

An aerial photograph of a large concrete dam and reservoir. The dam is a curved structure made of concrete, with a road running along its top. A white car is visible on the road. The reservoir is on the right side of the image, and the surrounding area is covered in dense green forest. The text "value" is in the top right corner.

value

# Technology for a sustainable tomorrow

First quarter report 2023



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# Highlights of the first quarter 2023

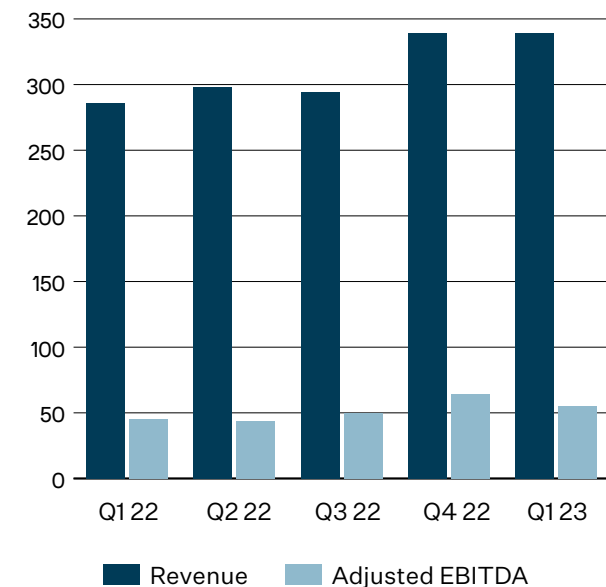
## Value continuing to grow revenues, ARR and SaaS

- Total operating revenues in the first quarter of 2023 amounted to NOK 339 million, compared to 286 million in first quarter of 2022.
- The revenue growth for the first quarter was 19 % compared to the first quarter of 2022.
- The Energy segment continues to be the main contributor to the revenue growth, increasing from NOK 172 million in the first quarter of 2022 to NOK 209 million in the same quarter 2023. This corresponds to a growth rate of 22%.
- Adjusted EBITDA was NOK 55 million for the first quarter of 2023, compared to NOK 45 million in the same period in 2022. This represents an increase in adjusted EBITDA of NOK 10 million in Q1 2023 compared to the same period 2022 and an unchanged adjusted EBITDA margin in the same period.
- The transformation towards recurring revenues and Software as a Service (SaaS) continues. SaaS revenues were NOK 88 million in the quarter, an increase of 34% compared to the first quarter of 2022 where SaaS revenues were NOK 66 million.
- 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. Value's offering has been well received in the market and the number of paying customers has increased to eleven.
- The company reiterates the strong market outlook.

### Subsequent events

Following the closing of the quarter, Value has sold its position within Fire and Chimney with annual revenues of 4,8 MNOK. The transaction value is estimated to 25 MNOK.

### Revenue and adjusted EBITDA



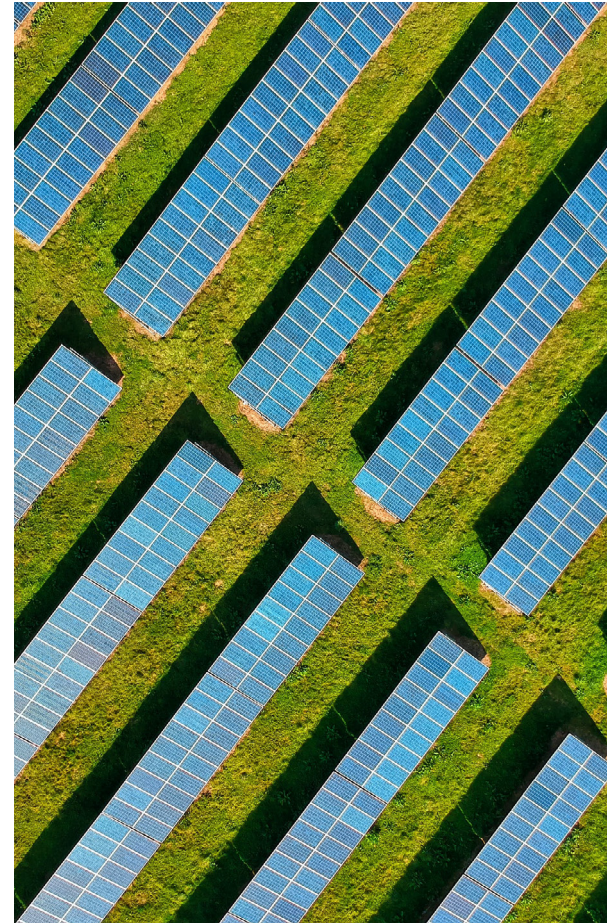
# Key figures

## Financial highlights

Amounts in NOK million and per cent

	Q1 2023	Q1 2022	2022	LTM
Operating revenues	339	286	1,217	1,270
Adjusted EBITDA <sup>1</sup>	55	45	203	213
Adjusted EBITDA margin	16%	16%	17%	17%
Recurring revenues growth (%)	21%	13%	15%	17%
Recurring revenues (% of revenues)	66%	65%	63%	63%
SaaS revenues growth (%)	34%	40%	28%	27%
SaaS revenues (% of revenues)	26%	23%	23%	24%
R&D CAPEX (% of revenues)	11%	11%	11%	10%

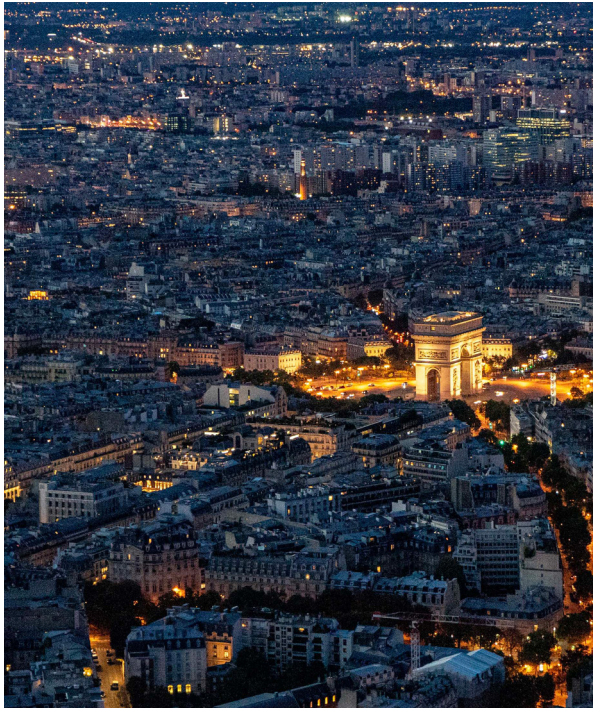
1) EBITDA adjusted for non-recurring items.



# Financial review

Value continued the positive development of strong growth in revenues, ARR and SaaS in Q1 2023. Value is maintaining the ambition of NOK 2 billion in revenues, including M&A, by 2025.

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 for the first quarter amounted to NOK 339 million (286 million). This represents a growth of 19% for the first quarter compared to the first quarter of 2022. Total operating expenses comprises materials and consumables used, employee benefit expenses, other operating expenses, depreciation, amortisation and impairment. The total operating expenses in the first quarter 2023 has increased by 16%, to NOK 316 million, up from NOK 272 million same period last year.

Materials and consumables used has increased from NOK 43 million to NOK 50 million. This represents a growth of by 16% from first quarter 2022. The increased cost of goods sold are related to increased trading and third-party cost.

Employee benefit expenses and other operating expenses increased by 19% and 22% respectively, compared to the same quarter in 2022. The increased costs are explained by a higher number of employees and increased activity levels as a result of Value's strategic decision to pursue growth.

Adjusted EBITDA for the quarter ended at NOK 55 million (45 million for the same period in 2022), while the adjusted EBITDA margin was 16% (16%).

Recurring revenues ended at NOK 223 million for the first quarter of 2023, (185 million for the same period in 2022) representing 66 % of total revenues. The SaaS-revenues ended at NOK 88 million, representing 26 % of total revenues in the period.

Total assets were NOK 1 992 million at the end of the period, compared to NOK 1 861 million at the end of 2022.

Total equity was NOK 840 million at the end of the quarter. Thus, the equity ratio was 42%.

Net cash flow from operating activities Q1 2023 was NOK 305 million, compared to NOK 285 million Q1 2022. The development is related to ordinary prepayments from customers and also good underlying performance. Net cash flow from investing activities was NOK -135 million (-33 million) following mainly from acquisitions of minority interest, payment of earn-out related to the acquisition of Likron (acquired in 2020) and R&D investments

Value's cash balance at the end of the first quarter 2023 was NOK 636 million (446 million at the end of 2022), of these were NOK 82 million restricted cash deposits. The increase from year-end 2022 is mainly due to net cash flow from operations, including prepayments from customers. This is partly offset by negative cash flow from investments.



# Value in brief

Value was established in March 2020 as the result of the merger of four companies: Powel, Markedskraft, Scanmatic and Wattsight. Since listing, Likron was acquired in 2020 and ProCom in 2021. Value transferred listing from Euronext Growth to Oslo Børs in May 2021.

Value was established in March 2020 as the result of the merger of four companies: Powel, Markedskraft, Scanmatic and Wattsight. Since listing, Likron was acquired in 2020 and ProCom in 2021. Value transferred listing from Euronext Growth to Oslo Børs 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. More than 770 employees work with around 2,500 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

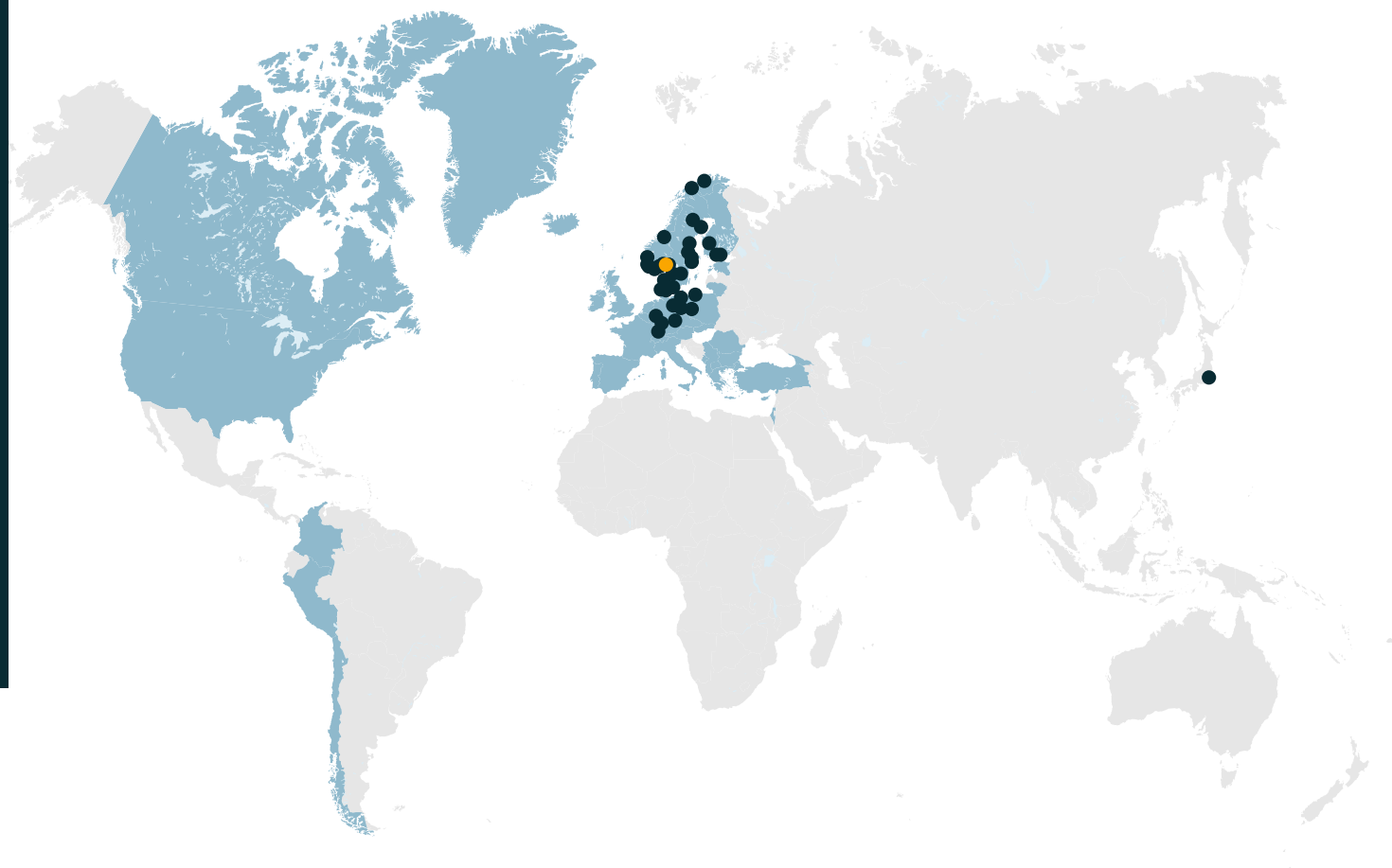
**770+**  
EMPLOYEES

**2 500+**  
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 209 million for the quarter. The growth rate from the first quarter of 2022 was 22 %. Adjusted EBITDA margin for the quarter (20%) were in the range of 2021 and 2022 averages (21%), while EBITDA margin for the quarter (17%) is improving compared to the respective years (14% and 15%). Volue has initiated a strategical assessment of its ownership in Industrial IoT, which is part of the Energy segment. When looking at Volue without IIoT for Q1 2023, adjusted EBITDA margin is estimated to improve by 2 approximately percentage points.

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 the international expansion is the establishment of operations in Japan, where Volue are pleased to report the number of customers having increased to eleven.

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. Going forward, Volue see substantial potential and growth coming from the renewable elements of batteries, wind and solar. Consequently, the company is working to capture such opportunities either structurally, organically or both.

CAPEX levels in the Energy segment represents approximately 9 % 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 76 million for the quarter. The growth rate from the first quarter 2022 was 20%.

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 base. The segment delivered increased Adjusted EBITDA margins and the market outlook for the segment is good. The area invests in new business activity and furthermore sparks investments in SaaS products.

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 with 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 15% of revenues and are related to R&D. CAPEX levels are expected to be steady over the next 12 months as Volue continue to investment in new product development, such as Distributed Energy Resources.



## Infrastructure

Revenue in the Infrastructure segment was NOK 54 million for the quarter. The growth rate from the first quarter 2022 was 7%.

For the Infrastructure segment, the shift in business models towards SaaS is progressing as planned. Increased market focus in Sweden and investments of new product gives a margin impact in Q1 compared to Q1 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 represents approximately 12 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

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 770 employees work with around 2 500 customers across energy, power grid, water and infrastructure projects to ensure a sustainable, flexible and reliable future.

Furthermore, Volue 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.

Volue 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 Volue's platform.

Volue continues to prioritise strategic investments in its SaaS platform and expansion into new markets.

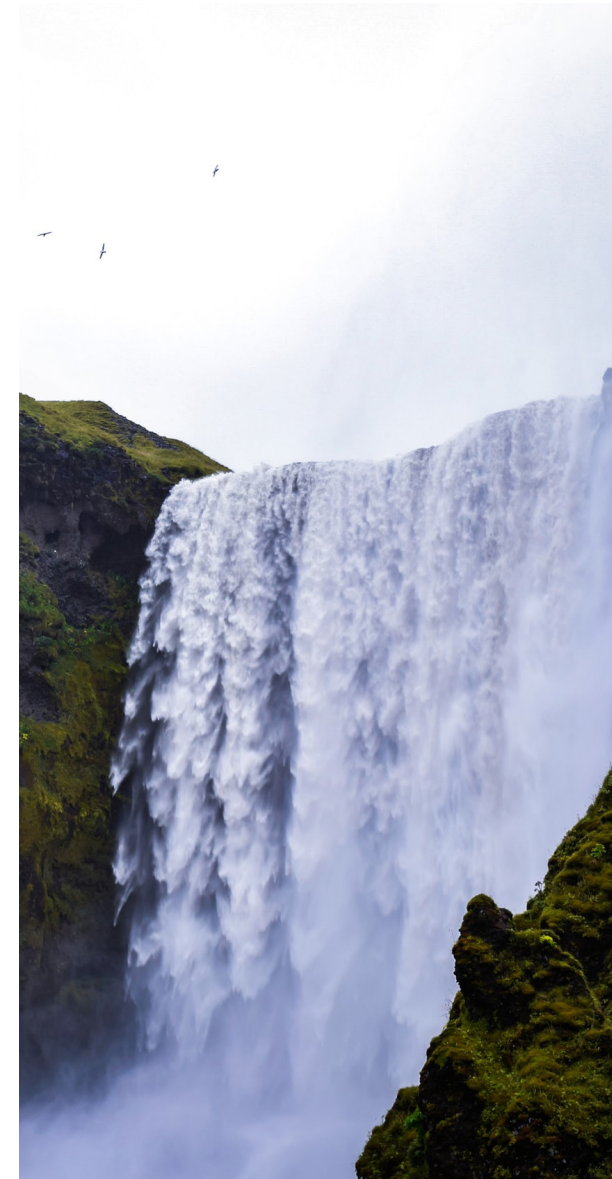
This creates short- to mid-term EBITDA impact and increased R&D capitalisation in line with plans. Measures are in place to counter margin effects, and Volue will work diligently to improve profitability and cash-conversion going forward.

Volue provides the following updated long term guidance to the market:

- Annual long term organic growth of 15% reiterated
- Target of NOK 2 billion in revenues 2025, including M&A, reiterated
- Year-by-year increase of adjusted EBITDA margin, cash conversion, ARR and SaaS share
- Volue remains confident in reaching ambitions set out in 2020, though the ongoing transformation of the energy markets leads to uncertainty about the timeline

Additionally Volue has set the following priorities and ambitions for 2023:

- Long-term growth target of 15% reiterated, whilst lower 2023 non-recurring revenues may limit growth from 2022
- Continue to grow ARR and SaaS business in line with 2022 performance
- Focus on profitability initiatives following a more normalised European energy market
- Structural growth through M&A





# Condensed interim financial information

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## Condensed consolidated statement of income

Amounts in NOK 1000	Note	Q1	
		2023	2022
Revenues	4,5	339 491	285 983
Materials and consumables used		50 316	43 344
Employee benefit expenses		179 741	150 711
Other operating expenses		63 114	51 932
<b>EBITDA</b>		<b>46 320</b>	<b>39 995</b>
Depreciation and amortisation	8	22 645	26 477
<b>Net operating income/(loss)</b>		<b>23 675</b>	<b>13 518</b>
Finance income		11 448	4 146
Finance costs		10 511	7 471
<b>Profit/(loss) before income tax</b>		<b>24 612</b>	<b>10 194</b>
Income tax expense		5 979	3 830
<b>Profit/(loss) for the period</b>		<b>18 634</b>	<b>6 363</b>
Attributable to equity holders of the company		18 648	6 403
Attributable to non-controlling interests		-14	-40
Basic earnings per share		0.13	0.04
Diluted earnings per share		0.13	0.04



## Condensed consolidated Statement of other comprehensive income

<i>Amounts in NOK 1000</i>	Q1	
	2023	2022
<b>Items that may be reclassified to statement of income</b>		
Exchange differences on translation of foreign operations	23 883	-7 211
Changes on cash flow hedges	-	-351
Income tax related to these items	-	-
<b>Items that may be reclassified to statement of income</b>	<b>23 883</b>	<b>-7 562</b>
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<b>23 883</b>	<b>-7 562</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>42 517</b>	<b>-1 198</b>
Attributable to equity holders of the company	42 524	-1 147
Attributable to non-controlling interests	-8	-52

# Condensed consolidated balance sheet

Amounts in NOK 1000

Note 31 Mar 2023 31 Mar 2022 31 Dec 2022

## Assets

### Non-current assets

Property, plant and equipment	121 992	135 358	123 852
Intangible assets	665 196	550 937	623 364
Pension assets	5 796	7 583	5 879
Non-current receivables and investments	37 395	37 426	34 600
<b>Total non-current assets</b>	<b>830 379</b>	<b>731 305</b>	<b>787 695</b>

### Current assets

Inventories	28 254	23 884	29 488
Contract assets	68 493	73 684	54 181
Trade and other receivables	428 848	305 401	542 850
Other current assets	-	1 640	-
Cash and cash equivalents	635 626	631 034	446 350
<b>Total Current assets</b>	<b>1 161 221</b>	<b>1 035 642</b>	<b>1 072 870</b>

<b>Total assets</b>	<b>1 991 600</b>	<b>1 766 947</b>	<b>1 860 565</b>
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Oslo, Norway, 4 May 2023

The Board of Directors and CEO Volue ASA

  
 Benjamin Golding  
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 31 Mar 2023 31 Mar 2022 31 Dec 2022

## Equity and liabilities

### Equity

Share capital and share premium	4 498 184	4 498 115	4 498 184
Own shares	-127	-103	-127
Other reserves	-3 658 417	-3 733 363	-3 691 918
<b>Capital and reserves attributable to holders of the company</b>	<b>839 640</b>	<b>764 650</b>	<b>806 138</b>
Non-controlling interests	-5	2 789	2 587
<b>Total equity</b>	<b>839 634</b>	<b>767 439</b>	<b>808 725</b>

### Non-current liabilities

Lease liabilities	74 376	83 533	77 492
Employee benefits	0	536	0
Other non-current liabilities	10 882	13 716	14 999
Provisions	300	478	300
Deferred tax liabilities	16 421	15 291	22 874
<b>Total non-current liabilities</b>	<b>101 979</b>	<b>113 554</b>	<b>115 664</b>

### Current liabilities

Borrowings	5 256	9 918	6 892
Lease liabilities	20 734	25 094	18 970
Trade and other payables	111 490	71 653	397 362
Current tax liabilities	34 485	26 780	23 678
Contract liabilities	319 020	269 439	31 411
Provisions	72 361	85 982	77 394
Other current liabilities	7 486 641	397 086	380 469
<b>Total current liabilities</b>	<b>1 049 987</b>	<b>885 953</b>	<b>936 175</b>

<b>Total liabilities and equity</b>	<b>1 991 600</b>	<b>1 766 947</b>	<b>1 860 564</b>
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## Condensed consolidated statement of changes in equity

	Note	Attributable to equity holders of the company				Non-controlling interests	Total equity
		Share capital and share premium	Own Shares	Other reserves	Total		
Amounts in NOK 1000							
Balance at 1 January 2022		4 498 115	-92	-3 733 989	764 035	2 842	766 876
Profit/(loss) for the period		-	-	6 403	6 403	-40	6 363
Other comprehensive income/(loss)		-	-	-7 550	-7 550	-12	-7 562
Acquisition of non-controlling interest		-	-11	1 186	1 175	-	1 175
Other equity transactions		-	-	585	585	-	585
Balance at 31 Mars 2022		4 498 115	-103	-3 733 363	764 647	2 789	767 439
Balance at 1 January 2023		4 498 184	-127	-3 691 918	806 138	2 587	808 725
Profit/(loss) for the period		-	-	18 648	18 648	-14	18 634
Other comprehensive income/(loss)		-	-	23 877	23 877	6	23 883
Transaction with owners							
Share based remuneration scheme		-		-358	-358	-	-358
Acquisition of non-controlling interests		-		-7 795	-7 795	-2 585	-10 380
Other equity transactions				-869	-869	-	-869
Balance at 31 March 2023		4 498 184	-127	-3 658 417	839 639	-5	839 634

## Condensed consolidated statement of cash flows

		Q1	
Amounts in NOK 1000	Note	2023	2022
Cash flow from operating activities			
Profit/(loss) before income tax		24 612	10 194
adjustments for:			
Depreciation, amortization and impairment		22 645	26 477
Net financial items		-937	3 324
(Gain)/Loss from sales of assets		-	-105
Total after adjustments to profit before income tax		46 320	39 890
Change in Inventories		1 428	-4 104
Change in other current assets		103 337	147 105
Change in other current liabilities		160 102	105 700
Change in other provisions		966	180
Change in employee benefits		83	57
Total after adjustments to net assets		229 892	288 829
Change in tax paid		-6 899	-3 947
Net cash from operating activities		305 336	284 883
Cash flow from investing activities			
Interest received		2 173	949
Proceeds from the sales of PPE		-	107
Purchase of PPE and intangible assets		-41 402	-34 478
Cash flows related to acquisitions		-85 125	-26
Acquisition of non-controlling interests		-10 380	-
Net cash flow from investing activities		-134 735	-33 449

		Q1	
Amounts in NOK 1000	Note	2023	2022
<b>Cash flow from financing activities</b>			
Movement in short term borrowings		2 851	-14 366
Interest paid and realised FX losses		-7 980	-2 072
Cash Flow from Own Shares		-	-1 054
<b>Net cash flow from financing activities</b>		<b>-5 129</b>	<b>-17 493</b>
<b>Net increase in cash and cash equivalents</b>		<b>165 472</b>	<b>233 941</b>
Cash and cash equivalents at the beginning of the financial year		446 350	404 390
Effects of exchange rate changes on cash and cash equivalents		23 804	-7 297
<b>Cash and cash equivalents at end of period</b>		<b>635 626</b>	<b>631 033</b>
Of this relating to restricted cash deposits		81 922	25 334



## Notes to the Condensed consolidated Financial Statements

### Note 1 Basis for preparation

This condensed interim consolidated financial report for Q1 reporting period ended 31 March 2023 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 2022 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 2022. New standards effective from 1 January 2023 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 2022 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 23 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 37.500,- 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>					
<b>Q1 2023</b>					
Operating revenues	209 007	76 476	54 008	0	339 491
<b>Total revenues and other income</b>	<b>209 007</b>	<b>76 476</b>	<b>54 008</b>	<b>0</b>	<b>339 491</b>
Materials and consumables used	30 781	12 394	7 099	41	50 316
Employee benefit expenses	102 027	42 827	34 694	0	179 548
Other operating expenses	35 039	10 422	9 412	0	54 873
<b>Adjusted EBITDA</b>	<b>41 160</b>	<b>10 833</b>	<b>2 803</b>	<b>-41</b>	<b>54 754</b>
Non-recurring items	4 889	1 977	1 568	0	8 434
<b>EBITDA</b>	<b>36 271</b>	<b>8 855</b>	<b>1 235</b>	<b>-41</b>	<b>46 320</b>
Depreciation and amortization	16 002	3 059	3 584	0	22 645
<b>Net operating income/(loss)</b>	<b>20 270</b>	<b>5 796</b>	<b>-2 349</b>	<b>-41</b>	<b>23 675</b>

	Energy	Power grid	Infra-structure	Other segments and eliminations	Total
<i>Amounts in NOK 1000</i>					
<b>Q1 2022</b>					
Operating revenues	171 989	63 628	50 366	0	285 983
<b>Total revenues and other income</b>	<b>171 989</b>	<b>63 628</b>	<b>50 366</b>	<b>0</b>	<b>285 983</b>
Materials and consumables used	25 831	10 971	6 745	-203	43 344
Employee benefit expenses	85 237	39 637	25 837	0	150 711
Other operating expenses	31 292	6 839	8 639	0	46 770
<b>Adjusted EBITDA</b>	<b>29 629</b>	<b>6 181</b>	<b>9 145</b>	<b>203</b>	<b>45 158</b>
Non-recurring items	3 015	1 198	950		5 163
<b>EBITDA</b>	<b>26 614</b>	<b>4 983</b>	<b>8 195</b>	<b>203</b>	<b>39 995</b>
Depreciation and amortization	15 447	5 177	5 853	0	26 477
Impairment	11 166	-194	2 343	203	13 518
<b>Net operating income/(loss)</b>	<b>13 588</b>	<b>1 979</b>	<b>5 414</b>	<b>-</b>	<b>20 980</b>

## 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
<b>Q1 2023</b>					
Segment revenue	209 007	76 476	54 008	-	339 491
<b>Revenue from external customers</b>	<b>209 007</b>	<b>76 476</b>	<b>54 008</b>	<b>-</b>	<b>339 491</b>
<b>Timing of revenue recognition</b>					
At a point in time	62 538	-2 500	-	-	60 038
Over time	146 469	78 976	54 008	-	279 453
<b>Total</b>	<b>209 007</b>	<b>76 476</b>	<b>54 008</b>	<b>-</b>	<b>339 491</b>
<b>Q1 2022</b>					
Segment revenue	171 989	63 628	50 366	-	285 983
<b>Revenue from external customers</b>	<b>171 989</b>	<b>63 628</b>	<b>50 366</b>	<b>-</b>	<b>285 983</b>
<b>Timing of revenue recognition</b>					
At a point in time	51 697	-	-	-	51 697
Over time	120 292	63 628	50 366	-	234 286
<b>Total</b>	<b>171 989</b>	<b>63 628</b>	<b>50 366</b>	<b>-</b>	<b>285 983</b>





## 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 2022.

### 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.

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.

<i>Amounts in NOK 1000</i>	Level 1	Level 2	Level 3	Total
<b>At 31 March 2023</b>				
<b>Financial assets</b>				
Financial assets at fair value through profit or loss (FVPL)	-	-	-	-
<b>Total financial assets at fair value</b>	-	-	-	-
<b>Financial liabilities</b>				
Earn-out	-	-	60 431	60 431
<b>Total financial liabilities</b>	-	-	<b>60 431</b>	<b>60 431</b>
<b>At 31 December 2022</b>				
<b>Financial assets</b>				
Financial assets at fair value through profit or loss (FVPL)	-	-	-	-
<b>Total financial assets at fair value</b>	-	-	-	-
<b>Financial liabilities</b>				
Earn-out	-	-	57 253	57 253
<b>Total financial liabilities</b>	-	-	<b>57 253</b>	<b>57 253</b>

## Note 8 One-off adjustment of depreciation

In connection with the implementation of a new ERP system in Volve, a technical error in the old ERP system has been discovered. This is related to the depreciation of fixed assets and activated development cost. As a result some assets have been over-depreciated for a number of years. Since the error has occurred over several years it has not had any material effect on the financial statements for the affected periods and the over-depreciation has been reversed in Q1 2023. Thus, a one-off reduction in depreciation costs of 8,3 MNOK has been recognized in Q1 2023.

# 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.
- **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 external costs related to implementation of corporate back-office cloud-based systems (e.g. ERP), M&A related costs and costs related to the share based remuneration schemes. 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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