

Technology for a sustainable tomorrow

Third quarter report 2022

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Highlights of the third quarter 2022

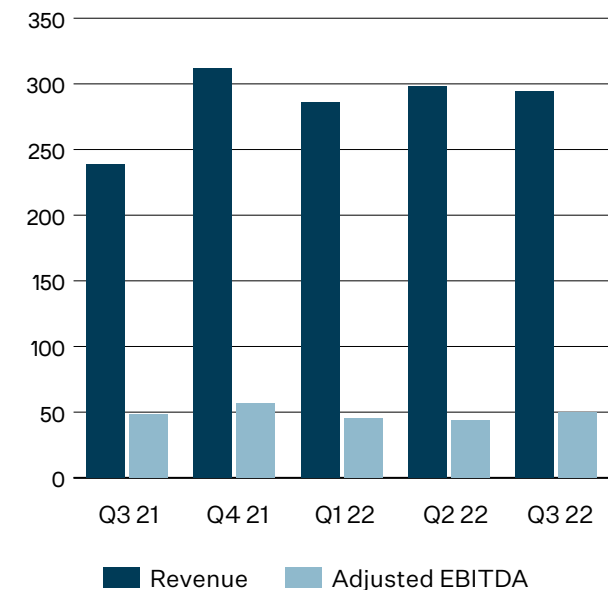
Value on track for 2025 ambitions

- Total operating revenues YTD Q3 2022 amounted to NOK 878 million, compared to NOK 729 million YTD Q3 2021. For the third quarter 2022, the revenues were NOK 294 million, compared to NOK 239 million for the third quarter 2021.
- The revenue growth YTD Q3 2022 was 20% compared to YTD Q3 2021. For the third quarter, the revenue growth was 23% compared to the third quarter of 2021.
- The top-line growth has been mainly driven by the Energy area, with growth for the segment YTD Q3 2022 of 35%. For the third quarter, the revenue growth was 36% from 2021 to 2022.
- Adjusted EBITDA was NOK 139 million YTD Q3 2022, compared to NOK 157 million in the same period in 2021. This represents a decrease in adjusted EBITDA margin from 22% YTD Q3 2021 to 16% YTD Q3 2022. For the third quarter 2022 adjusted EBITDA was NOK 50 million up from NOK 48 million in the same quarter in 2021. This represents a reduction in adjusted EBITDA margin from 20% YTD Q3 2021 to 17% YTD Q3 2022. The reduction is mainly caused by strategic investments in the SaaS platform, increased cost to strengthen the organisation for further growth and a shift in business models.
- The transformation towards recurring revenues and Software as a Service (SaaS) continues. SaaS

revenues were NOK 204 million YTD Q3 2022, an increase of 31% compared to YTD Q3 2021, while annual recurring revenue has increased by 15% in the same period. SaaS revenues were NOK 70 million in the third quarter of 2022, an increase of 27% compared to the same quarter in 2021, while annual recurring revenue has increased by 19% in the same period.

- The SaaS transformation enabled a strong growth in new contracts, building a solid platform for further revenue growth.
- Expansion of the European footprint and growing international activities are the main drivers for growth through new markets and solutions such as trading, optimisation, forecast and analysis.
- Value opened an office in Japan in 2022 to further grow the international footprint outside of Europe and launched the first product offerings for the Japanese market on the first of September.
- In 2022 Value strengthened its executive management team and changed its operational model to a functional organisation with a common product and technology organisation. This is intended to further strengthen our SaaS transformation through scalable business models to increase market penetration and product readiness for entering new markets.

Revenue and adjusted EBITDA



- The company reiterates the strong market outlook.

Subsequent events

There have been no subsequent events relevant to the YTD Q3 2022 reporting.

Key figures

Financial highlights

Amounts in NOK million and per cent

	Q3 2022	Q3 2021	YTD 2022	YTD 2021	LTM
Operating revenues ¹	294	239	878	729	1,189
Adjusted EBITDA ²	50	48	139	157	194
Adjusted EBITDA margin	17%	20%	16%	22%	16%
Recurring revenues growth (%)	19%	15%	15%	16%	15%
Recurring revenues (% of revenues)	62%	64%	63%	66%	63%
SaaS revenues growth (%)	27%	72%	31%	57%	31%
SaaS revenues (% of revenues)	24%	23%	23%	21%	23%
R&D CAPEX (% of revenues)	11%	10%	10%	10%	10%

1) Cyber insurance settlement of NOK 20 million not included in operating revenues for 2021.

2) EBITDA adjusted for non-recurring items.

Note that adjusted EBITDA does not include estimated one-off loss of revenues due to the cyber-incident in 2021.



Financial review

Value continued the positive development YTD Q3 2022 and is on track for the 2025 targets and ambitions.

The turbulence in the world economy has had minimal impact on Value in the quarter, and the exposure to Russia is also minimal. However, several of our customers in the Energy segment are experiencing challenges after the reduction in the gas supply from Russia, which impacts the financial robustness.

The company sees a strong development in building a continually increasing recurring revenue base, where the SaaS transformation of the company is steadily progressing with a solid development from the corresponding period last year.

Total operating revenues YTD Q3 2022 amounted to NOK 878 million (729 million). For the third quarter, the revenues were NOK 294 million (239 million). This represents a growth of 20% YTD Q3 2022 compared to YTD Q3 2021 and 23% for the third quarter compared to the third quarter of 2021

Total operating expenses comprise materials and consumables used, employee benefit expenses, other operating expenses, depreciation, amortisation and impairment. The total operating expenses YTD Q3 2022 have increased by 18% to NOK 834 million, up from NOK 708 million in the same period last year. For the third quarter 2022, total operating expenses have increased by 20% to NOK 275 million, up from NOK 229 million in the same period last year.

Materials and consumables used have increased by 19% from NOK 121 million YTD Q3 2021 to NOK 144 million YTD Q3 2022. For the third quarter, the increase is 18% from NOK 43 million in the third quarter 2021 to NOK 51 million in the third quarter 2022. This growth is related to increased trading and third-party cost.

Employee benefit expenses YTD Q3 2022 increased by 7% compared to the same period last year, which is explained by a higher number of employees, as part of Value's growth strategy to increase revenues.

Other operating expenses YTD Q3 2022 increased by 68% compared to the same period last year. The high level of personnel and other operating costs are the results of Value's strategic decision to pursue growth and higher activity levels. In addition, the financial figures from the acquisition of Procom GmbH have been included in YTD Q3 2022. In the comparison figures, cost related to the cyber-incident was adjusted.

Adjusted EBITDA YTD Q3 ended at NOK 139 million (NOK 157 million for the same period in 2021), while the adjusted EBITDA margin was 16% (22%). For the third quarter 2022, adjusted EBITDA was NOK 50 million (48 million for the same period in 2021), while the adjusted EBITDA margin was 17% (20%).

Recurring revenues ended at NOK 550 million YTD Q3 2022 (NOK 478 million for the same period in 2021), representing 63% (66%) of total revenues.

The SaaS revenues ended at NOK 204 million, representing 23% of total revenues in the period.

For the third quarter 2022, recurring revenues were NOK 181 million (NOK 152 million in the third quarter of 2021), representing 62% (64%) of total revenues. The SaaS revenues ended at NOK 70 million, representing 24% of total revenues in the period.

Total assets were NOK 1 743 million at the end of the period, compared to NOK 1 746 million at the end of 2021.

Total equity was NOK 811 million at the end of the quarter. Thus, the equity ratio was 47%.

Net cash flow from operating activities YTD Q3 2022 was NOK 228 million, compared to NOK 59 million YTD Q3 2021. The development is related to ordinary prepayments from customers and also good underlying performance. Net cash flow from investing activities was NOK -97 million (-70 million), following mainly from acquisitions and R&D investments.

Value's cash balance at the end of third quarter 2022 was NOK 513 million (404 million at the end of 2021), of these were NOK 133 million restricted cash deposits. The increase from year-end 2021 is mainly due to net cash flow from operations, including prepayments from customers. This is partly offset by negative cash flow from investments and lease payments.

Value in brief

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

Value is a market leader in technologies and services that power the green transition. Based on 50 years of experience, Value provides innovative solutions, systems and insights to industries critical to society. Over 750 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.

Value operates in industry segments that offer critical infrastructure to society, including energy, water supply and infrastructure building. In addition, Value delivers instrumentation and automation for transport, offshore, maritime and defence purposes.

Value 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.

Value's digital platforms and innovative solutions support digital water management and the automation of processes and machines for the construction industry. The 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.

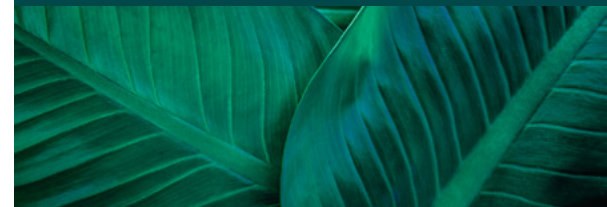
Purpose

We realise the green transition



Mission

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



Vision

To develop technology for a sustainable tomorrow

Value by numbers

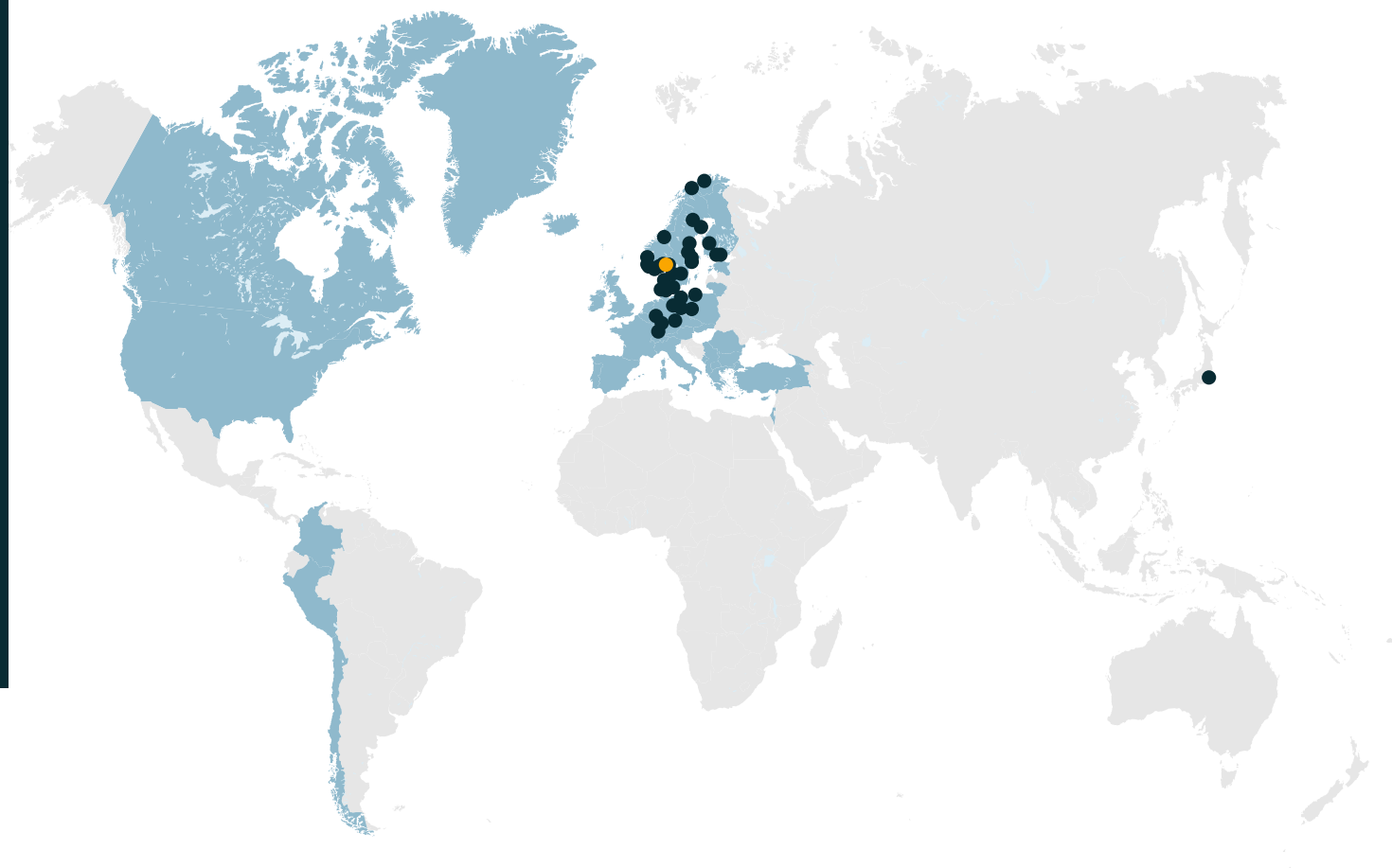
750+
EMPLOYEES

2 200+
CUSTOMERS
IN 40+ COUNTRIES

30+
OFFICES
IN 8 COUNTRIES

Where we are:

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



Development

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 the 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

Revenue in the Energy segment was NOK 191 million for the quarter. The growth rate from the third quarter 2021 was 36%. For YTD Q3 2022, revenue in the Energy Segment was NOK 552 million. The growth rate from YTD Q3 2021 was 35%.

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 the European footprint

and growing international activities are the main drivers for further growth through new markets and solutions such as trading, optimisation, forecast and analysis.

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 a core part of Volue's offering across the value chain.

CAPEX levels in the Energy segment represent approximately 8 per cent of sales and are mainly composed of R&D investments.

Volue is making significant investments into new products related to optimisation, trading solutions, analyses and forecast solutions.

Power Grid

Revenue in the Power Grid segment was NOK 55 million for the quarter. The growth rate from the third quarter 2021 was -2%. For YTD Q3 2022, revenue in the Power Grid segment was NOK 179 million. This is in line with YTD Q3 2021

For the Power Grid segment, Volue saw a strong sales performance increasing the order backlog and an increased ARR base. The reduced growth is mainly due to delivery capacity, which is expected

to improve going forward. The area invests in new business activity and furthermore sparks investments in SaaS products.

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.

EBITDA margins are expected to improve going forward as the market outlook for the segment is good.

With decades of experience, 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 society is progressing, creating new challenges and opportunities. Volue is in a strong position to capitalise on this growth due to 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 12% of revenues 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

Revenue in the Infrastructure segment was NOK 48 million for the quarter. The growth rate from the third quarter 2021 was 11%. For YTD Q3 2022, revenue in the Infrastructure segments NOK 147 million. The growth rate from YTD Q3 2021 is 4%

For the Infrastructure segment, the shift in business models towards SaaS is 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 ongoing expansion to Sweden and Denmark.

CAPEX levels in the Infrastructure segment represent approximately 15 per cent of sales and are expected to remain at these levels in the near term. All investments are directed towards Volue's SaaS offerings.



Risks and uncertainty factors

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.

The turbulence in the world economy has had no impact on Volue in the quarter, and the exposure to Russia is minimal. However, several of Volue's customers are impacted by the changes in the supply of energy following the Ukraine war, and this

may impact Volue's financial situation in the short-to mid-term. In the long run, the ongoing changes will accelerate the energy transition and furthermore increase the demand for Volue's products and services.

Currently, Volue sees limited risk related to the Ukraine war. The ongoing situation in the world economy has increased inflation and the risk of increased salary and general cost levels. A more global job market and inflation may increase the risk of not getting access to the right competence.

The Group's software platforms and solutions are subject to substantial external threats associated with data security, such as the risk of virus attacks, attempts at hacking, social manipulation and phishing scams. The cyber incident in 2021 has increased the groups efforts on cyber security, and the company will continue to increase these efforts.

Market outlook

Value is a market leader in technologies and services that power the green transition. Based on 50 years of experience, Value provides innovative solutions, systems and insights to industries critical to society. Over 750 employees work with more than 2 200 customers across energy, power grid, water and infrastructure projects to ensure a sustainable, flexible and reliable future.

Furthermore, Value is a solid company that has a strong position for profitable growth and expansion based on the following pillars:

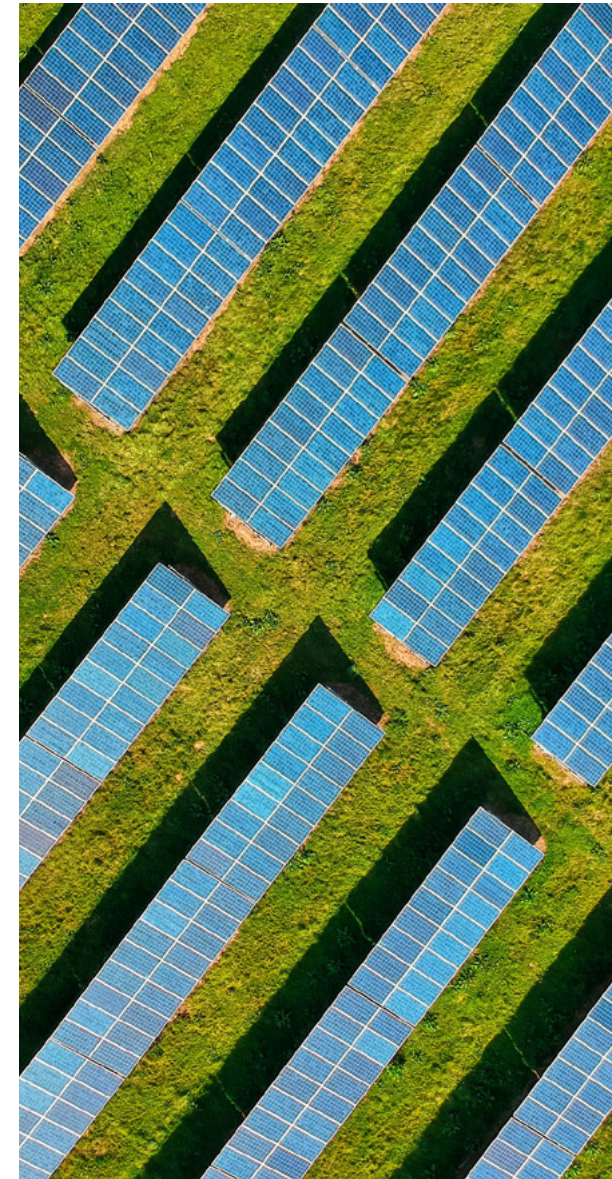
The shift towards green, non-controllable energy sources drives increased volatility and complexity for customers, requiring dynamic and cloud-based software solutions.

Value offers wall-to-wall SaaS solutions and has built up a customer base comprising the leading European energy companies.

The ongoing SaaS transformation creates solid growth in recurring revenues and will strengthen the EBITDA margins through economy of scale as more and more services are delivered through Value's platform.

Value sees continued strong markets and has a strong foundation for continued profitable growth and expansion. The long-term ambition is to exceed NOK 2 billion in 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 Q4 2022, the company has outlined the following additional priorities and ambitions:

- Further utilise synergies to strengthen margins
- Adj. EBITDA margins improving from H1 2022
- Continue to grow ARR business in line with 2025 targets and 2021 performance
- Expand activities outside Europe
- Strategic investments for international growth
- Structural growth through M&A



Condensed interim financial information

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Condensed consolidated statement of income

Amounts in NOK 1000	Note	YTD Q3		Q3	
		2022	2021	2022	2021
Revenues	4,5	878 150	728 525	293 834	239 250
Materials and consumables used		144 058	121 484	50 918	43 175
Employee benefit expenses		429 540	389 277	133 855	125 324
Other operating expenses		180 079	128 552	63 468	37 804
EBITDA		124 473	89 212	45 593	32 948
Depreciation and amortisation		79 993	68 246	26 706	22 433
Impairment loss from PPE		-	609	-	609
Net operating income/(loss)		44 480	20 357	18 887	9 906
Finance income		16 471	14 269	6 184	6 232
Finance costs		12 464	13 597	2 989	6 347
Profit/(loss) before income tax		48 487	21 029	22 082	9 791
Income tax expense		12 371	3 945	2 781	2 000
Profit/(loss) from continuing operations		36 117	17 084	19 301	7 791
Profit/(loss) from discontinued operation		-	-	-	-
Profit/(loss) for the period		36 117	17 084	19 301	7 791
Attributable to equity holders of the company		36 048	17 061	19 256	7 791
Attributable to non-controlling interests		69	23	45	-0
Basic earnings per share		0.25	0.12	0.25	0.12
Diluted earnings per share		0.25	0.12	0.25	0.12

Condensed consolidated statement of other comprehensive income

	YTD Q3		Q3	
	2022	2021	2022	2021
<i>Amounts in NOK 1000</i>				
Items that may be reclassified to statement of income				
Exchange differences on translation of foreign operations	15 704	-7 183	6 917	-368
Changes on cash flow hedges	-2 163	886	-	291
Income tax related to these items	-	-	-	-
Items that may be reclassified to statement of income	13 541	-6 298	6 917	-77
Items that will not be reclassified to statement of income				
Remeasurements of post-employment benefit obligations	-	-	-	-
Income tax relating to these items	-	-	-	-
Items that will not be reclassified to statement of income	-	-	-	-
Other comprehensive income/(loss) for the period, net of tax	13 541	-6 298	6 917	-77
Total comprehensive income/(loss) for the period	49 657	10 786	26 218	7 714
Attributable to equity holders of the company	49 589	11 803	26 170	13 882
Attributable to non-controlling interests	69	15	47	2

Condensed consolidated balance sheet

Amounts in NOK 1000

Note 30 Sep 2022 31 Dec 2021

Assets

Non-current assets

Property, plant and equipment	122 609	140 975
Intangible assets	593 966	542 528
Pension assets	7 820	18 064
Non-current receivables and investments	38 469	29 300
Deferred tax assets	29 971	4 709
Total non-current assets	792 836	735 578

Current assets

Inventories	32 053	19 895
Contract assets	68 626	65 595
Trade and other receivables	336 882	519 858
Other current assets	-	922
Cash and cash equivalents	512 776	404 390
Total Current assets	950 337	1 010 659

Total assets	1 743 172	1 746 235
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Oslo, Norway, 10 November 2022
The Board of Directors and CEO Volue ASA




Ørjan Svanevik
Chairman



Lars Peder Fensli
Board Member



Ingunn Ettestøl
Board Member



Henning Hansen
Board Member



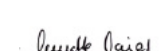
Christine Grabmair
Board Member



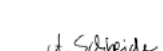
Knut Ove Stenhagen
Board Member



Kjetil Kvamme
Board Member



Annette Maier
Board Member



Anja Schneider
Board Member



Vija Pakalkaite
Board Member



Trond Straume
CEO

Amounts in NOK 1000

Note 30 Sep 2022 31 Dec 2021

Equity and liabilities

Equity

Share capital and share premium	4 491 089	4 498 115
Own shares	-154	-92
Other reserves	-3 682 705	-3 733 989
Capital and reserves attributable to holders of the company	808 230	764 035
Non-controlling interests	2 909	2 842
Total equity	811 139	766 877

Non-current liabilities

Lease liabilities	74 681	87 495
Employee benefits	584	560
Other non-current liabilities	13 679	-0
Provisions	508	14 505
Deferred tax liabilities	28 891	29 200
Total non-current liabilities	118 343	131 760

Current liabilities

Borrowings	10 490	17 529
Lease liabilities	21 382	27 675
Trade and other payables	112 285	350 686
Current tax liabilities	53 775	18 584
Contract liabilities	100 858	48 688
Other current liabilities	514 902	384 437
Total current liabilities	813 691	847 599

Total liabilities and equity	1 743 173	1 746 235
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Condensed consolidated statement of changes in equity

	Attributable to equity holders of the company				Non-controlling interests	Total equity
	Share capital and share premium	Own Shares	Other reserves	Total		
<i>Amounts in NOK 1000</i>						
Balance at 1 January 2021	4 492 332	-	-3 752 655	739 676	3 411	743 087
Profit/(loss) for the period	-	-	18 090	18 090	25	18 115
Other comprehensive income/(loss)	-	-	-6 020	-6 020	-9	-6 030
<i>Transaction with owners</i>						
Acquisition of non-controlling interest	-	-	-4 520	-4 520	-422	-4 942
Other equity transactions	-	-	1 651	1 651	-31	1 620
Balance at 30 September 2021	4 492 332	-	-3 743 455	748 877	2 973	751 850
 Balance at 1 January 2022	 4 498 115	 -92	 -3 733 989	 764 035	 2 842	 766 876
Profit/(loss) for the period	-	-	36 048	36 048	69	36 117
Other comprehensive income/(loss)	-	-	13 541	13 541	-0	13 541
<i>Transaction with owners</i>						
Own shares		-63	-2 080	-2 143	-	-2 143
Other equity transactions			-3 255	-3 255		-3 255
Balance at 30 September 2021	4 498 115	-154	-3 689 733	808 226	2 909	811 138

Condensed consolidated statement of cash flows

Amounts in NOK 1000	Note	YTD Q3	
		2022	2021
Cash flow from operating activities			
Profit/(loss) before income tax		48 487	21 029
adjustments for:			
Depreciation, amortization and impairment		79 993	68 864
Net financial items		-3 929	-672
(Gain)/Loss from sales of assets		-245	-
Total after adjustments to profit before income tax		124 306	89 221
Change in Inventories		-12 123	-8 844
Change in other current assets		137 245	23 432
Change in other current liabilities		-16 066	-3 011
Change in other provisions		186	-28 500
Change in employee benefits		-180	-189
Total after adjustments to net assets		233 368	72 109
Change in tax paid		-5 664	-12 823
Net cash from operating activities		227 705	59 286
Cash flow from investing activities			
Interest received		4 328	1 834
Proceeds from the sales of PPE		110	-
Purchase of PPE and intangible assets		-100 239	-82 215
Proceed from sale of other investments		-861	10 000
Proceeds from the sales of shares in subsidiaries		-	337
Net cash flow from investing activities		-96 662	-70 044

Amounts in NOK 1000	Note	YTD Q3	
		2022	2021
Cash flow from financing activities			
Movement in short term borrowings		-28 085	-20 628
Interest paid etc.		1 940	-6 411
Acquisition of non-controlling interests		-1 922	-5 012
Cash Flow from Own Shares		-4 372	-
Net cash flow from financing activities		-32 439	-32 050
Net increase in cash and cash equivalents		98 604	-42 808
Cash and cash equivalents at the beginning of the financial year		404 390	433 527
Effects of exchange rate changes on cash and cash equivalents		9 782	4 079
Cash and cash equivalents at end of period		512 776	394 798
Of this relating to restricted cash deposits		132 700	25 334

Notes to the Condensed consolidated Financial Statements

Note 1 Basis for preparation

This condensed interim consolidated financial report for Q3 reporting period ended 30 September 2022 has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS”) for interim reporting under International Accounting Standard (“IAS”) 34 Interim Financial Reporting. The condensed interim consolidated financial report has not been audited.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2021 and any public announcements made by Volue during the interim reporting period.

The accounting policies adopted in the preparation of the interim report are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for 2021. New standards effective from 1 January 2022 have had no material effect on the interim report.

Note 2 Estimates

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

Note 2 in the annual report for 2021 provides an overview of the areas that involves 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.

Note 3 Related parties

Volue has transactions and balances with key management. Note 24 in the annual report for 2021 provides details of transactions with related parties and the nature of these transactions. During first half year board member Henning Hansen has delivered consulting services to the company. Through his fully owned company, Hepe Consulting AS, it has been invoiced NOK 92.143,- ex. VAT to Volue ASA.

All related party transactions have been carried out as part of the normal course of business and at arm’s length.

Note 4 Subsequent events

There have been no events after the reporting period relevant for the interim financial report.

Note 5 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 optimisation 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 software solutions and consulting services. Help automate processes and machines for the construction industry.

In order to assess 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 expenses are not included in adjusted EBITDA. Non-recurring expenses is related to cyber-attack, IPO transaction, part of integration cost following establishment of Volue and one project in Volue with extraordinary expenses. 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 measurement basis of segment profit is net operating income. From 2021, all revenues and expenses are distributed to the three reportable segments.

	Energy	Power grid	Infra-structure	Other segments and eliminations	Total
<i>Amounts in NOK 1000</i>					
YTD Q3 2022					
Revenues third party and other income	552 366	179 019	146 766	0	878 150
Total revenues and other income	552 366	179 019	146 766	0	878 150
Materials and consumables used	86 025	36 311	21 880	-158	144 058
Employee benefit expenses	260 202	96 605	72 733	0	429 540
Other operating expenses	102 061	38 440	24 684	0	165 185
Adjusted EBITDA	104 078	7 662	27 469	158	139 367
Non-recurring items	8 698	3 456	2 741	0	14 895
EBITDA	95 379	4 207	24 729	158	124 473
Depreciation and amortization	46 593	15 742	17 658	0	79 993
Net operating income/(loss)	48 786	-11 535	7 071	158	44 480

	Energy	Power grid	Infra-structure	Other segments and eliminations	Total
<i>Amounts in NOK 1000</i>					
YTD Q3 2021					
Revenues third party and other income	407 899	179 048	141 577	0	728 525
Total revenues and other income	407 899	179 048	141 577	0	728 525
Materials and consumables used	67 333	34 547	19 019	585	121 484
Employee benefit expenses	196 314	119 596	73 367	0	389 277
Other operating expenses	53 873	515	6 286	0	60 674
Adjusted EBITDA	90 380	24 389	42 906	-585	157 090
Non-recurring items	23 023	31 289	13 567		67 878
EBITDA	67 357	-6 900	29 339	-585	89 212
Depreciation and amortization	39 574	14 224	14 448	0	68 246
Impairment	609	0	0	0	609
Net operating income/(loss)	27 174	-21 123	14 891	-585	20 357

Note 6 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:

<i>Amounts in NOK 1000</i>	Energy	Power grid	Infra-structure	Other segments and eliminations	Total
YTD Q3 2022					
Segment revenue	552 366	179 019	146 766	0	878 150
Revenue from external customers	552 366	179 019	146 766	0	878 150
Timing of revenue recognition					
At a point in time	174 960	0	0	0	174 960
Over time	377 405	179 019	146 766	0	703 190
Total	552 366	179 019	146 766	0	878 150
YTD Q3 2021					
Segment revenue	407 899	179 048	141 577	0	728 525
Revenue from external customers	407 899	179 048	141 577	0	728 525
Timing of revenue recognition					
At a point in time	125 723	0	0	0	125 723
Over time	282 176	179 048	141 577	0	602 802
Total	407 899	179 048	141 577	0	728 525



Note 7 Fair value measurement of financial instruments

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the annual report for 2021.

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.

<i>Amounts in NOK 1000</i>	Level 1	Level 2	Level 3	Total
At 30 September 2022				
Financial assets				
Financial assets at fair value through profit or loss (FVPL)	-	-	-	-
Total financial assets at fair value	-	-	-	-
Financial liabilities				
Earn-out	-	-	57 253	57 253
Total financial liabilities	-	-	57 253	57 253
At 31 September 2021				
Financial assets				
Financial assets at fair value through profit or loss (FVPL)	-	-	-	-
Total financial assets at fair value	-	-	-	-
Financial liabilities				
Earn-out	-	-	57 253	57 253
Total financial liabilities	-	-	57 253	57 253

The earn-out is a part of the purchase consideration for the purchase of Likron GmbH in 2020 and is based on Likron reaching threshold revenue targets indicating ARR growth for 2021. The earn-out for 2020 was paid out in 2021. Settlement in 50 per cent cash and 50 per cent shares.

Alternative Performance Measures

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 in 2021 (only relevant for 2021 figures).
- **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 & services operated by Volue in the cloud.
- **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 (only relevant for 2021). 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.

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