitate recycling according to local regulations.

Corporate governance

Volue's Board of Directors has the overall responsibility for ensuring that the company has a high standard of corporate governance. The Company's corporate governance model is designed to provide a foundation for long-term value creation and to ensure good control.

The Board has adopted a corporate governance policy to safeguard the interests of the company's owners, employees and other stakeholders. The policy describes the company's main principles for corporate governance and addresses the framework of guidelines and principles regulating the interaction between the company's shareholders, the Board of Directors, the CEO and the Executive Leadership Team. These principles and associated rules and practices are intended to increase predictability and transparency, and thus reduce uncertainties related to the business.

The company complies with the Norwegian Code of Practice for Corporate Governance. The Board's Corporate Governance report is available on the Company's website under the Investor section.

Share capital and the Volue share

Volue ASA is listed on Oslo Stock Exchange under the ticker "VOLUE". The Company's share capital was NOK 57,547,885.60 divided on 143,869,714 shares at year end 2021, each with a nominal value of NOK 0.40. All shares are of the same class and with equal voting and dividend rights. Per 31 December 2021, the number of shareholders were 4,511. Refer to the notes to the financial statements for further information. Volue aims at informing all interested parties about important events and the Company's developments through annual reports and quarterly financial presentations, stock exchange notices and other Company updates. There are no provisions in the company's articles of association that limit the right to own, trade or vote for shares in the company.

Further information can be found in the investor section of Volue's website.

Liability insurance

Volue holds a liability insurance for its Board of directors and ELT under Arendals Fossekompani's policy at the same conditions as Arendals Fossekompani. The territory covered is worldwide.

Going concern

There have been no events to date in 2022 that significantly affect the result for 2021 or valuation of the Company's assets and liabilities at the balance sheet date. The Board confirms that the conditions for the going concern assumption have been satisfied and that the financial statements for 2021 have been prepared on the basis of this assumption.

Outlook

In 2021, Volue continued delivering on its strategy of international expansion, and closed more than 3,200 deals. The market remains strong and attractive, and the integration of ProCom and Likron will further help cementing Volue's position as the leading provider in Europe.

Volue sees large opportunities to secure continued profitable growth and aims to develop its business both organically and structurally and the key drivers for further growth are:

- A growing end-market: Customers' spend on advanced software solutions is growing as a consequence of the green transition and market changes.
- European growth: Volue has a solid foot-print in the European market, and continue to invest outside the Nordic region - still representing the largest source of revenue.
- Increasing synergies: Volue sees good opportunities to realise further synergies between the various Volue companies by selling the expanded portfolio of offerings across the clean energy value chain.

Volue has a strong foundation for continued profitable growth and expansion. The long-term ambition is to exceed NOK 2 billion revenues by 2025, with 15% annual organic revenue growth, SaaS revenues increasing to 50%, recurring revenues towards 80% and an adjusted EBITDA margin towards 30%. For 2022, the Company has outlined the following additional priorities and ambitions:

- Expand activities outside Europe
- Adjusted EBITDA margin in line with fourth quarter 2021
- Continue to grow ARR business in line with 2025 targets and 2021 performance
- Structural growth through M&A
- Strategic investments for international growth
- Further utilise synergies and strengthen organisation

The Board wishes to thank all of Volue's employees for their continued dedicated efforts, contributing to Volue's strong growth and achievements in 2021.

Oslo, Norway, 29 March 2022
The Board of Directors and CEO
Volue ASA

Ørjan Svanevik
Chairman of the Board

Lars Peder Fensli
Board Member

Ingunn Ettestøl
Board Member

Henning Hansen
Board Member

Christine Grabmair
Board Member

Knut Ove Stenhagen
Board Member

Kjetil Kvamme
Board Member

Annette Maier
Board Member

Anja Schneider
Board Member

Vija Pakalkaite
Board Member

Trond Straume
Chief Executive Officer

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Consolidated statement of income

For the year ended 31 December

Amounts in NOK 1000	Note	2021	2020
Continuing operations			
Sales revenues	3,4	1 039 075	891 866
Other revenues	27	21 603	
Revenues		**1 060 678**	**891 866**
Materials and consumables used		159 075	157 781
Employee benefit expenses	5	549 310	470 787
Other operating expenses	6	196 863	115 317
Other gain/losses	21	17 305	
Operating expenses		**922 553**	**743 886**
EBITDA		**138 125**	**147 980**
Depreciation and amortisation	11,12	91 317	65 017
Impairment loss from PPE	11,12	1 780	1 004
Net operating income/(loss)		**45 028**	**81 960**
Finance income	18	18 373	17 169
Finance costs	18	23 898	23 797
Profit/(loss) before income tax		39 503	75 333
Income tax expense	7	11 884	15 075
Profit/(loss) from continuing operations		**27 619**	**60 258**
Profit/(loss) from discontinued operation		-	38 803
Profit/(loss) for the period		**27 619**	**99 061**
Attributable to equity holders of the company		27 825	82 232
Attributable to non-controlling interests		-205	16 829
Basic earnings per share	20	0.19	0.76
Diluted earnings per share	20	0.19	0.76
Basic earnings per share from continuing operations	20	0.19	0.42
Diluted earnings per share from continuing operations	20	0.19	0.42

Consolidated statement of other comprehensive income

For the year ended 31 December

Amounts in NOK 1000	**2021**	**2020**
Items that may be reclassified to statement of income		
Exchange differences on translation of foreign operations	-12 851	-85
Changes on cash flow hedges	2 208	-331
Income tax related to these items	-	-
Items that may be reclassified to statement of income	**-10 643**	**-416**
Items that will not be reclassified to statement of income		
Remeasurements of post-employment benefit obligations	2 633	637
Income tax relating to these items	-564	-
Items that will not be reclassified to statement of income	**2 070**	**637**
Other comprehensive income/(loss) for the period, net of tax	**-8 574**	**221**
Total comprehensive income/(loss) for the period	**19 046**	**99 282**
Attributable to equity holders of the company	19 169	82 428
Attributable to non-controlling interests	-123	16 854

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Consolidated balance sheet

For the year ended 31 December

Amounts in NOK 1000	Note	2021	2020
Assets			
Non-current assets			
Property, plant and equipment	11	140 975	162 492
Intangible assets	12	542 528	462 975
Pension assets	5	18 064	14 622
Non-current receivables and investments	13	29 300	31 774
Deferred tax assets	7	4 709	7 950
Total non-current assets		**735 577**	**679 813**
Current assets			
Inventories	8	19 895	13 137
Contract assets	4,16	65 595	39 335
Trade and other receivables	9,16	519 858	296 312
Other current assets	16	922	562
Financial investments	16	-	10 000
Cash and cash equivalents	10	404 390	433 527
Assets connected to discontinued operation	23	-	-
Total Current assets		**1 010 659**	**792 874**
Total assets		**1 746 235**	**1 472 687**

Oslo, Norway, 29 March 2022
The Board of Directors and CEO Volue ASA

Ørjan Svanevik Chairman of the Board	**Lars Peder Fensli** Board Member	**Ingunn Ettestøl** Board Member	**Henning Hansen** Board Member
Christine Grabmair Board Member	**Knut Ove Stenhagen** Board Member	**Kjetil Kvamme** Board Member	**Annette Maier** Board Member
Anja Schneider Board Member	**Vija Pakalkaite** Board Member	**Trond Straume** Chief Executive Officer	

Amounts in NOK 1000	Note	2021	2020
Equity and liabilities			
Equity			
Share capital and share premium		4 498 115	4 492 332
Own shares		-92	-
Other reserves		-3 733 989	-3 752 655
Capital and reserves attributable to holders of the company		**764 035**	**739 676**
Non-controlling interests		2 842	3 411
Total equity	19,20	**766 876**	**743 087**
Non-current liabilities			
Lease liabilities	14	87 495	117 475
Employee benefits		560	8 731
Other non-current liabilites	21	-	28 500
Provisions		14 505	372
Deferred tax liabilities	7	29 200	26 385
Total non-current liabilities		**131 760**	**181 463**
Current liabilities			
Borrowings	17	17 529	3 695
Lease liabilities	14	27 675	21 356
Trade and other payables	15	350 686	146 633
Current tax liabilities	7	18 584	15 606
Contract liabilities	4	48 688	55 917
Other current liabilities	4, 15,16	384 437	304 930
		847 599	**548 138**
Liabilities connected to discontinued operation	23	-	-
Total current liabilities		**847 599**	**548 138**
Total liabilities and equity		**1 746 235**	**1 472 687**

Consolidated statement of changes in equity

For the year ended 31 December

Amounts in NOK 1000	Note	Attributable to equity holders of the company: Share capital and share premium	Own Shares	Other reserves	Total	Non-controlling interests	Total equity
Balance at 1 January 2020		**-**	**-**	**321 298**	**321 298**	**40 442**	**361 740**
Profit/(loss) for the period		-	-	82 232	82 232	16 829	99 061
Other comprehensive income/(loss)		-	-	196	196	25	221
Transaction with owners							
Share capital increase contribution in kind Arendal Fossekompani	19	3 904 733	-	-3 904 733	-	-	-
Acquisition of non-controlling interest	21	8 940	-	-222 291	-213 351	-25 520	-238 871
Disposal of discontinued operations	23	-	-	-	-	-16 238	-16 238
Shares issued as consideration in business combinations	21	28 593	-	-	28 593	-	28 593
Issue of ordinary shares for cash	19	567 604	-	-	567 604	-	567 604
Transaction cost share issue, net of tax	19	-17 539	-	-	-17 539	-	-17 539
Divdends		-	-	-29 357	-29 357	-12 127	-41 484
Balance at 31 December 2020		**4 492 332**	**-**	**-3 752 655**	**739 676**	**3 411**	**743 087**
Balance at 1 January 2021		**4 492 332**	-	**-3 752 655**	**739 676**	**3 411**	**743 087**
Profit/(loss) for the period		-	-	27 825	27 825	-205	27 619
Other comprehensive income/(loss)		-	-	-8 656	-8 656	83	-8 574
Transaction with owners							
Share capital increase contribution in kind Arendal Fossekompani	19	-	-	-	-	-	
Acquisition of non-controlling interest	21	-	-	-3 998	-3 998	-446	-4 445
Disposal of discontinued operations	23	-	-	-	-	-	-
Shares issued as consideration in business combinations	21	14 174	-	-	14 174	-	14 174
Reclassifications		-	-	3 496	3 496	-	3 496
Own shares		-8 390	-92		-8 482	-	-8 482
Issue of ordinary shares for cash	19	-	-	-	-	-	-
Transaction cost share issue, net of tax	19	-	-	-	-	-	-
Divdends		-	-	-	-	-	-
Balance at 31 December 2021		**4 498 115**	**-92**	**-3 733 989**	**764 035**	**2 842**	**766 876**

Consolidated statement of cash flows

For the year ended 31 December

Amounts in NOK 1000	Note	2021	2020
Cash flow from operating activities			
Profit/(loss) before income tax		**39 503**	**75 333**
adjustments for:			
Depreciation, amortisation and impairment	11,12	93 097	65 017
Net financial items	18	5 532	6 627
(Gain)/Loss from sales of assets			
Tax on transaction costs related to share issue		-	-4 947
Total after adjustments to profit before income tax		**138 132**	**142 030**
Change in Inventories		-6 905	2 749
Change in other current assets		-232 666	-80 848
Change in other current liabilities		270 717	175 841
Change in other provisions		-28 541	-212
Change in employee benefits		-744	4 939
Total after adjustments to net assets		**139 993**	**244 499**
Change in tax paid		-1 571	-14 037
Net cash from operating activities (continued operations)		**138 422**	**230 461**
Net cash flow from operating activities (discontinued operations)		**-**	**-20 290**
Net cash flow from operating activities		**138 422**	**210 172**
Cash flow from investing activities			
Interest received		2 806	7 335
Proceeds from the sales of PPE		-	673
Purchase of PPE and intangible assets	11,12	-118 251	-135 161
Proceeds from sales of financial assets		10 000	-
Purchase of other investments		-824	-1 224
Loans to employees	13		-30 086
Proceed from sale of other investments		-	74
Purchase of shares in subsidiaries	21	-13 720	-62 018
Proceeds from the sales of shares in subsidiaries			
Net cash flow from investing activities (continued operations)		**-119 989**	**-220 408**
Net cash flow from investing activities (discontinued operations)	23	**-**	**61 109**
Net cash flow from investing activities		**-119 989**	**-159 299**

Amounts in NOK 1000	Note	2021	2020
Cash flow from financing activities			
Proceeds from issue of shares		-	550 065
New long-term borrowings	17	5 640	-
Repayment of long-term borrowings		-	-
Movement in short term borrowings	17	3 636	-60 651
Repayment of lease liabilities	17	-30 940	-25 506
Interest paid etc.		-8 212	-16 881
Dividend paid		-	-41 484
Acquisition of non-controlling interests	21	-5 527	-238 871
Cash Flow from Own Shares		-5 209	
Net cash flow from financing activities (continued operations)		**-40 614**	**166 672**
Net cash flow from financing activities (discontinued operations)		**-**	**-26 170**
Net cash flow from financing activities		**-40 614**	**140 502**
Net increase in cash and cash equivalents (continued operations)		**-22 181**	**176 726**
Net increase in cash and cash equivalents (discontinued operations)		**-**	**14 649**
Net increase in cash and cash equivalents		**-22 181**	**191 375**
Cash and cash equivalents at the beginning of the financial year		433 527	233 117
Effects of exchange rate changes on cash and cash equivalents		-6 956	9 036
Cash and cash equivalents at end of year (discontinued operations)		-	-
Cash and cash equivalents at end of year		**404 390**	**433 527**

Notes to the Consolidated Financial Statements

For the year ended 31 December

Note 1 Accounting principles

Organisation

Volue ASA is domiciled in Norway, and with headquarters in Oslo. The consolidated financial statements for financial year 2021 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 22 in Volue ASA financial statements.

Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis for preparation

The annual and consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) 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 2021.

The Company was established in 2020 by Arendals Fossekompani ASA ("AFK") for the purpose of being the new holding company for four of AFK's subsidiaries. AFK transferred its shareholdings in four subsidiaries through contributions in kind to Volue. AFK transferred the shareholdings to Volue.

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 may have significantly influenced the application of the accounting policies, are disclosed in Note 2.

Accounting policies

The accounting policies applied in the preparation of the annual and consolidated financial statements are described below. 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.

Principles of consolidation

Business combinations

The acquisition method of accounting is used to account for the acquisition of shares that lead to control over another company. The Group's consideration is allocated to identifiable assets and liabilities. These are recognised in the consolidated financial statements at fair value at the date when control is obtained. Goodwill is calculated when the consideration exceeds identifiable assets and liabilities:

- The consideration transferred; plus
- Any non-controlling interest in the acquired entity; plus any gradual acquisition, the fair value of existing shareholdings in the acquired entity; less
- Net value (normally fair value) of identifiable net assets included in the transaction

If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase. If the business combination is achieved in stages, the investment changes classification from associated company to subsidiary, the upward adjustment of the existing shareholding at fair value is recognised as a gain in the income statement. A buyout of non-controlling interests is considered a transaction with owners and does not require a calculation of goodwill. Non-controlling interests for such transactions are adjusted based on a proportionate share of the subsidiary's equity. When an investment is reclassified from fair value through other comprehensive income to subsidiary or associated company, the investment's carrying amount at the time control or significant influence is obtained is used as recognised cost.

Subsidiaries
Subsidiaries are all entities over which the Group has control. Control exists when the investor is exposed or has rights to variable returns from its investment in the company and when it has the ability to influence the return through its power over the company. To determine the level of control, the potential voting rights that can be exercised or converted must be considered. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Associated companies
Associated companies are entities where the company and/or the Group has significant influence, but not control over financial and operational management. Significant influence is assumed to exist when the Group has between 20% to 50% of the voting rights in a company. The consolidated financial statements include the Group's share of the profits/losses from associated companies are accounted for using the equity method, from the date significant influence was achieved until it ceases.

Elimination of intercompany transactions
Intercompany transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

Discontinued operations
A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of Volue ASA has appointed a Group management which assesses the financial performance and position of the group and makes strategic decisions. The Group management, which has been identified as being the chief operating decision maker, consists of the chief executive officer and the chief financial officer.

Foreign currency translation
Functional and presentation currency Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Norwegian kroner (NOK), which is Volue ASA's functional and presentation currency.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

Group companies
The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet,
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates, and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Revenue recognition

Revenues from contracts with customers
Under IFRS 15, Volue recognises as revenue the agreed transaction price in a contract with a customer at the time when the Group transfers the control of a distinct product or service to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods and services.

For each performance obligation identified at the inception of the contract, it is separately determined if those performance obligations are satisfied at a point in time or on an over-time basis. Revenue regarding each performance obligation is recognised when that performance obligation is satisfied. Consequently, revenue is recognised in full upon completion of a contract if it includes only one performance obligation or more than one performance obligations that are satisfied at the same time.

The Group’s main revenues come from the sale of software as a service (SaaS), maintenance, licenses, consulting, and other revenue. There are several types of customer contracts depending on what the customer needs. Some contracts may include only one type of service while other contracts include two or more types of services, hence the transaction price will be allocated between different types of revenue depending on the performance obligation. Some of the revenue stream has a substantial part of annual recurring revenue (ARR), which is one of the key performance indicators in the Group. Below is more information about the different types of revenues and related contract types.

License fee
Infinity software licenses are classified as software licenses where the customer is provided with a right to use the software as it exists when made available to the customer. Revenue from distinct software licenses is recognised when the license key is made available to the customer and the customer can start to use the software. License fees are non-recurring revenues which only occurs once during the contract period. License fees relates to contracts with either consultancy services or maintenance, or both in addition to the fixed license fee. Invoices are generated when the license key is made available to the customers (at a point in time) and most invoices are payable within 30 days. For larger contracts invoices are based on deliveries on agreed milestones.

Software as a service (Saas)
Software as a service is primarily delivered as a cloud-based solution, which entitles the customers to use the software together with the Group’s network, data base and systems over the contract period. Revenues from sale of Cloud Services are recognised from go-live over time on a straight-line basis over the contract period. The revenue recognition is accrued at a monthly basis. Invoices are generated on a monthly or yearly basis and most invoices are payable within 30 days. The type of contract is subscription to a software or a service. Most SaaS contracts are automatic renewed every year for one more year if not one part terminate the contract. This type of revenue is defined as annual recurring revenue. In combination with delivery

of a software as a service contract consulting services can be delivered, and revenue recognition occurs as described under consulting revenues.

Maintenance revenues

Maintenance services related to software are typically a service that is needed throughout the contract period and are typically delivered together with a software license. Revenue recognition from maintenance occurs after the software has been installed and is accrued at a monthly basis. Maintenance services may also be delivered together with a third-party software solution, and revenue recognition occurs from go-live on a monthly linear basis. Most contract are automatic renewed every year for one more year if not one part terminate the contract. This type of revenue is defined as annual recurring revenue.

Consulting revenues

Consulting services is typically revenue related to project implementation, assisting the customer to start using the software solutions. Consulting services may also relate to value added services or technical support paid by the hour. The performance obligations related to consulting and support services are satisfied on an ongoing basis, and revenue related to the sales of services are thus recognised at the time of delivery.

Transactions price

The Group determines the transaction price to be the amount of consideration which it expects to be entitled in exchange for transferring the promised goods and services to the customer, net of discounts and sales related taxes. Sales related taxes are regarded as collected on behalf of the authorities. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

Fix price contracts

For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously. This is determined based on the actual labour hours spent relative to the total expected labour hours.

Contract balances

Contract balances consist of client-related assets and liabilities. Contract assets relate to consideration for work complete, but not yet invoiced at the reporting date. The contract assets are transferred to trade receivables when the right to payment has become unconditional, which usually occurs when invoices are issued to the customers. When a client pays consideration in advance, or an amount of consideration is due contractually before transferring of the license or service, then the amount received in advance presented as a liability. Contract liabilities represent mainly prepayments from clients for unsatisfied or partially satisfied performance obligations in relation to licenses and services. Contract assets are within the scope of impairment requirements in IFRS 9. For contract assets the simplified approach is applied, and the expected loss provision is measured at the estimate of the lifetime expected credit losses.

Income tax

Income tax on the profit for the period consists of current and deferred tax. Income tax is recognised in the income statement with the exception of tax on items that are recognised directly in equity or in other comprehensive income. The tax effect of the latter items is recognised directly in equity or in other comprehensive income.

Current tax is the forecast tax payable on the year's taxable income at current tax rates at the balance sheet date, and any adjustments of tax payable for previous years less tax paid in advance. Deferred tax liabilities are calculated based on the balance sheet-oriented liability method considering temporary differences between the carrying amount of assets and liabilities for financial reporting and tax values.

The following temporary differences are not considered: goodwill not deductible for income tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries that are not expected to reverse in the foreseeable future. The provision for deferred tax is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, measured at the tax rates in force at the balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that the asset can be utilised against future taxable results. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax asset will be realised. Tax assets that can only be utilised via group contributions from the parent company are not recognised until the contribution has been paid and is recognised in the individual companies.

Leases
The company's and the group's leases consist mainly of office space, machines, cars, IT equipment and other office machines. Assets and liabilities arising from a lease are initially measured on a present value basis.

Right-of-use assets are measured at cost comprising the following:
- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Lease liabilities include the net present value of the following lease payments:
- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the group under residual value guarantees,
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Impairment of assets
Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Cash and cash equivalents
For presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Trade receivables
Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance. See note 16 for further information about the group's accounting for trade receivables and note 2 for a description of the group's impairment policies.

Inventories
Raw materials and stores, work in progress and finished goods are recognised at the lower of cost and net realisable value. Net realisable value is the estimated sales price in ordinary operations, less the estimated costs for completion and sales costs. Cost is based on the first-in first-out principle and includes costs incurred upon procurement of goods and the costs of bringing them to their present condition and location. For finished goods and work in progress, cost is calculated as a share of the indirect costs based on normal utilisation of capacity.

Non-current assets held for sale and discontinued operations
Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the noncurrent asset is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

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. Revenues and expenses for foreign operations are translated to NOK at the approximate rates of exchange at the transaction date.

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of investments in debt and equity instruments, trade and other receivables, cash and loans, trade payables and other debts.

Trade and other receivables that fall due in less than three months are not discounted. Non-derivative financial instruments are measured on initial recognition at fair value plus any directly attributable transaction costs. After initial recognition, the instruments are measured as described below.

Interest-bearing loans are valued at fair value less transaction costs on initial recognition in the balance sheet. Instruments are subsequently measured at amortised cost, with any differences between cost and redemption value recognised over the term of the loan as part of the effective interest rate.

Financial assets are derecognised when the contractual rights to the cash flows from an asset expire, or when the Group has transferred the contractual rights in a transaction where the risk and return of ownership of the financial asset have substantively been transferred.

Financial assets at fair value through other comprehensive income

In accordance with the Group's investment strategy, investments in equity instruments are mainly classified as fair value through other comprehensive income. After initial recognition, these instruments are measured at fair value. Changes in fair value are recognised in other comprehensive income.

Financial assets classified as held for trading

A financial instrument is classified at fair value through profit or loss if it is held for trading. The instrument is measured at fair value and the changes in fair value are recognised in the income statement.

Other

Other non-derivative financial instruments are measured at amortised cost less any impairment losses.

Derivatives and hedging activities

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

Cash flow hedge

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.

Fair value hedging
When a financial derivative is designated as a hedging instrument on variability in the value of a recognised asset, a firm agreement or liability, the gain or loss on the derivative is recognised in the income statement in the period it incurs. Similarly, changes in the fair value of the hedged item are recognised in the income statement in the same period. Principles related to hedging effectiveness and derecognition are the same as for cash flow hedges.

Property, plant and equipment
The depreciation methods and periods used by the group are disclosed in note 11. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

Intangible assets
Goodwill
Goodwill is measured as described in business combinations above. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (note 3).

Other intangible assets and research and development
Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets where the following criteria are met:
- it is technically feasible to complete the product so that it will be available for use,
- management intends to complete the product and use or sell it,
- there is an ability to use or sell the product,
- it can be demonstrated how the product will generate probable future economic benefits,
- adequate technical, financial and other resources to complete the development and to use or sell the product are available, and
- the expenditure attributable to the product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the product include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Research expenditure and development expenditure that do not meet the criteria above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation methods and periods
Refer to note 12 for details about amortisation methods and periods used by the Group for intangible assets.

Trade and other payables
These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Employee benefits
For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Contributed equity
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are recognised as a deduction, net of tax, from the proceeds. 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 share premium.

Dividends
Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

Earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares (note 20).

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider:
- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Rounding of amounts
All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand currency units unless otherwise stated.

Note 2 Key sources of estimation uncertainty, judgments and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving significant estimates or judgements are:

- Estimated goodwill impairment – note 12
- Recognition of revenue over time– note 1
- Provision for loss on contracts– note 4
- Estimated useful life of intangible asset – note 12
- Recognition of deferred tax asset for carried-forward tax losses – note 7

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Note 3 Segments

Segment information
The group's management examines the group's performance both from a product and services perspective and has identified three reportable segments of its business:

Energy - Help customers master the energy transition by enabling end-to-end optimisation of the green energy value-chain by offering software solutions and consulting services related to forecasting and optimsation of the different energy markets.

Power grid - Enable power distributors to support electrification of society by unlocking flexibility and digital management of the power grid. The group offer both software solutions and consulting services.

Infrastructure - Deliver flexible capabilities for digital water management, consisting of both sofware solutions and consulting services. Help automate processes and machines for the construction industry.

In order to asses the performance of the operating segments, the group's management uses a measure of adjusted earnings before interest, tax, depreciation and amortisation (adjusted EBITDA, see below). Compared to EBITDA, Non-recurring items - items that are not part of the ordinary business, such as IPO related costs, M&A activities and costs related to the cyber-incident. In addition, external costs related to implementation of corporate back-office cloud-based systems (e.g. ERP) are considered non-recurring. In accordance with IFRS IC agenda decision (Configuration or Customisation Costs in a Cloud Computing Arrangement) from April 2021, these costs have not been capitalised, as they previously would have been. In addition the key performing indicators recurring revenue growth, recurring revenue (as percentage of total revenues), saas revenue growth (saas) and saas revenue (as a percentage of total revenues) are assessed each month.

The other segments and eliminations section includes the elimination of inter-segment sales. Segment data for the years ended 31 December 2021 and 2020 are presented below. The measurement basis of segment profit is net operating income.

Note 3 continues on next page

Note 3 Segments cont.

Amounts in NOK 1000	Energy	Power grid	Infra-struc-ture	Other seg-ments and eliminations	Total
Full year 2021					
Operating revenues	595 020	248 849	196 623	-1 417	1 039 075
Other income	6 473	9 154	4 378	1 598	21 603
Total revenues and other income	**601 493**	**258 003**	**201 001**	**181**	**1 060 678**
Materials and consumables used	88 219	46 462	24 464	0	159 145
Employee benefit expenses	286 683	132 875	94 107	0	513 665
Other operating expenses	102 456	46 583	25 470	0	174 509
Adjusted EBITDA	**124 135**	**32 083**	**56 960**	**181**	**213 359**
Non-recurring items	38 218	25 374	11 642		75 234
EBITDA	**85 917**	**6 709**	**45 318**	**181**	**138 125**
Depreciation and amortisation	54 297	18 390	19 236	0	91 923
Impairment	1 174			0	1 174
Net operating income/(loss)	**30 447**	**-11 681**	**26 082**	**181**	**45 028**

Amounts in NOK 1000	Energy	Power grid	Infra-structure	Other seg-ments and eliminations	Total
Full year 2020					
Revenues third party and other income	459 530	236 028	201 511	-5 203	891 866
Total revenues and other income	**459 530**	**236 028**	**201 511**	**-5 203**	**891 866**
Materials and consumables used	82 280	50 319	25 186	-4	157 782
Employee benefit expenses	218 910	87 672	103 555	12 300	422 437
Other operating expenses	61 292	40 596	19 797	-6 369	115 317
Adjusted EBITDA	**97 047**	**57 441**	**52 972**	**-11 130**	**196 330**
Non-recurring items	12 000	36 350			48 350
EBITDA	**85 047**	**21 091**	**52 972**	**-11 130**	**147 980**
Depreciation and amortisation	35 133	14 923	14 961	0	65 017
Impairment	1 004				1 004
Net operating income/(loss)	**48 911**	**6 168**	**38 011**	**-11 130**	**81 960**

The entity headquarter is located in Norway. The amount of its revenue from external customers, broken down by location of the companies in the group is shown in the below table.

Amounts in NOK 1000	2021	2020
Norway	666 426	612 892
Europe	366 600	278 974
Rest of the world	6 049	0
Operating revenues	**1 039 075**	**891 866**

Note 4 Revenue from contracts with customers

Accounting principles and information related to external customers are described in note 1. There are no customers that represents 10% or more of the Group's total revenues on an annual basis.

Disaggregation of revenue from contracts with customers
The group derives revenue from the transfer of goods and services over time and at a point in time in the following major product and service lines:

Amounts in NOK 1000	**Energy**	**Power grid**	**Infra-structure**	**Other segments and eliminations**	**Total**
2021					
Segment revenue	601 493	258 003	201 001	181	1 060 678
Revenue from external customers	**601 493**	**258 003**	**201 001**	**181**	**1 060 678**
Timing of revenue recognition					
At a point in time	184 248	43	35	26	184 352
Over time	417 245	257 960	200 966	155	876 326
Total	**601 493**	**258 003**	**201 001**	**181**	**1 060 678**
2020					
Segment revenue	459 530	236 028	201 511	-5 203	891 866
Revenue from external customers	**459 530**	**236 028**	**201 511**	**-5 203**	**891 866**
Timing of revenue recognition					
At a point in time	147 651				147 651
Over time	311 879	236 028	201 511	-5 203	744 215
Total	**459 530**	**236 028**	**201 511**	**-5 203**	**891 866**

Assets and liabilities related to contracts with customers
The timing of revenue recognition, billings and cash collections results in billed trade receivables, unbilled receivables (contract assets), and prepayments and deposits from customers (contract liabilities). The table below shows the amounts of contract assets and contract liabilities at year end related to ongoing projects.

Amounts in NOK 1000	**2021**	**2020**
Trade receivables	371 527	213 957
Contract assets	65 595	39 335
Contract liabilities	48 688	55 917

The change in contract liability mainly relates to billing of maintenace services in the energy segment, which cannot be recognised as revenue at year end.

The Group considers on a regular basis whether there exists any onerous contracts. In case of any onerous contracts provisions for loss regarding the remaining period on the contracts are recognised in the period the current period.

The Group has one onerous contract related to a specific project, provision for loss are shown in the table below:

Amounts in NOK 1000	**2021**	**2020**
Balance at 1 January	10 668	2 500
Changes in expected losses (loss rates) and outstanding receivables (volume)	33 758	11 168
Realised losses during the period (-)	-13 308	-3 000
Balance at 31 December	**31 118**	**10 668**

Note 5 Remuneration and employee benefit

Amounts in NOK 1000	**2021**	**2020**
Salaries	555 602	399 511
Social security contributions	55 681	53 121
Pension costs	29 788	24 333
Capitalisation R&D	-104 161	0
Other benefits	12 400	-6 179
Total employee benefit expenses	**549 310**	**470 787**
Average number of employees	707	594

Amounts in NOK 1000	**2021**	**2020**
Present value of funded liabilities	22 078	23 083
Fair value of pension assets	-40 142	-37 705
Present value of net liabilities	**-18 064**	**-14 622**
Of which presented as pension assets	18 064	14 622
Change in recognised net liability for defined-benefit pensions		
Net funded defined-benefit pension liability as at 1 January	-14 622	-18 776
Paid-in contributions	-3 921	-1 204
Paid out from the scheme		5 450
Actuarial (gains) losses from other comprehensive income		-805
Costs of defined-benefit schemes	479	712
Net liability for defined-benefit schemes as at 31 December	**-18 064**	**-14 622**
Costs recognised in the income statement		
Costs relating to this period's pension entitlements	139	806
Interest on the liabilities	380	511
Expected return on pension plan assets	-467	-605
Recognised employers' contributions	427	
Effect of partial discontinuation of Board pensions		
Expenses from defined benefit plans	**479**	**712**
Costs of defined-contribution pension schemes	29 309	23 714
Net interest on pension liabilities transferred to finance		-93
Total pension costs	**29 788**	**24 333**

Note 6 Other operating expenses

Amounts in NOK 1000	**2021**	**2020**
Contractors	14 801	0
Maintenance property, plant and equipment	2 048	298
Premises, service and office costs	33 287	32 593
Audit and other fees	69 220	6 059
Travelling costs, indirect	5 010	6 286
Sales and marketing costs	2 994	3 508
Insurances	1 874	1 360
ICT costs	48 099	28 606
Realised bad debts	593	455
Other direct costs	18 937	36 153
Total operating expenses	**196 863**	**115 317**
Remuneration to auditor		
Statutory audit	5 194	2 390
Other assurance services	350	92
Tax advicsory	338	106
Other non-audit services	2 187	414
Total remuneration to auditor	**8 069**	**3 002**

Remuneration to auditor also include services related to equity transactions.

Note 7 Income tax

The tax rate was 22% in 2020 and 2021. The 22% tax rate was used to calculate Deferred tax assets and Deferred tax liabilities as at 31 December 2021. Tax loss carry forward are related to Volue ASA, Volue Market Services AS and Volue Industrial IoT AS. In Market Service most of the tax loss carry forward is not recognised.

Amounts in NOK 1000	**2021**	**2020**
Tax payable on ordinary income	20 516	22 102
Adjustment for previous years	-18	-3 136
Current tax expense	**20 498**	**18 966**
Effect of change in temprary differences	-8 614	-3 891
Total deferred tax expense	**-8 614**	**-3 891**
Total tax expense in the income statement	**11 884**	**15 075**
Reconciliation of effective tax rate		
Profit / (loss) before income tax	39 503	75 333
Tax based on current ordinary tax rate	15 924	15 999
Effect of different tax rates abroad	140	-2 421
Effect of non-deductible expenses	3 772	1 894
Effect of non-taxable income	-7 945	-2 110
Effect of unrecognised tax loss carryforward	-1 761	1 845
Effect of changed tax rates		
Effect of changed tax assessments for previous years	1 753	-133
Total tax expense	**11 884**	**15 075**
Effective tax rate	30%	20%

Note 7 continues on next page

Note 7 Income tax cont.

Amounts in NOK 1000	Assets	Liabilities	Net assets
2021			
Property, plant and equipment	1 087	-15 440	-14 353
Goodwill, intangible assets	7 509	-20 041	-12 532
Construction contracts	0	-2 167	-2 167
Inventories	0	0	0
Overdue receivables	242	0	242
Leases	4 034	-107	3 927
Gains and losses account	0	0	0
Provisions	66	0	66
Other items	36	-2 086	-2 050
Employee benefits	593	-2 219	-1 626
Tax loss carryforward	4 004	0	4 004
Unrecognised tax loss carryforward	0	0	0
Recognised tax loss carryforward	4 004	0	4 004
Deferred tax asset/liability	**17 570**	**-42 061**	**-24 490**
Offsetting of assets and liabilities	-12 861	12 861	
Net deferred tax asset/liability	**4 709**	**-29 200**	**-24 490**
2020			
Property, plant and equipment	1 008	-4 004	-2 995
Goodwill, intangible assets	-298	-18 619	-18 918
Construction contracts	0	-2 427	-2 427
Inventories	182	0	182
Overdue receivables	616	0	616
Leases	357	0	357
Gains and losses account	0	0	0
Provisions	0	-187	-187
Other items	0	-1 942	-1 942
Employee benefits	439	-1 063	-624
Tax loss carryforward	12 684	260	12 944
Unrecognised tax loss carryforward	-5 440	0	-5 440
Recognised tax loss carryforward	7 244	260	7 504
Deferred tax asset/liability	**9 548**	**-27 983**	**-18 435**
Offsetting of assets and liabilities	-1 598	1 598	
Net deferred tax asset/liability	**7 950**	**-26 385**	**-18 435**

Note 8 Inventories

Inventory stock

Amounts in NOK 1000	2021	2020
Raw materials	15 814	12 781
Work in progress	978	356
Finished goods	3 103	0
Total inventories	**19 895**	**13 137**

Write-down

There have been no write-downs in the period.

Note 9 Trade and other receivables

Trade receivables

Amounts in NOK 1000	2021	2020
Trade receivables from contracts with customers	373 165	215 762
Loss allowence	-1 638	-1 805
Total	**371 527**	**213 957**

Write-down

Amounts in NOK 1000	2021	2020
Balance at 1 January	-1 805	-1 900
New write-downs recognised during the year	204	-360
Realised loss during the period	-37	455
Balance at 31 December	**-1 638**	**-1 805**

For more information about credit risk and write-downs, see note 16.

Other receivables

Amounts in NOK 1000	2021	2020
Other receivables	115 919	48 014
Prepayments	32 412	34 342
Total	**148 331**	**82 356**
Total trade and other receivables	**519 858**	**296 312**

Note 10 Cash and cash equivalents

Amounts in NOK 1000	2021	2020
Total cash and cash equivalents	**404 390**	**433 527**
Restricted cash	**89 237**	**35 063**

Restricted cash are related to tax funds and to trading, which is a part of Volue Market Services AS' business.

Note 11 Property, plant and equipment

Amounts in NOK 1000	Vehicles, machinery and equipment	Buildings and land	RoU assets	Total
Year ended 31 December 2020				
Cost at 1 January 2020	125 294	3 312	159 590	288 196
Additions	12 647		30 075	42 722
Aquisitions through business combinations	6 813			6 813
Disposals	-586			-586
Disposal of companies and businesses	-8 727		-2 011	-10 738
Exchange differences	97			97
Cost at 31 December 2020	**135 538**	**3 312**	**187 654**	**326 504**
Accumulated depreciation at 1 January 2020	106 333	0	23 834	130 167
Depreciation	7 866		25 401	33 267
Impairment	1 004			1 004
Aquisitions through business combinations	5 881			5 881
Disposal of companies and businesses	-8 727		1 816	-6 911
Exchange differences cost	602			602
Accumulated depreciation at 31 December 2020	**112 960**		**51 051**	**164 010**
Carrying amount at 31 December 2020	**22 578**	**3 312**	**136 603**	**162 494**

Amounts in NOK 1000	Vehicles, machinery and equipment	Buildings and land	RoU assets	Total
Year ended 31 December 2021				
Cost at 1 January 2021	135 538	3 312	187 654	326 504
Additions	13 026	133		13 159
Aquisitions through business combinations	960			960
Disposals				0
Disposal of companies and businesses				0
Change in RoU			5 611	5 611
Exchange differences	977		-362	615
Cost at 31 December 2021	**150 501**	**3 446**	**192 902**	**346 849**
Accumulated depreciation at 1 January 2021	112 960	0	51 051	164 010
Depreciation	10 687	58	29 720	40 465
Impairment	606			606
Aquisitions through business combinations				0
Disposal of companies and businesses				0
Change in RoU			-511	-511
Exchange differences cost	1 364		-60	1 304
Accumulated depreciation at 31 December 2021	**125 617**	**58**	**80 199**	**205 874**
Carrying amount at 31 December 2021	**24 883**	**3 388**	**112 703**	**140 975**

Property, plant and equipment is recognised at historical cost less depreciation. Depreciation is calculated using the straight-line method to allocate the cost or revalued amounts of the assets, net of their residual values, over their estimated useful lives as follows:

- Buildings 25-40 years
- Machinery 3-15 years
- Vehicles 3-5 years

See note 1 for the other accounting policies relevant to property, plant and equipment. More information regarding right of use assets are presented in note 14 Leases.

Right of use assets is mainly related to property.

Note 12 Intangible assets

Amounts in NOK 1000	Goodwill	Other intangible assets	R & D	Total
Year ended 31 December 2020				
Cost at 1 January 2020	152 405	214 171	247 772	614 348
Additions	2 502	4 094	85 844	92 440
Aquisitions through business combinations	103 911	63 150		167 061
Exchange differences	-657	-452		-1 109
Cost at 31 December 2020	**258 161**	**280 964**	**333 616**	**872 741**
Accumulated amortisation at 1 January 2020	7 609	181 057	187 992	376 658
Amortisation		4 138	28 993	33 131
Exchange differences cost		-21		-21
Accumulated amortsation and impairment at 31 December 2020	**7 609**	**185 173**	**216 985**	**409 767**
Carrying amount at 31 December 2020	**250 552**	**95 792**	**116 631**	**462 975**
Year ended 31 December 2021				
Cost at 1 January 2021	258 161	280 964	333 616	872 741
Additions		6 309	97 916	104 225
Aquisitions through business combinations	20 182	9 028	7 158	36 368
Exchange differences	-5 754	-3 139	-337	-9 230
Cost at 31 December 2021	**272 589**	**293 162**	**438 353**	**1 004 104**
Accumulated amortisation at 1 January 2021	7 609	185 173	216 985	409 767
Amortisation		10 268	40 511	50 779
Impairment	1 174	73		1 247
Exchange differences cost		-209	-8	-217
Accumulated amortsation and impairment at 31 December 2021	**8 783**	**195 305**	**257 489**	**461 576**
Carrying amount at 31 December 2021	**263 806**	**97 858**	**180 865**	**542 528**

Impairment test for goodwill and other intangible assets
Goodwill is monitored by management at the level of the three operating segments identified in note 3. A segment-level summary of the goodwill allocation is presented below:

Amounts in NOK 1000	Energy	Power grid	Infrastructure	Total
Goodwill at year end 2021	178 224	61 861	23 721	**263 806**
Goodwill at year end 2020	164 970	61 861	23 721	**250 552**

Intangible assets with definite useful life consists of internally generated intangible assets arising from development costs, licenses for software as well as added values related to customer relationships. Useful life varies between four and ten years.

The group tests whether goodwill and other intangible assets with indefinit useful life has suffered any impairment on an annual basis. For the 2021 reporting periods, the recoverable amount of the groups of cash-generating units (CGUs) was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management.

If there are indications of impairment for the intangible assets with defined useful life, an impairment test is performed. For 2021, there are no such indications.

Note 12 continues on next page

Note 12 Intangible assets cont.

Volue Technology AS
The return requirement for total capital (WACC before tax) is set at 10.5%. When calculating the return requirement, it is taken into account that the Group's earnings are in EUR and USD and that the business is cyclical. Risk-free interest is set at 1.5% and terminal growth is set at 2%. A sensitivity analysis based on unilateral change in estimated future EBITDA shows that a reduction of 81% may result in impairments.

Volue Insight AS
The return requirement for total capital (WACC before tax) is set at 9.5%. Risk-free interest is set at 1.5% and terminal growth is set at 2%. A sensitivity analysis based on unilateral change in estimated future EBITDA shows that a reduction of 87% may result in impairments.

Volue Market Services AS
The return requirement for total capital (WACC before tax) is set at 10%. Risk-free interest is set at 1.5% and terminal growth is set at 2%. A sensitivity analysis based on unilateral change in estimated future EBITDA shows that a reduction of 63% may result in impairments.

Volue Industrial IOT AS
The return requirement for total capital (WACC before tax) is set at 10%. Risk-free interest is set at 1.5% and terminal growth is set at 2%. A sensitivity analysis based on unilateral change in estimated future EBITDA shows that a reduction of 72% may result in impairments.

Volue Germany GmbH (Likron GmbH)
The return requirement for total capital (WACC before tax) is set at 10%. When calculating the return requirement, it is taken into account that the Group's earnings are in EUR and USD and that the business is cyclical. Risk-free interest is set at 1.5% and terminal growth is set at 2%. A sensitivity analysis based on unilateral change in estimated future EBITDA shows that a reduction of 33% may result in impairments.

Note 13 Non-current receivables and investments

Amounts in NOK 1000	**2021**	**2020**
Loan to employees	27 276	31 086
Other investments	2 024	688
Total non current receivables and investments	**29 300**	**31 774**

The loans to key management personnel are related to purchase of shares in Volue ASA and the shares are used as collateral according to the loan agreements. Interest rate for the loans is not below the threshold for making the loan a taxable benefit. At year end the interest rate was 1.3%.

Note 14 Leases

This note provides information for leases where the Group is a lessee.

Amounts recognised in the balance sheet
The balance sheet shows the following amounts relating to leases:

Amounts in NOK 1000	**2021**	**2020**
Total right-of-use assets	**112 703**	**136 603**
Current lease liabilities	27 675	21 356
Non-current lease liabilities	87 495	117 475
Total lease liabilities	**115 170**	**138 831**

Amounts recognised in the statement of income
The statement of income shows the following amounts relating to leases:

Amounts in NOK 1000	**2021**	**2020**
Total depreciation charge right-of-use assets	**29 720**	**25 401**
Interest expense	**4 357**	**4 724**

The group has no variable rate leases. Amounts expenses in the statement of income related low value leases are immaterial to these financial statements.

Note 15 Trade payables and other current liabilities

Amounts in NOK 1000	**2021**	**2020**
Trade payables	350 686	146 633
Other current liabilities	384 437	304 930
Total	**735 122**	**451 563**

Trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Specification of other current liabilities

Amounts in NOK 1000	**2021**	**2020**
Publix taxes	62 887	61 960
Loans to related parties	40 981	36 489
Accrued expenses	136 572	107 861
Paid in collatorals from customers	29 026	62 585
Earn-out 2020 (see note 21)	57 253	32 200
Other current liabilities	57 717	3 834
Total	**384 437**	**304 930**

Note 16 Financial risk and financial instruments

This note explains the group's exposure to financial risks and how these risks could affect the group's future financial performance. Current year profit and loss information has been included where relevant to add further context.

Volue's Board of Directors and Executive Management conduct risk assessments relating to various dimensions and aspects of operations, to verify that adequate risk management systems are in place. The Group's risk management is predominantly controlled by the finance departments in the group companies, under policies approved by the Board of Directors. The responsible identifies, evaluates, and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as currency risk, interest rate risk and credit risk.

Volue operates on an international level, and provides software solutions, platforms and related services within various market segments, including energy and electricity, infrastructure and construction. The Group's operations may consequently be affected by global economic and political conditions in the markets in which it operates, especially in the Nordics and DACH region which the Group considers as its most important markets. The outlook for the world economy remains subject to uncertainty. Downturns in general economic conditions, whether globally or in the specific regional and/or end markets segments in which the Group operates, can result in reduced demand for, and lower prices of, the Group's software solutions and platforms, which could have a material negative impact on the Group's revenues, profitability and growth prospects.

Market Risk

Both the technology market and the energy market are highly competitive, especially in relation to software solutions and investment services offered to participants within the energy markets. Some of the Group's competitors are large, sophisticated and well-capitalised technology and software companies that may have greater financial, technical and marketing resources than the Group. Furthermore, these competitors may have larger research and development expenditures, and thereby, have a greater ability to fund product and system research and can respond more quickly to new or emerging technologies or trends in the energy market or changes in customer demands. Increased competition in the energy market could result in price reductions, loss of market share, reduced margins and fewer customer orders

The Group's software solutions, platforms, analyses, and trading and management services are based on complex software technology. The Group sets high-quality and security standards for its products and services, but it is possible that software solutions and platforms may contain errors or defects or otherwise not perform as expected. Although the Group carries out control procedures for testing, monitoring, securing and developing its solutions and platforms, there is a risk that these procedures may fail to test for all possible conditions for use, or identify all defects or errors in the specific software used in its solutions and platforms. Defects or other errors or failures could occur in the actual solutions or within the software or platform in which the solutions and related services are based. Such damage may cause material liability claims against the Group, as well as significant costs for the Group.

Price risk

The Group's business is subject to price risk. There is no guarantee that the Group will be able to obtain the expected prices for its software solutions,platforms, analyses, and trading and management services, and any change in the market conditions, including in the global technology and energy markets or in a specific regional and/or end markets in which the Group operates, could lead to lower sales prices or volumes of the Group's products and services. If expected prices for products and services are not obtained or the Group experiences lower sales volumes, this may adversely impact the Group's business, financial position and profits.

Currency risk

The Group's business is subject to currency and exchange rate risk. The foreign exchange rate risk for the Group relates to the fact that the Group's business transactions and operations are made in several currencies other than NOK, including EUR, SEK, DKK, PLN and CHF. The Group practice hedge accounting only on a few project and the related amounts are immaterial, hence no further information about this. The overall currency risk for the group is considered to be low, due to both revenues and cost in currency reflecting a low currency risk for the group.

Note 16 continues on next page

Note 16 Financial risk and financial instruments cont.

Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into three levels.

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

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

All financial assets and liabilites are measured at amortised cost, except for the financial instruments below.

Amounts in NOK 1000	Level 1	Level 2	Level 3	Total
2021				
Financial assets				
Financial assets at fair value through profit or loss (FVPL)		-		-
Total finacial assets at fair value	**-**	**-**	**-**	**-**
Finacial liabilities				
Earn-out (see note 21)	-	-	57 253	57 253
Total financial liabilities	**-**	**-**	**57 253**	**57 253**

Amounts in NOK 1000	Level 1	Level 2	Level 3	Total
2020				
Financial assets				
Financial assets at fair value through profit or loss (FVPL)		10 000		10 000
Total finacial assets at fair value	**-**	**10 000**	**-**	**10 000**
Finacial liabilities				
Earn-out (see note 21)	-	-	60 700	60 700
Total financial liabilities	**-**	**-**	**60 700**	**60 700**

The financial assets are investments in interest fund.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The group maintains flexibility in funding by maintaining availability under committed credit lines.

The group's main interest rate risk arises from bank overdrafts, which expose the group to cash flow interest rate risk. At year end all bank overdrafts agreements are using NIBOR as fixed rate. The amounts are carried at amortised cost.

The Group had significant amounts of cash and cash equivalents on accounts with floating interest rate, hence exposure to interest rate risk.

Amounts in NOK 1000	Carrying amount	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
2021							
Obligations from leases	115 170	116 918	10 923	24 569	26 873	29 368	25 185
Bank overdraft	17 529	17 529	17 529	-	-	-	-
Trade and other payables	350 686	350 686	350 686	-	-	-	-
Other curr. liabilities	451 709	451 709	399 921	51 788	-	-	-
Other non-current liabilities	14 505	14 505			4 795		9 710

Note 16 continues on next page

Note 16 Financial risk and financial instruments cont.

Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures related to sales, including outstanding receivables. The Group has a credit risk policy and is follwoing up credit risk on a regular basis.

Provision for losses

Provisions for losses are based on individual assessment of each item and customer. Expected loss in categories without any provisions made is based on the assumption that there are not risk of any material losses.

Amounts in NOK 1000	2021	2020
Balance at 1 January	-1 805	-1 900
Changes in expected losses (loss rates) and outstanding receivables (volume)	204	-360
Realised losses during the period (-)	-38	455
Balance at 31 December	**-1 638**	**-1 805**

Trade receivables

Amounts in NOK 1000	External customer rec not due	External customer rec 1-30 days past due	External customer rec 31-60 days past due	External customer rec 61-90 days past due	External customer rec > 90 days past due	Trade accounts receivable
2021						
Outstanding trade receivables	312 173	46 597	6 721	4 286	3 388	373 165
Provision for losses	0	0	-350	-350	-938	-1 638
2020						
Outstanding trade receivables	180 238	30 566	3 563	1 395	0	215 762
Provision for losses			-700	-1 105		-1 805

Note 17 Borrowings

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.

Amounts in NOK 1000	2021	2020
Loans secured by pledged assets		
Bank overdraft	17 529	3 695
Total borrowings	**17 529**	**3 695**

The group has a borrowing facility on NOK 200 million that is unpledged. In addition, the group has a warranty in one of its subsidiaries on NOK 200 million that is secured through trade receivables.

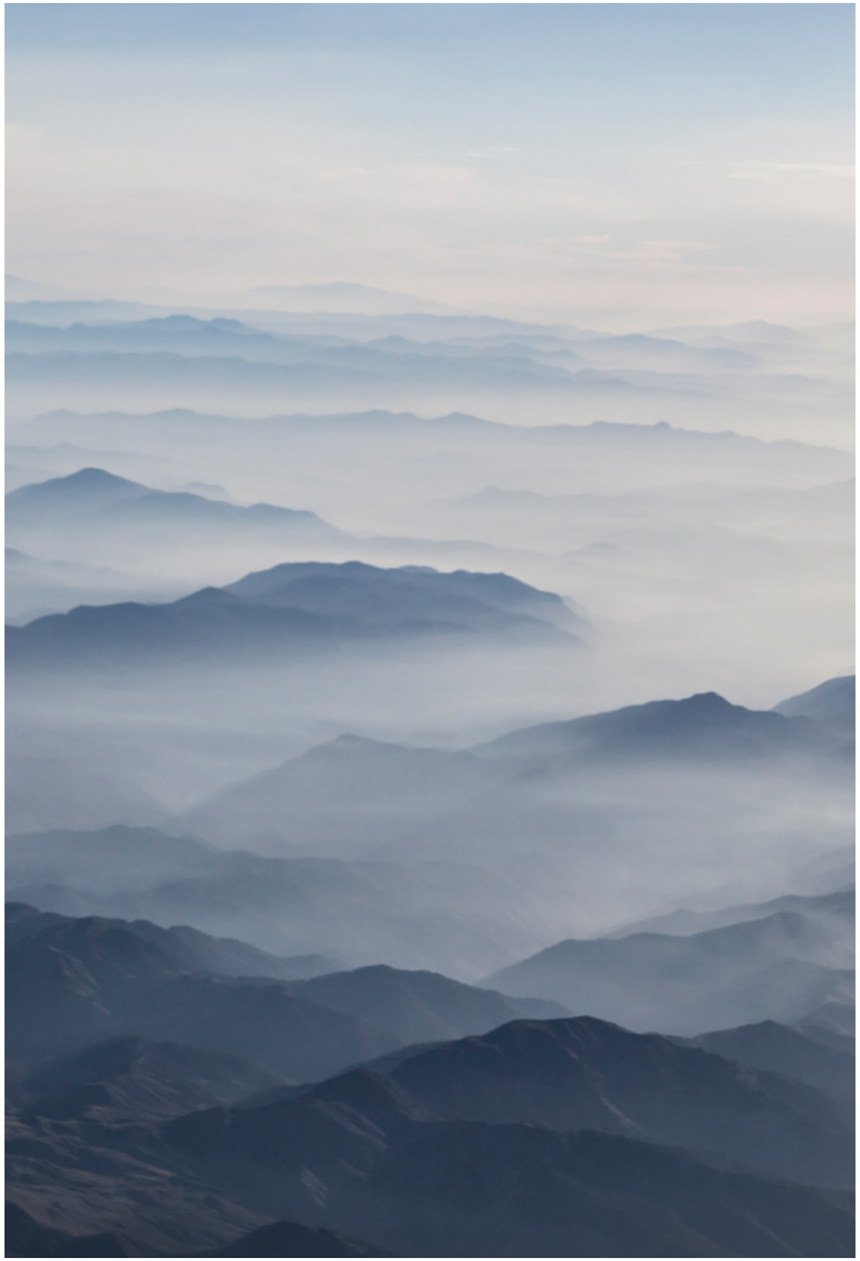
Amounts in NOK 1000	2021	2020
Assets pledged for borrowing facility and warranties		
Other property	-	3 000
Inventories	-	44 989
Trade receivables	248 729	116 224
Total security for borrowing facility and warranties	**248 729**	**164 213**

The table below reconciles the movement in financial liabilites to cash flow from financing activities.

	Short-term borrowings		Long-term borrowings		Lease liabilities		Total financial liabilities	
Amounts in NOK 1000	2021	2020	2021	2020	2021	2020	2021	2020
Balance at 1 January	3 695	64 346			138 831	134 457	142 527	198 804
Cash Flow	3 636	-60 651	5 640		-30 940	-25 506	-21 664	-86 157
Non cash changes								
New lease liabilities recognised/implementation of IFRS 16					5 611	30 075	5 611	30 075
Other non-cash changes	10 198				1 668	-195	11 866	-195
Balance at 31 December	**17 529**	**3 695**	**5 640**	**0**	**115 170**	**138 831**	**138 340**	**142 527**

Note 18 Finance items

Amounts in NOK 1000	2021	2020
Interest income	2 665	6 800
Currency exchange income	15 527	5 803
Other finance income	181	4 567
Total Finance income	**18 373**	**17 169**
Interest expense	1 509	10 091
IFRS 16 interest	4 357	4 724
Currency exchange expense	15 618	7 209
Other finance cost	2 342	1 561
Interest expense	72	213
Total finance cost	**23 898**	**23 797**
Net finance items	**-5 525**	**-6 627**



Note 19 Share information

Amounts in NOK 1000	2021	2020
Ordinary shares	143 869 714	143 577 626
Share capital	57 548	57 431
Share premium	4 440 567	4 434 900

At 31 December 2021 there were 143 869 714 ordinary shares each with a par value of NOK 0.40. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Changes in share capital	Date	Share capital	Share premium
Share capital 1 January 2021	01.01.2021	57 431	4 434 900
Share capital increase	22.12.2021	83	10 184
Share capital increase	28.12.2021	34	3 872
Transactions in own shares			-8 390
Share capital at year end 2021		**57 548**	**4 440 567**

Dividends

There are no paid out dividends in 2021.

Major shareholders

Investor	Number of shares	% of major shareholders	% of total	Country
Arendals Fossekompani ASA	86 316 779	73.33%	60.03%	Norway
Fidelity Investments (FMR)	13 942 086	11.85%	9.70%	USA
Swedbank Robur Funds	8 379 750	7.12%	5.83%	Sweden
Invesco	3 021 672	2.57%	2.10%	USA
TIN Funds	1 600 000	1.36%	1.11%	Sweden
AS Tanja (Andenæsgruppen)	1 518 049	1.29%	1.06%	Norway
Ulfoss Invest AS	1 470 987	1.25%	1.02%	Norway
Havfonn AS	1 456 790	1.24%	1.01%	Norway
Other shareholders (holding less than 1%)	26 163 601		18.14%	
Total all shareholders	**143 869 714**	**100.00%**	**100.00%**	

Note 20 Earnings per share

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.

Amounts in NOK 1000	**2021**	**2020**
Net profit for the year	27 619	99 061
Attributable to non-controlling interests	-205	16 829
Attributable to ordinary shares	27 825	82 232
Profit from continuing operations	27 619	60 258
Attributable to non-controlling interests	-205	14 936
Attributable to ordinary shares	27 825	45 322
Profit from discontinued operation	0	38 803
Attributable to non-controlling interests	0	1 894
Attributable to ordinary shares	0	36 910
Weighthed number of ordniary shares, basic and diluted	143 582 855	107 596 403
Number of shares end of period	143 869 714	143 577 626
Basic and diluted earnings per share	**0.19**	**0.76**
Basic and diluted earnings per share from continuing operations	**0.19**	**0.42**
Basic and diluted earnings per share from discontinued operations	**0.00**	**0.34**

Note 21 Business combinations and transactions with non-controlling interests

Transactions in 2021

Volue Energy Gmbh (Procom GmbH)

On 1 October 2021 Volue ASA acquired 100% of the issued share capital of Procom GmbH.

Procom is a strategic acquisition for Volue, cementing our European position in an increasingly important of market footprint in the DACH region. The company especially focus on optimalisation solution for especially large and mid size customers. Procom will be a part of the Energy segment. Details of the purchase consideration, the net assets acquired and goodwill are as follows;

Purchase consideration

Amounts in NOK 1000

Cash paid	14 000
Ordinary shares issued	3 843
Holdback	5 310
Total purchase consideration	**23 153**

There was used a seller credit related to the share issue. Remaning holdback is related to escrow accounts and adjustment related to performance of Procom GmbH towards 30 June 2022. The performance related payment is related to revenues of Procom GmbH from 1 July 2021 until 30 June 2022, and postive or negative deviation from baseline will give adjustment on the purchase price. There are no other earn-out mecanisms or other deffered payment after 30 June 2022.

Assets and liabilities recognised as a result of the acquisition

Amounts in NOK 1000

Intangible assets	17 700
Fixed assets	1 800
Investments	8 200
Trade receivables	5 400
Other receivables	8 600
Cash and cash equivalents	4 900
Trade payables	-1 600
Other current liabilities	-35 100
Deferred tax liability	-5 000
Net assets acquired	**4 900**
Purchase price shares in Procom	23 153
Goodwill	18 253

The PPA is final and there has not been any changes in fair value calculation. Procom had a loss of 1 682 TNOK in 2021. In the transaction of Procom GmbH the automation business was carved out as part of the transaction structure, and prior to the transaction the company operated as one company. Proforma figures for revenues and loss has not been estimated.

Note 21 continues on next page

Note 21 Business combinations and transactions with non-controlling interests cont.

Transactions in 2020

The current legal structure of the Group was created on 15 September 2020 when AFK transferred its shareholdings in four subsidiaries through contributions in kind to Volue.

On 21 October 2020 (shortly after Volue's listing on Euronext Growth, Volue offered to buy all shares from the non-controlling shareholders of the four subsidiaries. The selling shareholders could choose between settlement in cash and shares in Volue. The effect of the transactions are summarised in the table below.

Company	Ownerhip from contribution in kind Sept. 2020	Ownership 31.12.2020	Change in ownerhsip	Of which settled in cash	Of which settled in shares
Volue Technology AS	96.00%	99.82%	3.82%	109 134	5 179
Volue Market Service AS	96.70%	99.98%	3.28%	3 808	257
Volue Industrial IoT AS	69.00%	94.76%	25.76%	44 762	1 799
Volue Insight AS	90.50%	100.00%	9.50%	81 167	1 705

Company	Carrying value aquired non-controlling interest derecognised	Effect on equity attributable to controlling shareholders	Cash paid / total effect on consolidated equity
Volue Technology AS	-4 909	-103 414	108 323
Volue Market Service AS	-1 707	-2 101	3 808
Volue Industrial IoT AS	-16 058	-28 704	44 762
Volue Insight AS	-2 846	-78 321	81 167
Total	**-25 520**	**-212 540**	**238 060**

Likron Gmbh

On 19 November 2020 Volue ASA acquired 100% of the issued share capital of Likron Gmbh, the leading algorithmic power trading software provider in Germany.

Likron is a strategic and significant acquisition for Volue, cementing our European position in an increasingly important intraday power trading market. Likron is a spearhead for further internationalisation of Volue in the Energy market. The acquisition significantly increase Volue's market penetration in the DACH region and strengthens our presence in Germany, which is considered the leader in the energy transition. Likron will be a part of the Energy segment. Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Purchase consideration

Amounts in NOK 1000

Cash paid	66 618
Ordinary shares issued	28 593
Earn out 2020	32 200
Earn out 2021	45 800
Total purchase consideration	**173 211**

There was used a seller credit related to the share issue. Earn-out 2020 and 2021 are based on Likron reaching threshold revenue targets indicating ARR growth. Payment based on 60% cash and 40% shares based on full earn-out. Based on the performance above expecations in 2021 the total earn-out payment has increased with 17 304 TNOK. The increase in earn-out has been recoginaised in the profit and loss as other loss.
In addition to the consideration disclosed above, the seller is entitled to a deferred consideration that will be paid if the current management will stay in their position until the end of 2022. Deferred consideration will be recognised as employee expenses. The maximum deferred consideration is NOK 21.2 million (EUR 2.0 million).

Amounts in NOK 1000

Purchase price shares in Likron	173 211
Goodwill	103 911

Note 22 Subsidiaries

Investor	Ownership held by the group	Ownership held by the non-controlling interests	Domicile
Volue Denmark ApS	94.76%	5.24%	Denmark
Volue Technology Danmark A/S	100.00%	0.00%	Denmark
Volue Germany GmbH	100.00%	0.00%	Germany
Volue Energy GmbH	100.00%	0.00%	Germany
Volue Gmbh	100.00%	0.00%	Germany
Volue Insight Gmbh	100.00%	0.00%	Germany
Volue Industrial IoT AS	94.76%	5.24%	Norway
Volue Insight AS	100.00%	0.00%	Norway
Volue Market Service AS	100.00%	0.00%	Norway
Volue Technology AS	100.00%	0.00%	Norway
Volue Sp. Z.o.o	100.00%	0.00%	Poland
Volue AB	100.00%	0.00%	Sweden
Volue In Situ AB	94.76%	5.24%	Sweden
Volue AG	100.00%	0.00%	Switzerland
Volue Enerji cozumleri	100.00%	0.00%	Turkey

Note 23 Discontinued operations

Summarised information about profit from continued operations

Amounts in NOK 1000	2021	2020
Revenue		181 092
Expenses		-171 679
Income tax		-2 076
Profit/(loss) from discontinued operations before gain on disposal		**7 337**
Gain on disposal		31 466
Profit/(loss) from dicontinued operations		**38 803**
Attributable to equity holders of the company		27 934
Attributable to non-controlling interests		10 869

Summarised cash flow infomation

Amounts in NOK 1000	2021	2020
Net cash flow from operating activities		-20 290
Net cash flow from investing activities		61 109
Net cash flow from financing activities		-26 170
Specification of cash flow from investing activities		
Proceeds from sale of shares in Scanmatic Electro	0	61 109
Net cash flow from investing activities	**0**	**61 109**

Summarised balance sheet information

No balance sheet items towards dicontintued operations was held by the group at 31 December 2021.

Information about transactions between continued and discontinued operations

Amounts in NOK 1000	2021	2020
Revenues		4 200
expenses		4 150
Net finance income		0
Income tax		0
Profit/(loss)		50

Entities within continued operation has sold goods and services to discontinued operations.

Revenue and related expences from the transactions above is elimated, and therefore not included in revenue from continued operations.

Note 24 Related parties

At year end Arendal Fossekompani (AFK) owned 86.316.779 shares, representing 60% of the total number of shares in Volue.

Board of Directors compensation 2021 and number of shares owned 31 December 2021

Name	Title	Board of Directors remunerated	Number of shares in Volue
Ørjan Svanevik	Chairman	-	7 500
Henning Hansen	Member of Board	300	42 857
Lars Peder Fosse Fensli	Member of Board	-	17 000
Christine Grabmaier	Member of Board	324	-
Ingunn Ettestøl	Member of Board	-	6 187
Annette Petra Maier	Member of Board	84	-
Anja Eva Schneider	Member of Board	84	-
Knut Ove Blichner Stenhagen	Employee - Elected Board member	80	6 946
Vija Pakalkaite	Employee - Elected Board member	-	102
Kjetil Kvamme	Employee - Elected Board member	80	-

Name	Title	Fixed salary	Paid bonus	Pension	Other benefit's	Number of shares in Volue	Loan from Volue
Trond Straume	CEO	4 070	3 518	80	245	546 715	9 128
Arnstein Kjesbu	CFO	2 544	1 730	80	11	337 204	5 477
Ingeborg Gjærum	CSO	1 550	207	80	4	85 714	1 460
Kevin Gjerstad	CTO	1 500	863	80	7	-	-
Tom Darell	EVP Energy	1 900	1 211	80	4	-	-
Lars Ove Johansen	EVP Power Grid	1 806	854	80	5	128 571	2 191
Vigleik Takle	CCO	1 850	-	80	4	128 571	2 191
Frode Solem	EVP Infrastructure	1 575	1 172	223	11	128 571	2 191
Kim Steinsland	EVP IIoT	1 606	471	80	3	171 429	2 921
Thale Kuvås Solberg	CDO	1 320	65	80	8	21 875	-

The CEO's period of notice is six months, with a period of pay of 12 months after termination of employment if the CEO is dismissed by the company.

The other members of the Group Executive have a period of notice of six months.

Guidelines for pay and other remuneration of the executive management

The purpose of Volue's compensation and benefits policy is to attract personnel with the competence that the Group requires, develop and retain employees with key expertise and promote a long-term perspective and continuous improvement supporting achievement of Volue's business goals. The general approach adopted in Volue's policy is to pay fixed salaries and pensions in line market prices, while offering variable pay linked to results for bonus and long term incentive plan for share incentive program. (LTIP)

a. Fixed elements
b. Variable elements – annual bonus

Executives in Volue participate in the Group's central annual bonus program. The program has a maximum ceiling of 50% of the executive's fixed salary. The basis for bonus payments is based on financial targets and performance strategic KPI's. A "good performance" has been defined as the achievement of results in line with externally communicated financial targets.

In addition, the Group has share-based incentive programs described in (c) below and a share option programs for key employees described in (d) below. For 2021 paid bonus contains for certain members of the ELT exit from LTIP agreement following incentiv system prior to the establishment of Volue.

Note 24 continues on next page

Note 24 Related parties cont.

c. Shared incentive program
On 13 October 2020, the Board of Directors of the Company resolved to establish a share incentive program for key employees of the Company. The share incentive program is based on a structure in which certain members of the Company's Management and management of the Portfolio Companies are offered the opportunity to subscribe for Shares at a discounted rate, and where the Company will provide partial financing of their subscription of Shares under the share incentive program. The total number of Shares included in the share incentive program is 1,821,429. As part of the share incentive program, the key employees purchased Shares at a discount of 30% of the trading price of the Shares, subject to a lock-up undertaking of 36 months following the date of the purchase of the Shares. The company has provided loan financing for up to 75% of the purchase price of the Shares under the share incentive program, for a total of up to NOK 36 million.

d. The share option plan is based on a structure in which the Company's senior management and certain other key employees are granted share options in the Company. Each share option carries the right to acquire one share in the Company. The total number of share options that may be issued under the plan is 2,397,747 for the first year grant of options. 15% of the options shall be reserved for the Company's Chief Executive Officer. The Chief Executive Officer is authorised to allocate the options reserved for the executive management team and other key employees and to determine who qualifies as a key employee in a strategic position. The share options will be granted over a three-year period, and the plan will be assessed annually for further grants. The share options vest three years after the date of grant and will lapse if not exercised within seven years following the date of grant. For the share options to vest, a minimum average share price development of 4.5% p.a is required. Upon any exercise of share options the Company may settle its obligations by selling the relevant number of shares or by payment in cash.

For further information, see separate remuneration report publised at the companys website.

Note 25 Contingent liabilites

The group had no contingent liabilities at 31 December 2021.

Note 26 Subsequent events

The adverse market conditions brought by the war in Ukraine is considered to have very limited impact on the business. Volue has terminated the contracts we have with our one Russian customer within the given notice periods.

Note 27 Other income

Other income relates to insurance settlement after cyber incident 5 May 2021.

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Statement of income

For the year ended 31 December

Amounts in NOK 1000	Note	2021	2020
Continuing operations			
Revenues	2	84 716	25 093
Employee benefit expenses	3	25 919	12 626
Employee benefit expenses	4	71 083	23 923
Other operating expenses	18	17 305	-
EBITDA		**-29 591**	**-11 456**
Depreciation and amortisation	8, 10	3 309	469
Net operating income/(loss)		**-32 900**	**-11 926**
Finance income	12	36 700	215
Finance costs	12	2 873	2 451
Profit/(loss) before income tax		928	-14 162
Income tax expense	5	4 043	-2 137
Profit/(loss) for the period		**-3 115**	**-12 025**

Statement of other comprehensive income

For the year ended 31 December

Amounts in NOK 1000	Note	2021	2020
Items that may be reclassified to statement of income			
Exchange differences on translation of foreign operations		-	-
Changes on cash flow hedges		-	-
Income tax related to these items		-	-
Items that may be reclassified to statement of income		**-**	**-**
Items that will not be reclassified to statement of income			
Remeasurements of post-employment benefint obligations		-	-
Income tax relating to these items		-	-
Items that will not be reclassified to statement of income		**-**	**-**
Other comprehensive income for the period, net of tax		**-**	**-**
Total comprehensive income for the period		**-3 115**	**-12 025**

Balance sheet

For the year ended 31 December

Amounts in NOK 1000	Note	2021	2020
Assets			
Non-current assets			
Property, plant and equipment	8,10	12 003	11 827
Investment in subsidiaries	14	4 348 487	4 307 745
Intra-group loans	19	7 975	5 000
Non-current receivables and investments	9	27 276	30 682
Deferred tax assets	5	3 040	7 084
Total non-current assets		**4 398 782**	**4 362 338**
Current assets			
Trade and other receivables	6	133 048	31 466
Cash and cash equivalents	7	87 115	177 675
Total Current assets		**220 163**	**209 141**
Total assets		**4 618 945**	**4 571 479**

Amounts in NOK 1000	Note	2021	2020
Equity and liabilities			
Equity		**4 498 115**	**4 492 332**
Share capital and share premium		-92	
Retained earnings		-15 141	-12 025
Total equity	13	**4 482 883**	**4 480 306**
Non-current liabilities			
Other non-current liabilities		-	28 500
Lease liabilities	10	5 603	9 072
Total non-current liabilities		**5 603**	**37 572**
Current liabilities			
Lease liabilites	10	1 760	
Trade and other payables	11	18 531	21 400
Current interest-bearing liabilities	20	34 364	
Other current liabilities	20	75 804	32 200
Total current liabilities		**130 458**	**53 600**
Total liabilities and equity		**4 618 945**	**4 571 479**

Oslo, Norway, 29 March 2022
The Board of Directors and CEO
Volue ASA

Ørjan Svanevik
Chairman of the Board

Lars Peder Fensli
Board Member

Ingunn Ettestøl
Board Member

Henning Hansen
Board Member

Christine Grabmair
Board Member

Knut Ove Stenhagen
Board Member

Kjetil Kvamme
Board Member

Annette Maier
Board Member

Anja Schneider
Board Member

Vija Pakalkaite
Board Member

Trond Straume
Chief Executive Officer

volue

Statement of changes in equity

For the year ended 31 December

Amounts in NOK 1000	Share capital	Share premium	Own shares	Retained earnings	Total equity
Balance at 1 January 2021	**57 431**	**4 434 900**	**-**	**-12 025**	**4 480 306**
Profit/(loss) for the period	-	-	-	-3 115	-3 115
Share capital increase	117	14 057	-	-	14 174
Own shares	-	-8 390	-92	-	-8 482
Balance at 31 December 2021	**57 548**	**4 440 567**	**-92**	**-15 141**	**4 482 883**

Statement of cash flows

For the year ended 31 December

Amounts in NOK 1000	2021	2020
Cash flow from operating activities		
Profit/(loss) before income tax	**928**	**-14 162**
Depreciation, amortisation and impairment	3 309	469
Net financial items	-33 827	2 236
Tax on transacation costs related to share issue		-4 947
Total after adjustments to profit before income tax	**-29 591**	**-16 403**
Change in trade and other receivables	-60 639	-100
Change in trade and other payables	15 841	-9 966
Total after adjustments to net assets	**-74 389**	**-26 470**
Change in tax paid	-	-
Net cash flow from operating activities	**-74 389**	**-26 470**
Cash flow from investing activities		
Interest received	818	215
Group contribution received	32 880	
Purchase of PPE and intangible assets	-3 485	-3 224
Loans to employees	3 406	-30 682
Loans to subsidiaries	-39 921	-5 000
Proceeds on loans from subsidiaries	5 000	
Purchase of shares in subsidiaries	-36 695	-304 778
Net cash flow from investing activities	**-37 996**	**-343 469**
Cash flow from financing activities		
Proceeds from issue of shares	-	550 065
Repayment of lease liabilities	-1 709	-
Cash Flow from Internal Loans and Borrowings	30 000	-
Interest paid etc.	-475	-2 451
Cash flow from own shares	-5 209	
Net cash flow from financing activities	**22 607**	**547 614**
Net increase in cash and cash equivalents	**-89 778**	**177 675**
Cash and cash equivalents at the beginning of the financial year	177 675	-
Effects of exchange rate changes on cash and cash equivalents	-781	-
Cash and cash equivalents at end of year	**87 115**	**177 675**

Notes to the parent company financial statements

For the year ended 31 December

Note 1 Accounting principles

Basis for preparation

The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) 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 2021.

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. The company 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).

Shares in subsidiaries

Shares in subsidiaries are initially recognised at cost, which is the fair value of any consideration transferred. Shares in subsidiaries are subsequently measured at cost.

Foreign currency

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss.

Revenue recognition

Under IFRS 15, Volue ASA recognises as revenue the agreed transaction price in a contract with a customer at the time when the company transfers the control of a distinct product or service to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods and services. In 2021 Volue ASA had no revenues from external customers. All revenues are related to billing of overhead costs in the company to subsidiaries, which is classified as other income.

Income tax

Income tax on the profit for the period consists of current and deferred tax. Income tax is recognised in the income statement except for tax on items that are recognised directly in equity or in other comprehensive income. The tax effect of the latter items is recognised directly in equity or in other comprehensive income. Current tax is the forecast tax payable on the year's taxable income at current tax rates at the balance sheet date, and any adjustments of tax payable for previous years less tax paid in advance. Deferred tax liabilities are calculated based on the balance sheet-oriented liability method considering temporary differences between the carrying amount of assets and liabilities for financial reporting and tax values. Deferred tax assets are recognised only to the extent that it is probable that the asset can be utilised against future taxable results. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax asset will be realised.

Leases

The company's and the company's leases consist mainly of office space. Assets and liabilities arising from a lease are initially measured on a present value basis.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the company under residual value guarantees
- the exercise price of a purchase option if the company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Cash and cash equivalents
For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Receivables and loans
Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance for lifetime credit losses.

Other loans and receivables are initially recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance for credit losses. Credit losses are initially measured at 12 months expected credit loss. If there is significant increase in credit risk, the loss allowance is based on lifetime expected credit loss. The company does not make loss provisions for expected credit losses that are immaterial.

Property, plant and equipment
The depreciation methods and periods used by the company are disclosed in note 8. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

Trade and other payables
These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Note 2 Revenue from contracts with customers

All revenues in Volue ASA is revenue from group companies, related to billing of overhead costs to subsidiaries.

Amounts in NOK 1000	**2021**	**2020**
Revenue from group companies (billing of overhead costs to subsidiaries)	84 555	25 093
Public funding (SkatteFunn)	161	-
Total employee benefit expenses	**84 716**	**25 093**

Note 3 Remuneration and employee benefit

Amounts in NOK 1000	**2021**	**2020**
Salaries	21 730	11 066
Social security contributions	1 875	1 560
Pension costs	192	-
Other benefits	2 122	-
Total employee benefit expenses	**25 919**	**12 626**
Average number of employees	3	2

Number of fixed employees in Volue ASA is as disclosed above. In addition members of the executive management team are employed in subsidiaries. Salary cost for these employees are charged from subsidiaries to Volue ASA.

Note 4 Other operating expenses

Amounts in NOK 1000	**2021**	**2020**
Premises, service and office costs	1 994	1 224
Audit and other fees	40 515	1 209
Travelling costs, indirect	412	150
Sales and marketing costs	850	195
ICT costs	10 112	152
Operating costs, IC	10 073	2 389
Other direct costs	7 127	18 604
Total employee benefit expenses	**71 083**	**23 923**
Remuneration to auditor		
Statutory audit	1 218	350
Other assurance services	28	209
Tax advice	108	-
Other non-audit services	1 981	650
Total remuneration to auditor	**3 335**	**1 209**

Remuneration to auditor also include services related to equity transactions

Note 5 Income tax

Amounts in NOK 1000	2021	2020
Basis for payable tax		
Profit (loss) before income tax	928	-14 162
Permanent differences	17 450	-18 036
Basis for payable tax	18 378	-32 198
Effect of change in temporary differences	135	-682
Changes i deferred tax assets	-18 513	32 880
Basis for payable tax	**0**	**0**
Payable tax (22%)	**0**	**0**
Reconciliation of effective tax rate		
Total pre tax income	928	-14 162
Tax based on current ordinary tax rate	204	-3 116
Effect of non deductible expenses	3 839	-3 968
Tax on transaction costs related to share issue	0	4 947
Total tax expense	**4 043**	**-2 137**
Effective tax rate	435%	15%

The effective tax rate is impacted by the permanent differences.

Amounts in NOK 1000	2021	2020
Temporary differences		
Fixed assets	-679	-682
RoU assets	132	
Tax losses carried forward	14 367	32 880
Basis for deferred tax asset / (liability)	**13 820**	**32 198**
Deferred tax asset / (liability)	3 040	7 084

Note 6 Trade and other receivables

Trade receivables

Amounts in NOK 1000	2021	2020
Trade receivables from contracts with customers	90 392	31 367
Loss allowence	0	0
Total	**90 392**	**31 367**

Other receivables

Amounts in NOK 1000	2021	2020
Other receivables from subsidiaries	36 460	100
Other short-term receivables	6 196	-
Total	**42 656**	**100**
Total trade and other receivables	**133 048**	**31 466**

Note 7 Cash and cash equivalents

Amounts in NOK 1000	2021	2020
Total cash and cash equivalents	**87 115**	**177 675**
Restricted cash	763	0

Restricted cash are related to tax funds.

Note 8 Property, plant and equipment

Amounts in NOK 1000	**Vehicles, machinery and equipment**	**RoU buildings and land**	**Total**
Year ended 31 December 2020			
Cost at 1 January 2020			
Additions	3 224		3 224
Change in RoU		9 072	9 072
Cost at 31 January 2020	**3 224**	**9 072**	**12 297**
Accumulated depreciation at 1 January 2020			
Depreciation	469		469
Change in RoU			
Accumulated depreciation at 31 December 2020	**469**		**469**
Carrying amount at 31 December 2020	**2 755**	**9 072**	**11 827**

Amounts in NOK 1000	**Vehicles, machinery and equipment**	**RoU buildings and land**	**Total**
Year ended 31 December 2021			
Cost at 1 January 2021	3 224	9 072	12 297
Additions	3 485		3 485
Change in RoU			-
Cost at 31 January 2021	**6 709**	**9 072**	**15 781**
Accumulated depreciation at 1 January 2021	**469**	**-**	**469**
Depreciation	1 468	1 841	3 309
Change in RoU			-
Accumulated depreciation at 31 December 2021	**1 937**	**1 841**	**3 778**
Carrying amount at 31 December 2021	**4 772**	**7 231**	**12 003**

Property, plant and equipment is recognised at historical cost less depreciation. Depreciation is calculated using the straight-line method to allocate the cost or revalued amounts of the assets, net of their residual values, over their estimated useful lives as follows:

- Buildings 25-40 years
- Machinery 3-5 years
- Vehicles 3-5 years

See note 1 for the other accounting policies relevant to property, plant and equipment. More information regarding right of use assets are presented in note 10 Leases.

Note 9 Non-current receivables and investments

Amounts in NOK 1000	2021	2020
Loans to employees	27 276	30 682
Total non-current receivables and investments	**27 276**	**30 682**

The loans to key management personnel are related to purchase of shares in Volue ASA and the shares are used as collateral according to the loan agreements. Interest rate for the loans is not below the threshold for making the loan a taxable benefit. At year end the interest rate was 1.3%.

Note 10 Leases

This note provides information for leases where the group is a lessee.

Amounts recognised in the balance sheet
The balance sheet shows the following amounts relating to leases:

Amounts in NOK 1000	2021	2020
RoU buildings and land	7 231	9 072
Total right-of-use assets	**7 231**	**9 072**
Current lease liabilities	1 760	-
Non-current lease liabilities	5 603	9 072
Total lease liabilities	**7 363**	**9 072**

Amounts recognised in the statement of income
The statement of income shows the following amounts relating to leases:

Amounts in NOK 1000	2021	2020
Depreciation RoU buildings and land	1 841	-
Total depreciation charge right-of-use assets	**1 841**	**-**
Interest expense	245	-

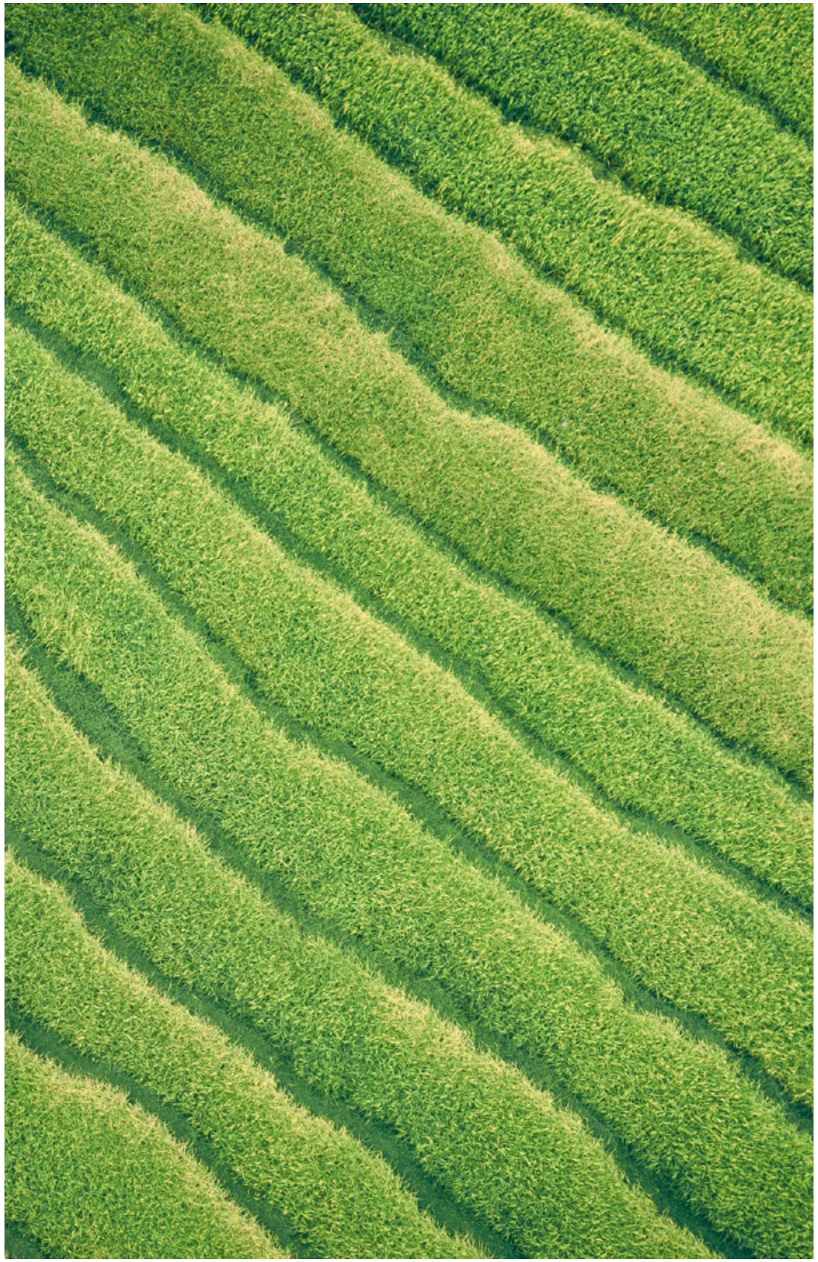
Note 11 Trade and other payables

Amounts in NOK 1000	**2021**	**2020**
Trade payables intercompany	16 276	12 292
Trade payables other	2 255	9 108
Total	**18 531**	**21 400**

Trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Note 12 Finance items

Amounts in NOK 1000	**2021**	**2020**
Interest income	1 137	215
Currency exchange gains	2 684	
Group contribution income	32 880	
Total Finance income	**36 700**	**215**
Interest expense	230	2 451
IFRS 16 interest	245	-
Currency exchange losses	2 398	-
Total finance cost	**2 873**	**2 451**
Net finance items	**33 827**	**-2 236**



Note 13 Share information

Amounts in NOK 1000	2021	2020
Ordinary shares	143 869 714	143 577 626
Share capital	57 548	57 431
Share premium	4 440 567	4 434 900

At 31 December 2021 there were 143 869 714 ordinary shares each with a par value of NOK 0,40. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Changes in share capital

Amounts in NOK 1000	Date	Share capital	Share premium
Share capital 1 January 2021	01.01.2021	57 431	4 434 900
Share capital increase	22.12.2021	83	10 184
Share capital increase	28.12.2021	34	3 872
Transactions in own shares			-8 390
Share capital at year end 2021		**57 548**	**4 440 567**

Major share holders

Amounts in NOK 1000	Number of shares	% of major shareholders	% of total	Country
Arendals Fossekompani ASA	86 316 779	73.33%	60.03%	Norway
Fidelity Investments (FMR)	13 942 086	11.85%	9.70%	USA
Swedbank Robur Funds	8 379 750	7.12%	5.83%	Sweden
Invesco	3 021 672	2.57%	2.10%	USA
TIN Funds	1 600 000	1.36%	1.11%	Sweden
AS Tanja (Andenæsgruppen)	1 518 049	1.29%	1.06%	Norway
Ulfoss Invest AS	1 470 987	1.25%	1.02%	Norway
Havfonn AS	1 456 790	1.24%	1.01%	Norway
Other shareholders (holding less than 1%)	26 163 601		18.14%	
Total all shareholders	143 869 714	100.00%	100.00%	

Note 14 Subsidiaries

The Volue Group is a part of the Arendal Fossekompani (AFK) Group and are included in the consolidated financial statements. Volue Group are required to follow the AFK reporting processes during both monthly closing and year end closing.

Subsidaries

Company	Ownership held by the group	Domicile	Head-quarters	Book value
Volue Technology AS	100.00%	Norway	Trondheim	2 991 966
Volue Market Service AS	100.00%	Norway	Arendal	122 087
Volue IoT AS	94.76%	Norway	Arendal	170 012
Volue Insight AS	100.00%	Norway	Arendal	873 197
Volue Germany GmbH (former Likron GmbH)	100.00%	Germany	München	156 012
Volue Energy GmbH (former Procom GmbH)	100.00%	Germany	Aachen	35 214
Total book value				4 348 487

In 2021 Volue purchased the remaining minority shares of its subsidiaris Market Services AS and Volue Technology AS, and now controls 100% of the shares.

On 1 October 2021 Volue ASA acquired 100% of the issued share capital of Procom GmbH. Volue ASA granted a seller credit related to the share issue. Remaning holdback is related to escrow accounts and adjustment related to performance of Procom GmbH towards 30 June 2022. The performance related payment is related to revenues of Procom GmbH from 1 July 2021 until 30 June 2022, and postive or negative deviation from baseline will give adjustment on the purchase price. There are no other earn-out mecanisms or other deffered payment after 30 June 2022.

Note 15 Related parties

At year end Arendal Fossekompani (AFK) owned 86.316.779 shares, representing 60% of the total number of shares in Volue.

Board of Directors compensation 2021 and number of shares owned 31 December 2021

Amounts in NOK 1000

Name	Title	Board of Directors remunerated	Number of shares
Ørjan Svanevik	Chairman	-	7 500
Henning Hansen	Member of Board	300	42 857
Lars Peder Fosse Fensli	Member of Board	-	17 000
Christine Grabmaier	Member of Board	324	-
Ingunn Ettestøl	Member of Board	-	6 187
Annette Petra Maier	Member of Board	84	-
Anja Eva Schneider	Member of Board	84	-
Knut Ove Blichner Stenhagen	Employee - Elected Board member	80	6 946
Vija Pakalkaite	Employee - Elected Board member	-	102
Kjetil Kvamme	Employee - Elected Board member	80	-

Name	Title	Fixed salary	Paid bonus	Pension	Other benefit's	Number of shares in Volue	Loan from Volue
Trond Straume	CEO	4 070	3 518	80	245	546 715	9 128
Arnstein Kjesbu	CFO	2 544	1 730	80	11	337 204	5 477
Ingeborg Gjærum	CSO	1 550	207	80	4	85 714	1 460
Kevin Gjerstad	CTO	1 500	863	80	7	-	-
Tom Darell	EVP Energy	1 900	1 211	80	4	-	-
Lars Ove Johansen	EVP Power Grid	1 806	854	80	5	128 571	2 191
Vigleik Takle	CCO	1 850	-	80	4	128 571	2 191
Frode Solem	EVP Infrastructure	1 575	1 172	223	11	128 571	2 191
Kim Steinsland	EVP IIoT	1 606	471	80	3	171 429	2 921
Thale Kuvås Solberg	CDO	1 320	65	80	8	21 875	-

The CEO’s period of notice is six months, with a period of pay of 12 months after termination of employment if the CEO is dismissed by the company. The other members of the Group Executive have a period of notice of six months.

Guidelines for pay and other remuneration of the executive management

The purpose of Volue’s compensation and benefits policy is to attract personnel with the competence that the Group requires, develop and retain employees with key expertise and promote a long-term perspective and continuous improvement supporting achievement of Volue’s business goals. The general approach adopted in Volue’s policy is to pay fixed salaries and pensions in line market prices, while offering variable pay linked to results for bonus and long term incentive plan for share incentive program. (LTIP)

a. Fixed elements
b. Variable elements – annual bonus

Executives in Volue participate in the Group’s central annual bonus program. The program has a maximum ceiling of 50% of the executive’s fixed salary. The basis for bonus payments is based on financial targets and performance strategic KPI’s. A “good performance” has been defined as the achievement of results in line with externally communicated financial targets.

Note 15 continues on next page

Note 15 Related parties cont.

In addition, the Group has share-based incentive programs described in (c) below and a share option programs for key employees described in (d) below. For 2021 paid bonus contains for certain members of the ELT exit from LTIP agreement following incentiv system prior to the establishment of Volue.

c. Shared incentive program
   On 13 October 2020, the Board of Directors of the Company resolved to establish a share incentive program for key employees of the Company. The share incentive program is based on a structure in which certain members of the Company's Management and management of the Portfolio Companies are offered the opportunity to subscribe for Shares at a discounted rate, and where the Company will provide partial financing of their subscription of Shares under the share incentive program. The total number of Shares included in the share incentive program is 1,821,429. As part of the share incentive program, the key employees purchased Shares at a discount of 30% of the trading price of the Shares, subject to a lock-up undertaking of 36 months following the date of the purchase of the Shares. The company has provided loan financing for up to 75% of the purchase price of the Shares under the share incentive program, for a total of up to NOK 36 million.

d. The share option plan is based on a structure in which the Company's senior management and certain other key employees are granted share options in the Company. Each share option carries the right to acquire one share in the Company. The total number of share options that may be issued under the plan is 2,397,747 for the first year grant of options. 15% of the options shall be reserved for the Company's Chief Executive Officer. The Chief Executive Officer is authorised to allocate the options reserved for the executive management team and other key employees and to determine who qualifies as a key employee in a strategic position. The share options will be granted over a three-year period, and the plan will be assessed annually for further grants. The share options vest three years after the date of grant and will lapse if not exercised within seven years following the date of grant. For the share options to vest, a minimum average share price development of 4.5% p.a is required. Upon any exercise of share options the Company may settle its obligations by selling the relevant number of shares or by payment in cash.

For further information, see separate remuneration report publised at the companys website.

Note 16 Contingent liabilites

The company had no contingent liabilities at 31 December 2021.

Note 17 Subsequent events

The adverse market conditions brought by the war in Ukraine is considered to have very limited impact on the business. One subsidiary of Volue ASA has terminated the contracts we have with one Russian customer within the given notice periods.

Note 18 Other gains/losses

Related to purchase of Likron GmbH there was used a seller credit related to the share issue. Earn-out 2020 and 2021 are based on Likron reaching threshold revenue targets indicating ARR growth. Payment based on 60% cash and 40% shares based on full earn-out. Based on the performance above expecations in 2021 the total earn-out payment has increased with 17 304 TNOK. The increase in earn-out has been recoginaised in the profit and loss as other losses. In addition to the consideration disclosed above, the seller is entitled to a deferred consideration that will be paid if the current management will stay in their position until the end of 2022. Deferred consideration will be recognised as employee expenses. The maximum deferred consideration is NOK 21.2 million (EUR 2.0 million)

Note 19 Intercompany loans

Amounts in NOK 1000	2021	2020
Loan to Volue Germany GmbH (former Likron GmbH)	7 975	-
Loan to Volue Market Services AS	-	5 000
Total intercompany loans	**7 975**	**5 000**

Note 20 Current liabilities

Current interest-bearing liabilities

Amounts in NOK 1000	2021	2020
Due to Volue Market Services AS	30 000	-
Due to Volue Energy GmbH (former ProCom GmbH)	4 364	-
Total current interest-bearing liabilities	**34 364**	**-**

Other current liabilities

Amounts in NOK 1000	2021	2020
Sellers credit related to Volue Germany GmbH (former Likron GmbH)	57 253	32 200
Sellers credit related to Volue Energy GmbH (former ProCom GmbH)	9 278	
Other taxes, VAT and dues payable	1 052	
Other current liabilities	8 221	
Total other current liabilities	**75 804**	**32 200**

Independent auditor's report

To the General Meeting of Volue ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Volue ASA, which comprise:

- The financial statements of the parent company Volue ASA (the Company), which comprise the balance sheet as at 31 December 2021, the statement of income, statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Volue ASA and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2021, the consolidated statement of income, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU, and
- the financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting 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 laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

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 the Company for 2 years from the election by the general meeting of the shareholders on 26.11.2019 for the accounting year 2020.

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.

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue from construction contracts	
In 2021, revenue from construction contracts constituted NOK 854 722 thousand, equal to approximately 82% of total operating revenues. Revenue from construction contracts is recognized over time based on expected final outcome, and stage of completion of the contract. Assessment of total contract cost, revenue and stage of completion is updated on a regular basis. There are several reasons why we consider revenue from construction contracts a key audit matter. The Group has a significant volume of construction contracts, such contracts may have a long duration during which time the assessment of contract costs and stage of completion may be complex and subject to judgement. Furthermore, management's judgement related to construction contracts impact several areas of the financial statements including revenue, operating expenses, contract assets and liabilities, trade receivables and payables, provisions, and corporate income tax. Notes 3 and 4 and the accounting principles include additional information on the Group's construction contracts.	We obtained a sample of contracts and assessed accounting treatment against the Group's accounting principles and *IFRS 15 Revenue from contracts with customers*. We found that the accounting treatment is consistent with the content of the contracts and that accounting principles was based on IFRS 15. The Group had implemented controls to ensure that accounting for construction contracts reflect management's best estimates with respect to total contract cost, revenue, and stage of completion. Controls was implemented at various levels of the organisation and included periodic meetings to review open contracts. Through meetings with management and project leaders, including review of relevant documentation, we tested whether relevant controls were implemented. Estimating project costs and calculating stage of completion requires judgement. We performed various procedures to assess whether management's judgements were reasonable, including: • Interviewed project leaders and management challenging judgements made with respect to project estimates. • Reconciled expenses and hours incurred against budgeted expenses and hours. • Comparing actual outcome on completed project against initial budget.

volue

Independent auditor's report cont.

pwc

- Assessed whether stage of completion on open projects corresponds to amounts recognised in the financial statements.

We found that assumptions used, and judgements made by management were reasonable. We further evaluated the disclosures in note 3 and 4 and found these to be free from material misstatement.

Valuation of goodwill and intangible assets

As at 31 December 2021 carrying amount of goodwill and intangible assets in the Group's financial statements was NOK 542 528 thousand, equal to approximately 31% of total assets. Goodwill and intangible assets with indefinite economic life are tested for impairment at least annually. Other intangible assets are tested for impairment when indicators of impairment exist. Impairment testing is performed at the level of cash generating unit. When testing for impairment, the carrying amount is compared to recoverable amount. The recoverable amount is determined based on value in use or fair value less cost of disposal.

As at 31 December 2021, management's impairment assessment indicated that recoverable amount exceeded carrying amount for all cash generating units where goodwill and intangible assets were recognised. As a result, no impairment was recorded.

We focused on this area because goodwill and intangible assets constitute a significant share of the Group's total assets and calculation of recoverable amount involves significant judgement by management.

Refer to note 12 to the financial statements for further information on goodwill and intangible assets, cash generating units and impairment testing.

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 whether key assumptions used by management appeared reasonable based on our understanding of the business and industry of each relevant cash generating unit. We also traced data used in valuation models to underlying documentation.

Based on our audit procedures we found that valuation methods used were reasonable and consistent with our understanding of the business and industry. Our testing of data against underlying documentation did not uncover material exceptions. While we did not find evidence to indicate that goodwill or intangible assets were impaired, we note that the valuation of cash generating units is sensitive to changes in assumptions.

Lastly, we evaluated the information provided in note 6 to the financial statements where management describes the Group's goodwill and intangible assets and the results of the impairment testing. We found that the disclosures described management's valuation of goodwill and intangible assets appropriately.

Independent Auditor's Report - Volue ASA

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Other Information

The Board of Directors and the Managing Director (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 legal requirements.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

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 International Financial Reporting 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.

Independent auditor's report cont.

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 or 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 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, related safeguards.

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 Regulation on European Single Electronic Format (ESEF)

Opinion
We have performed an assurance engagement to obtain reasonable assurance that the financial statements with file name Volue Annual Report 2021.zip have been prepared in accordance with Section 5-5 of the Norwegian Securities Trading Act (Verdipapirhandelloven) and the accompanying Regulation on European Single Electronic Format (ESEF).

In our opinion, the financial statements have been prepared, in all material respects, in accordance with the requirements of ESEF.

Management's Responsibilities
Management is responsible for preparing and publishing the financial statements in the single electronic reporting format required in ESEF. This responsibility comprises an adequate process and the internal control procedures which management determines is necessary for the preparation and publication of the financial statements.

Auditor's Responsibilities
Our responsibility is to express an opinion on whether the financial statements have been prepared in accordance with ESEF. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance that the financial statements have been prepared in accordance with the European Single Electronic Format.

As part of our work, we performed procedures to obtain an understanding of the company's processes for preparing its financial statements in the European Single Electronic Format. Our work comprised reconciliation of the financial statements under the European Single Electronic Format with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Arendal, 29 March 2022
PricewaterhouseCoopers AS

Lars Ole Lindal
State Authorised Public Accountant

Members of the Board

The overall management of the Company is vested in the Board of Directors and the Management.

In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business, ensuring proper organisation, preparing plans and budgets for its activities, ensuring that the Company's activities, accounts and asset management are subject to adequate controls and undertaking investigations necessary to perform its duties.

As of 29 March 2022, Volue's board comprised ten members, of which two are employee-elected. Volue's board is composed such that it is able to act independently of any special interests.

Ørjan Svanevik (1966)
Chairman of the Board

Ørjan Svanevik has been the Chief Executive Officer of Arendals Fossekompani ASA since September 2019. He has extensive experience from various directorships and executive management positions within a wide range of industries. Svanevik held several executive management positions prior to joining Arendals Fossekompani ASA, including Chief Operating Officer in Kværner ASA, Head of M&A in Aker ASA and Chief Operating Officer in the Seatankers group. Svanevik holds Master og General Business from BI and MBA from Thunderbird.

Chairman of the Board in Volue since: 2019
Elected until: 2023
Independent of Executive Management
Current Board positions: Chairman of the board of directors of Oavik Capital AS and Oavik Invest AS, Prai AS, EFD Induction AS and C.W. Downer AS, and member of the board of directors of NorgesGruppen ASA and NorgesGruppen Finans Holding AS.
Number of shares in Volue ASA: 7,500
Board meetings attended in 2021: 20/20

Ingunn Ettestøl (1973)
Board Member

Ingunn Ettestøl has held the position as Chief Sustainability Officer (CSO) in Arendals Fossekompani ASA since September 2020. Prior to that, she was Vice President of Business Development in Arendals Fossekompani ASA from 2017. Ettestøl has extensive experience from the energy sector and has held several management positions in Agder Energi AS and Enova SF. She holds a PhD in Electrical Power Engineering from NTNU and a Master degree in Theoretical Physics from NTNU.

Board member since: 2020
Elected until: 2022
Independent of Executive Management
Current Board positions: Etcona AS (Chair) and Arendals Fossekompani's Pensjonskasse (member)
Number of shares in Volue ASA: 6,187
Board meetings attended in 2021: 20

Lars Peder Fosse Fensli (1976)
Board Member

Lars Peder Fosse Fensli has been the Chief Financial Officer of Arendals Fossekompani ASA since April 2017. Prior to this, he held the position as Chief Executive Officer of Markedskraft AS. Fensli has more than 20 years of experience from several board- and management positions, including International Marketing Manager in Axellus AS, Marketing Manager in Lilleborg AS, Manager business consulting in PWC and Finance Manager in Arendals Fossekompani ASA. He holds a MSc in Economics and Business Administration from Norwegian School of Economics (NHH).

Board member since: 2020
Elected until: 2023
Independent of Executive Management
Current Board positions: NorSun AS (member)
Member of: Audit Committee
Number of shares in Volue ASA: 17,000
Board meetings attended in 2021: 20

Christine Grabmair (1979)
Board Member

Christine Grabmair has been the Head of Customer Solutions of E.ON Digital Technology GmbH, Germany since April 2019. She has 18 years of experience from the industrial and technology industries, including as Chief Information Officer at Components Technology at thyssenkrupp AG. Grabmair holds a diploma in Business Administration and a MSc in Information Systems.

Board member since: 2021
Elected until: 2022
Independent of Executive Management and the company's main shareholder
Number of shares in Volue ASA: 0
Board meetings attended in 2021: 15

Henning Hansen (1965)
Board Member

Henning Hansen has more than 30 years' experience from the software and technology industry and has worked as a full time non-executive Board member and owner of HEPE Consulting AS since 2017. He previously held the positions as Chief Executive Officer in Norman ASA and Confirmit ASA, Vice President of Gartner Norway and Oracle Norway, and IT manager of Eltek ASA. Hansen has also served as chairman of Apsis AB, and as a member of the board of directors of Catalystone AS, ENEAS AS, Software Innovation AS and Powel AS. Hansen holds two bachelor degrees: A BBa from BI Norwegian School of Management in Oslo and a BSc from Oslo Ingeniørhøyskole.

Board member since: 2020
Elected until: 2022
Independent of Executive Management and the company's main shareholder
Current Board positions: Chairman of the board of Norstat AS and Defendable AS and member of the board of directors of GSGroup AS, Wellit AS and Forsta AS.
Member of: Audit Committee
Number of shares in Volue ASA: 42,857
Board meetings attended in 2021: 20

Kjetil Kvamme (1966)
Board Member, elected by the employees

Kjetil Kvamme holds the position as Product Manager in Power Grid at Volue and has been with the company since 1995. Prior to this he worked at an Electrical Utility in Tromsø as an installer and later electrical engineer for six years. Kvamme has previously served as Board Member in Powel AS from 2015 until 2021. He holds a Master of Sciences in Applied Physic from University of Tromsø.

Board member since: 2020
Elected until: 2023
Number of shares in Volue ASA: 0
Board meetings attended in 2021: 10

Dr. Vija Pakalkaite (1982)
Board Member, elected by the employees

Vija Pakalkaite is the Managing Director of Volue Insight of the German business in Berlin, and she also leads a mid-term and long-term electricity market analysis team. Prior to joining Volue, she worked at market intelligence company ICIS, Central Bank of Lithuania, European Commission, as well as for Bonnier Business Press. Pakalkaite holds a PhD in political science, awarded by the Central European University of Vienna/Budapest.

Board member since: 2021
Elected until: 2023
Number of shares in Volue ASA: 102
Board meetings attended in 2021: 0[1]

Knut Ove Blichner Stenhagen (1985)
Board Member, elected by the employees

Knut Ove Blichner Stenhagen holds the position as Head of Automation in Industrial IoT at Volue. He has served as member of the board of directors of Scanmatic AS, now Industrial IoT by Volue, from 2014 and has held the position as Head of Automation since January 2018. Prior to this Stenhagen worked as a Development engineer in Scanmatic (2012-2017) and a Project Engineer at Siemens (2009-2012). He holds a Master of Science in Engineering Cybernetics from Norwegian University of Science and Technology (2009).

Board member since: 2020
Elected until: 2023
Number of shares in Volue ASA: 6,946
Board meetings attended in 2021: 20

[1] On maternity leave since elected to the Board of directors. Deputy Board member, Jens Dalsgaard has attended seven Board meetings in 2021.

Annette Maier (1968)
Board Member

Annette Maier is Area Vice President Central & Eastern Europe at UiPath, a leading provider of automation and RPA (Robotic Process Automation) and is responsible for the business in the regions of Central and Eastern Europe. Maier brings more than 20 years of experience in management and sales in European companies in the tech sector. Prior to her position at UiPath, she was responsible for the growth of the cloud business within the DACH region at Google Cloud. She also spent six years at VMware, where she most recently was Vice President and General Manager in Germany, and earlier Director Global Accounts at CEMEA and led the Enterprise Account Team. Before that, Maier spent more than six years in management positions at Hewlett-Packard. She holds MBA in business administration and economics at the University of Cologne in Germany.

Board member since: 2021
Elected until: 2023
Independent of Executive Management and the company's main shareholder
Current Board positions: Compass Group (member)
Number of shares in Volue ASA: 0
Board meetings attended in 2021: 3

Anja Schneider (1976)
Board Member

Anja Schneider serves as Senior Vice President and Chief Operating Officer (COO) globally for the executive board area Technology & Innovation at SAP, the world largest provider and market leader in enterprise application software. In this role she is responsible for the operationalisation of development strategy incl. planning, business transformation, workforce strategy, portfolio management, cloud operations as well as strategic customer engagements. She brings more than 20 years of experience in technology and business. Schneider held various senior leadership positions in the area of Sales, Go-to-Market Strategy, strategic planning of IT landscapes, integration, business model innovation as well as extensive industry knowledge. Schneider holds a Master in public management and business from the University of Applied Sciences - Public Administration and Finance Ludwigsburg.

Board member since: 2021
Elected until: 2023
Independent of Executive Management and the company's main shareholder
Number of shares in Volue ASA: 0
Board meetings attended in 2021: 3

Alternative Performance Measures

Basis for preparation

This presentation provides financial highlights for the quarter for Volue. The financial information is not reported according to the requirements in IAS 34 and the figures are not audited.

Volue ASA presents alternative performance measures as a supplement to measures regulated by IFRS. The alternative performance measures are presented to provide better insight and understanding of operations, financial position and the basis for future developments.

The definitions of these measures are as follows:

- **Adjusted EBITDA:** In order to give a better representation of underlying performance, EBITDA is adjusted with non-recurring items. Note that adjusted EBITDA does not include estimated one-off loss of revenues due to the cyber-incident.
- **ARR:** Annual Recurring Revenues is defined as revenues from recurring contracts including software as a service.
- **EBIT:** Profit/loss before tax and net finance cost.
- **EBITDA:** Profit/loss before tax, net finance cost, depreciation, amortisation and impairment.
- **SaaS:** Software as a service. SaaS revenues are defined as revenues from software hosted by Volue and distributed through web applications
- **Non-recurring items:** Items that are not part of the ordinary business, such as IPO related costs and insurance settlement related to the cyber-incident. In addition, external costs related to implementation of corporate back-office cloud-based systems (e.g. ERP) are considered non-recurring. In accordance with IFRS IC agenda decision (Configuration or Customisation Costs in a Cloud Computing Arrangement) from April 2021, these costs have not been capitalised, as they previously would have been.

Through digital platforms and innovative solutions, we deliver services critical to society for a cleaner, better, and more profitable future.

Volue ASA

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