

ERATIONS

FOR GENERATIO

ONS

2024
Q1

RATIONS

FOR GENERATIONS

GENERATIONS

For generations, Arendals Fossekompani has provided people and communities with clean energy and inspiration. Established in 1896 to harness the energy from an everlasting resource, water – we have utilized the benefits of this resource to build and develop high-tech companies. What started as a local producer of hydropower, has transformed into a global industrial investor.

While running water continues to power our business, we search for, invest in, and support companies that have the potential to make a difference. To enable the transition to a more sustainable future, we offer human and financial resources to renew and advance industries. Our competence is particularly strong in areas such as energy transition, electrification, materials, digitalization, and big data analytics.

We are a proud builder and supporter of technology that impacts the world. This is our legacy, our history, our future. It is what we have done, and what we will continue to do.

For generations.

Highlights Q1 2024

AFK Group revenue growth of 2%

Group revenue for Arendals Fossekompani in the first quarter amounted to NOK 1,435 million, slightly up from 1,405 million in the same quarter in 2023. Operating margin in the quarter was 8%.

NOK 1.00

Dividend to be paid in May

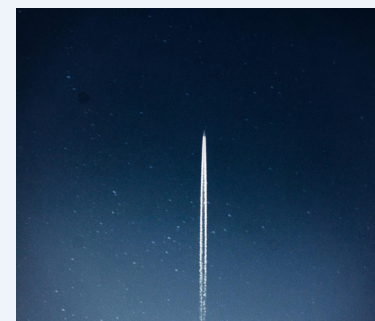
Arendals Fossekompani will pay a quarterly dividend for the first quarter of NOK 1.00 per share.

Lower electricity prices

Electricity prices were substantially lower in the first quarter, compared to the same quarter in 2023. As a result, AFK Vannkraft revenue was down 36% in the first quarter.



Good underlying performance across several portfolio companies



TEKNA

Successful Plasma Sonic delivery & key Microelectronics milestone

Tekna delivered the most advanced PlasmaSonic Wind Tunnel ever built to a leading aerospace OEM. The MLCC business line received its first revenue-generating order from a leading producer of MLCC devices.

NSSLGlobal

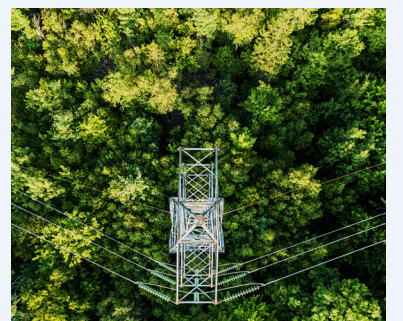
Significant Satellite Communication Order

NSSLGlobal won a significant governmental Satellite Communication contract during the quarter, stretching over 5 years with an option for 2 additional years.

ENRX

Strong operating revenue

ENRX operating revenue was EUR 46.2 million, a 10% increase from the same quarter in 2023.



value

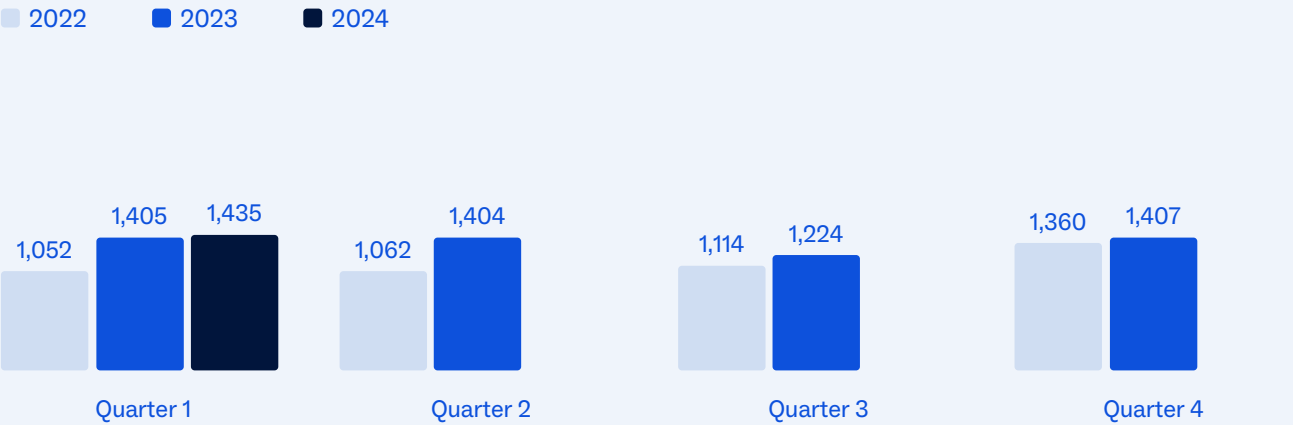
Solid growth and margin improvement

Value's revenue increased by 18% (10% organic) in Q1 2024 compared to Q1 2023. SaaS revenues increased by 42%, representing 31% of total revenue. Adjusted EBITDA margin was 21% in the quarter, up from 16% in Q1 2023.

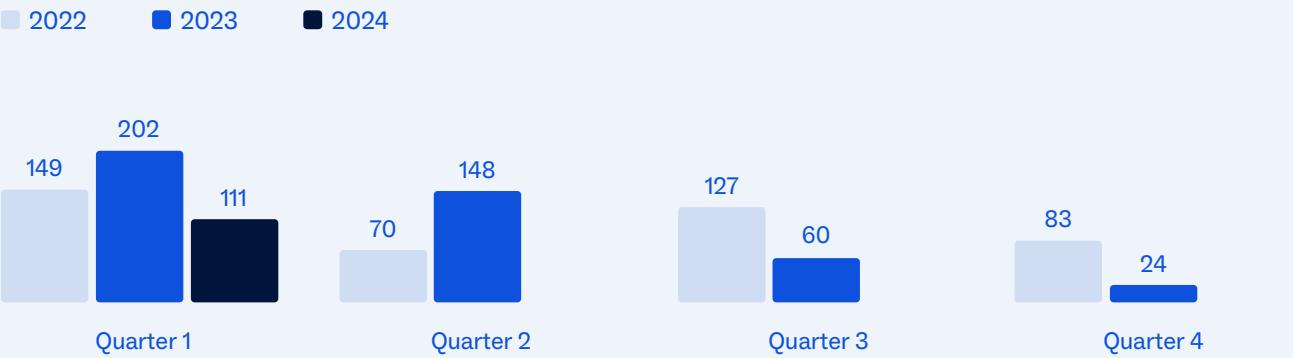
Financial Highlights Q1 2024

FINANCIAL KPIs (MNOK)		Q1 2024	Q4 2023	Q1 2023
Arendals Fossekompani consolidated	Revenue and other income	1,435	1,407	1,405
	Operating profit	111	24	202
	Margin	8%	2%	14%
Operating profit by company	Volue	29	-17	24
	NSSLGlobal	57	48	54
	Alytic	-26	-24	-19
	Tekna	-24	-45	-17
	ENRX	46	38	37
	AFK Parent (Vannkraft & Management)	74	62	144
	Ampwell	-39	-34	-16
	Vergia	-2	-3	-2
	AFK Property	-4	-2	-2
	Operating profit	111	24	202
	Profit before income tax	110	-19	238
	Profit (-loss) for the period	8	-87	71

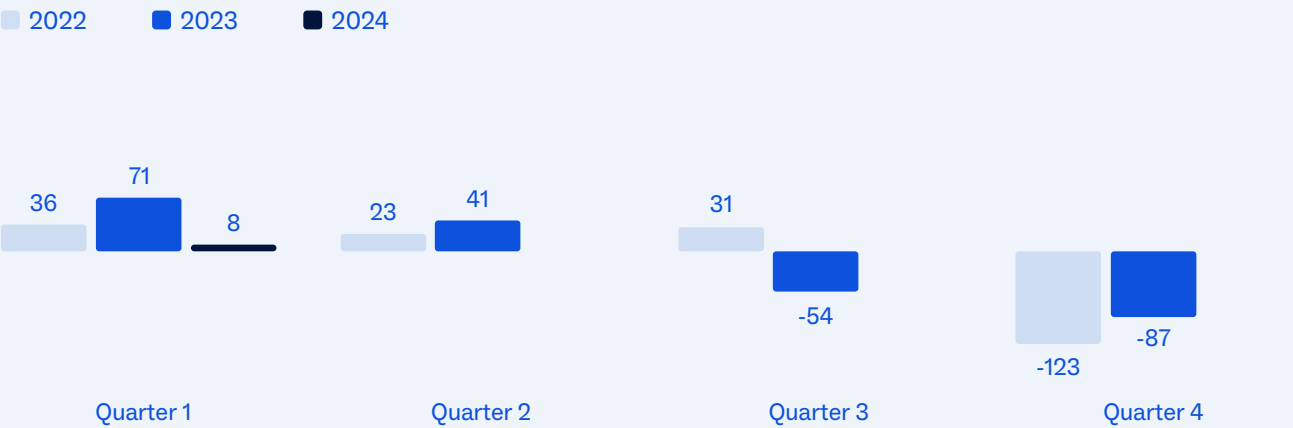
REVENUE AND OTHER INCOME (MNOK)



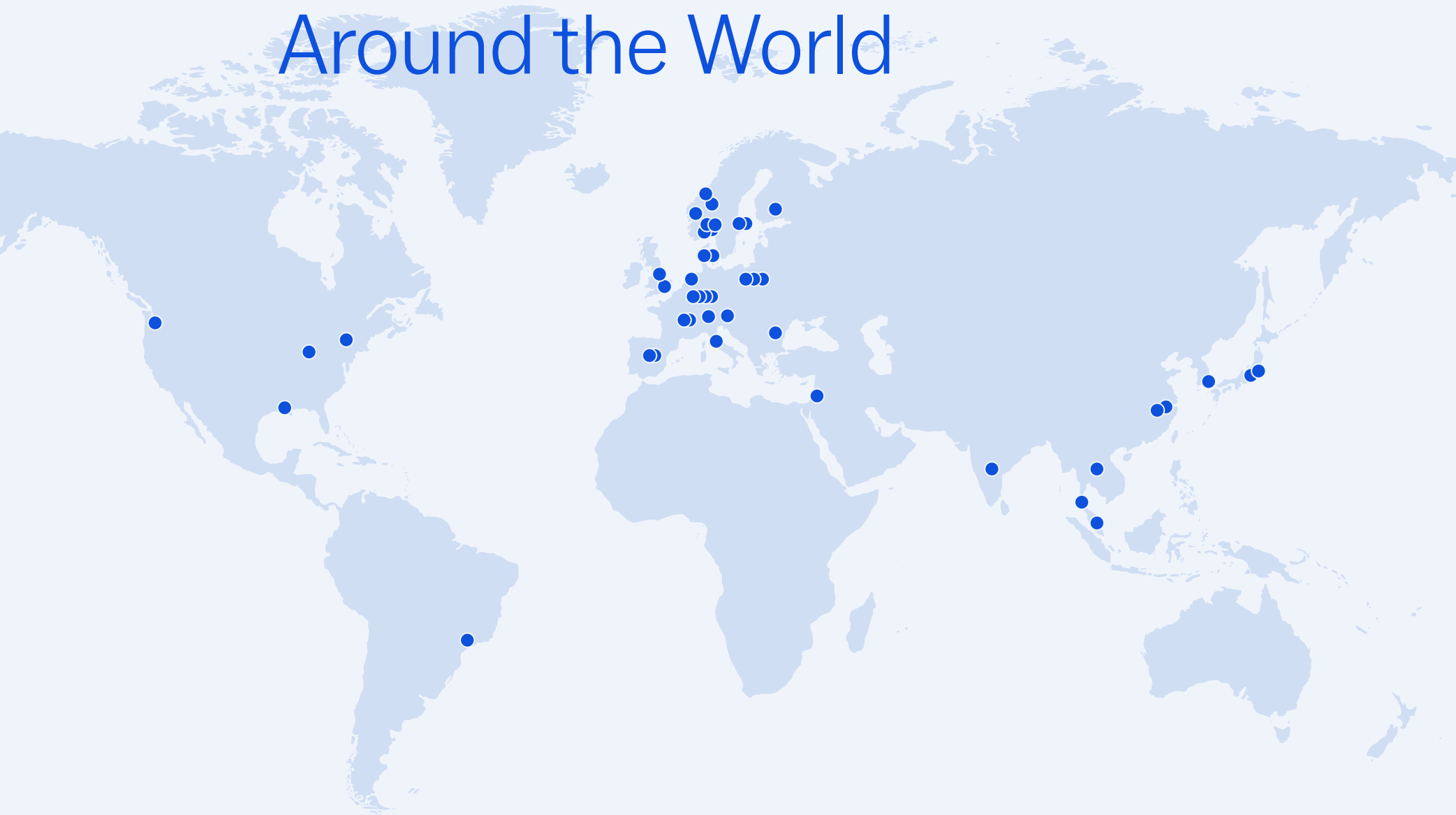
OPERATING PROFIT (MNOK)



PROFIT (-LOSS) FOR THE PERIOD (MNOK)



Around the World



A world map showing the distribution of blue dots across all continents. The dots are concentrated in North America, Europe, and Asia, with a few scattered dots in South America, Africa, and Australia. The map is a light blue color, and the dots are a darker blue.

Norway	790	USA	94	Brazil	12
Germany	339	France	76	Malaysia	8
India	251	Denmark	60	Japan	8
China	196	Finland	65	Italy	6
Canada	186	Sweden	52	Netherlands	7
United Kingdom	186	Spain	28	Singapore	6
Poland	156	Switzerland	22	Israel	5
Romania	103	Thailand	13	South Korea	1
Total					2,670

Norway

Arendals Fossekompani Group



FINANCIAL FIGURES (MNOK)	Q1 2024	Q1 2023	Q4 2023	FY 2023
Revenue and other income	1,435	1,405	1,407	5,441
Operating profit	111	202	24	433
Operating margin	8%	14%	2%	8%
Earnings before tax (EBT)	110	238	-19	391
Earnings after tax (EAT)	8	71	-87	-30
Operating cash flow	295	155	-226	-398
NIBD	1,063	-726	1,018	1,123
Equity	3,668	3,824	3,638	3,638
Equity ratio	38%	46%	40%	40%

Currency rates (NOK/CAD)
Average Q1 2024: 7.80. Average Q1 2023: 7.57. End Q1 2024: 7.94 End Q1 2023: 7.73.

Currency rates (NOK/GBP)
Average Q1 2024: 13.33. Average Q1 2023: 12.44. End Q1 2024: 13.62. End Q1 2023: 12.96.

Currency rates (NOK/EUR)
Average Q1 2024: 11.42. Average Q1 2023: 10.98. End Q1 2024: 11.68. End Q1 2023: 11.40.



Arendals Fossekompani has proud traditions in power production and owns and operates two hydro-power plants. In addition, Arendals Fossekompani operates globally in many technology industries including 3D printing, algo trading, satellite services, software, digitalisation, battery and induction.

Head office
Arendal, Norway

Chair
Trond Westlie

Chief Executive Officer
Benjamin Golding

Employees
2,670

Countries
24

Arendals Fossekompani is an industrial investment company holding nine core investments and a portfolio of financial investments. These operations employ approximately 2,700 people in 24 countries.

HIGHLIGHTS OF Q1 2024

(Figures in parentheses refer to the same period the previous year)

Total revenue for the Group amounted to NOK 1,435 million (1,405 million) in the first quarter. Consolidated earnings before tax came in at NOK 110 million (238 million). Ordinary profit after tax, but before non-controlling interests, totaled NOK 8 million (71 million).

Total revenue increased by 2% compared to the same quarter the previous year. The increase was largely driven by strong results from portfolio companies Value and ENRX, largely offset by lower electricity prices impacting revenue generation in AFK Vannkraft and low sales in Ampwell. The reduced operating profit compared to the first quarter last year, was mainly driven by lower electricity prices leading to lower revenues and profits from hydropower production, as well as higher operating loss in Ampwell.

Income tax expense for the Group in the quarter was NOK 102 million (167 million). The tax expense is driven by high tax burden in AFK Vannkraft, as well as parts of the AFK Group of companies being in a build-up phase with negative profit before tax.

Operating in international markets, the AFK Group is naturally exposed to currency fluctuations. Revenue growth in ENRX, NSSLGlobal and Tekna was positively fueled by a weakened NOK compared to the first quarter of 2023.

VALUE

Total operating revenue in the first quarter amounted to NOK 400 million (339 million), corresponding to a growth rate of 18% when comparing to the first quarter of 2023. SaaS revenues were NOK 126 million in the quarter, an increase of 42% compared to the first quarter of 2023, representing 31% of total revenue. ARR grew at a rate of 27%, constituting 71% of total revenue in the quarter. Adjusted EBITDA in the quarter was NOK 83 million (55 million), corresponding to an adjusted EBITDA of 21% (16%). Large ongoing changes in the energy markets drive growth and further business opportunities for Value.

ENRX

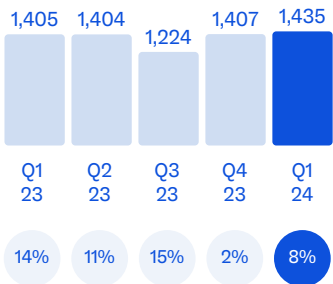
Total operating revenue in the first quarter amounted to EUR 46.2 million (41.9 million), a 10% increase from the same quarter in 2023. Revenue growth was driven by higher activity level within the Heat division, with solid growth in Europe and North America. EBIT for the quarter ended at EUR 4.0 million (3.4 million), corresponding to a margin of 8.6%. Total order intake for the quarter ended at EUR 35.1 million (41.1 million), and the backlog per quarter end was EUR 74.3 million (94 million). Although the market for heating products is still considered strong, a somewhat softer market and delayed customer investment decisions, is expected to impact growth.

NSSLGLOBAL

NSSLGlobal reports continued strong sales and operating profit as well as solid order intake. Revenue in the first quarter was GBP 21.8 million (23.9 million) and operating profit ended at GBP 4.5 million (4.1 million), corresponding to an operating margin of 20% (18%). NSSLGlobal won new business estimated to GBP 91.5 million during the quarter, of which a significant amount was due to a five year Governmental Communication Satellite contract with an option for two additional years. NSSLGlobal's sales and pipeline continues to be strong across both maritime and governmental sectors.

DEVELOPMENT LAST 5 QUARTERS

Revenue (MNOK)
and operating margin



TEKNA

Total revenue for the quarter came in at CAD 8.7 million (9.4 million). The 8% decline from the same period previous year was partly driven by lower investments in new 3D-printing machines, as well as lower Systems sales, which are volatile in nature. Adjusted EBITDA amounted to CAD -2.6 million (-1.2 million) driven by lower top line, as well as one-off items related to a joint venture in France. Total order backlog at the end of the quarter was CAD 22.9 million (26.4 million), driven by reduction in the Systems segment. Order backlog for Advanced Materials was up 17% since the last quarter. The pipeline for Systems projects for the remainder of the year is strong, and Tekna continues to experience strong demand for its advanced materials, despite a current slow-down in the 3D-printing machine segment.

AMPWELL

Total revenue amounted to EUR 0.8 million (EUR 1.5 million) in the first quarter. Commeo is experiencing reduced investment levels from its C&I target segment, and is working continuously to improve its cost position and market its premium battery module solutions. This work has taken longer than expected, and Commeo has struggled to meet the market requirements and gain traction during 2023 and the start of 2024. The company is also experiencing delayed and longer sales processes driven by a softer German economy and pending battery subsidy schemes.

Operational ramp-ups in Collect Energy and parent company Ampwell also contributed negatively to margins in the quarter.

SHARE PRICE LAST 10 YEARS (NOK)



AFK VANNKRAFT

Electricity prices in the quarter were significantly down from the same period last year, with the NO2 price area averaging EUR 64.5/MWh (EUR 108 MWh) in the quarter. Power generation was comparable to the same period last year of 161 GWh (167 GWh). Lower prices reduced quarterly revenues and operating profit to NOK 122 million (190 million) and NOK 95 million (161 million), respectively.

Arendals Fossekompani's financial position remains solid. The company's available cash on 31 March amounted to NOK 1,064 million. In addition, the company has undrawn credit facilities of NOK 903 million, securing available liquidity of NOK 1,967 million as per end of the quarter.

EVENTS AFTER THE CLOSE OF THE QUARTER

On 15 May, the Board of Directors decided to pay an ordinary cash dividend of NOK 1.00 per share for the first quarter of 2024. The dividend is set to be paid on 31 May 2024.

OUTLOOK

There is ongoing uncertainty associated with geopolitical turmoil, supply chain constraints, inflation, interest rates, as well as the development of energy prices. In this unpredictable environment, Arendals Fossekompani's solid financial position enables continued support of the portfolio companies, both in handling short-term challenges but also in continued investments to strengthen their long-term competitiveness. In light of the market's estimated power price trend for 2024, revenues and operating profit for AFK Vannkraft is expected to be lower in 2024 compared to 2023. Following high activity levels in all portfolio companies, AFK Group revenues are expected to be higher in 2024 than in 2023. Operating profit is expected to be lower than in 2023, largely driven by lower expected electricity prices, as well reduced margins in NSSLGlobal and increased operational losses for Alytic and Ampwell.

SHARE PRICE

There is a total of 55,995,250 shares in the company. The share price on 31 March 2024 was NOK 182.6 (NOK 217.5), corresponding to a decrease of -16% since 31 March 2023. When including direct yield (dividend payouts) in the same period, total decrease in shareholder value was -14%. AFK's total market capitalization was NOK 10.2 billion at the end of March 2024. For the 10-year period from March 2014 to March 2024, compounded annual return to AFK shareholders was 14% (25% including dividends).

Group Management



FINANCIAL FIGURES (MNOK)	Q1 2024	Q1 2023	Q4 2023	FY 2023
Revenue and other income	5	3	3	13
Operating profit (EBIT)	-21	-18	-24	-78
Operating margin	-	-	-	-
Earnings before tax (EBT)	124	144	-36	97
Earnings after tax (EAT)	118	133	-30	92



Arendals Fossekompani Group Management employs 18 people at the head office in Arendal. The team focuses on identification and development of new sustainable business opportunities, active ownership of portfolio companies and management of financial investments.

Head office
Arendal, Norway

Chair
Trond Westlie

Chief Executive Officer
Benjamin Golding

Employees
21

Countries
1

Combining industrial, technological and capital markets expertise, Arendals Fossekompani’s Group Management identifies and develops opportunities for value creation. As an active owner of our portfolio companies, we drive strategy developments, financing, restructuring and transactions to ensure long-term sustainable value creation.

Arendals Fossekompani has an attractive portfolio positioned in verticals driven by global megatrends such as the Energy transition , Digitalisation & Big Data Analytics, and Electrification & Materials. Our companies are both listed and privately owned, and Arendals Fossekompani is – as part of our strategy – the majority owner.

Arendals Fossekompani Group Management continues to focus on developing the portfolio of companies through active ownership.

FINANCIAL POSITION

Arendals Fossekompani’s financial position remains solid. The parent company’s available cash on the 31st of March amounted to NOK 1,064 million. In addition, the company has undrawn credit facilities of NOK 903 million, securing available liquidity of NOK 1,967 million as per end of the quarter.

Arendals Fossekompani Assets

Investments are made based on a long-term perspective and concentrated within four areas: Digitalisation & Big Data Analytics, Electrification & Materials, Energy Transition, and Property.

Digitalisation & Big Data Analytics

Anything that can be digital, will be digital. By enabling and assisting digital transformation and providing critical insight and communication services, our portfolio of companies are frontrunners in the digital space.

value

AFK ownership 60%	Head office Oslo, Norway
Market cap (31.03) NOK 4,315 million	Listed on Oslo Børs

NSSLGlobal

AFK ownership 80%	Head office London, UK
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alytic

AFK ownership 95%	Head office Arendal, Norway
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Electrification & Materials

Anything that can be electric, will be electric. As a result, demand for electricity and storage will grow, as will demand for new materials and additive manufacturing. We invest in companies that install intelligence into an electric future and who enable more efficient manufacturing of better products.

TEKNA

AFK ownership 70%	Head office Sherbrooke, Canada
Market cap (31.03) NOK 924 million	Listed on Oslo Børs

ENRX

AFK ownership 95%	Head office Skien, Norway
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Energy Transition

We have produced hydropower for generations. As the world is shifting away from fossil fuels, we are looking to capitalize on our competence and history to contribute to a more sustainable energy system.

VANNKRAFT

AFK ownership 100%	Head office Froland, Norway
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ampwell

AFK ownership 100%	Head office Arendal, Norway
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Vergia

AFK ownership 100%	Head office Arendal, Norway
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Property

AFK | Property

AFK ownership 100%	Head office Arendal, Norway
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Our portfolio of Digitalisation & Big Data Analytics Companies



Anything that can be digital, will be digital.
By enabling and assisting digital transformation
and providing critical insight and communication
services, our portfolio of companies are frontrunners
in the digital space.

value

AFK ownership
60%

Market cap (31.03)
NOK 4,315 million

Head office
Oslo, Norway

Listed on
Oslo Børs

NSSLGlobal

AFK ownership
80%

Head office
London, UK

alytic

AFK ownership
95%

Head office
Arendal, Norway

Value Portfolio company



FINANCIAL FIGURES (MNOK)	Q1 2024	Q1 2023	Q4 2023	FY 2023
Revenue and other income	400	339	417	1,489
EBITDA	72	46	24	208
Adjusted EBITDA*	83	55	86	267
Operating profit	29	24	-17	80
Operating margin	7%	7%	-	5%
Earnings before tax (EBT)	24	25	-32	63
Operating cash flow	464	278	-94	10
NIBD	-5	-464	384	489
Equity	901	840	850	850
Equity ratio	36%	42%	40%	40%

* Adjusted EBITDA: In order to give a better representation of underlying performance, EBITDA is adjusted for non-recurring items (not part of the ordinary business), such as M&A related costs, cost related to the share based remuneration schemes and external ERP implementation costs.

value

Based on 50 years of experience Value is a European industrial software & data leader in the energy transition. Over 800 employees work with more than 2,500 customers across energy, power grid, water and infrastructure projects that ensure a sustainable, flexible and reliable future. Value operates within three segments, Energy, Power Grid, and Infrastructure. The company is active in 40+ countries.

Head office
Oslo, Norway

Chair
Benjamin Golding

Chief Executive Officer
Trond Straume

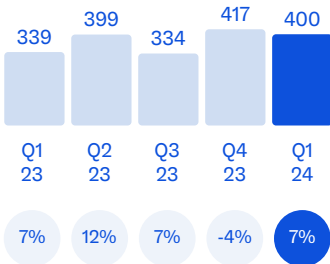
Ownership
60%

Employees
825

Countries
9

DEVELOPMENT LAST 5 QUARTERS

Revenue (MNOK)
and operating margin



HIGHLIGHTS OF Q1 2024

(Figures in parentheses refer to the same period the previous year)

Total operating revenues in Q1 amounted to NOK 400 million (340 million), corresponding to a growth rate of 18 % (10% organic) compared to Q1 2023. Adjusted EBITDA in the quarter totalled NOK 83 million (55 million), corresponding to an adjusted EBITDA margin of 21% (16%).

Value continues to drive the transformation towards recurring revenues and Software-as-a-Service (SaaS). SaaS revenues were NOK 126 million in the first quarter, an increase of 42% compared to the same quarter previous year, representing 31% of total revenues. Annual recurring revenues constituted 71% of total revenues and reached NOK 284 million in the quarter. Consequently, ARR grew at a rate of 27% compared to the first quarter of 2023.

The Energy Segment generated revenues of NOK 209 million in the first quarter, an increase of 26% (7% organic) compared to the first quarter previous year. The segment generated strong organic growth in ARR and SaaS of 20% and 24%, respectively. Value's Insight platform generated healthy growth in the quarter, driven by its relevance in the continued shift towards shorter and more volatile energy markets. Non-recurring volatility-driven revenues were somewhat down from the first quarter the previous year. This was driven by both a softer market and efforts to migrate parts of the revenue to ARR. The migration to ARR impacts short-term growth but builds a more resilient revenue base and profitability over time.

For the Power Grid Segment, operating revenues in the first quarter amounted to NOK 84 million, corresponding to 9% growth from the same quarter previous year. Increased delivery capacity and good sales closing has made basis for progress in the area.

The Infrastructure segment grew operating revenues by 22% to NOK 66 million in the first quarter, up from NOK 54 million in the same quarter previous year. Despite the focus on ARR and SaaS transformation since the listing of Value, which normally has adverse impact on short-term revenue growth, the segment generated stable revenues within the period of 2020 to 2022. In 2023, the growth in ARR resulted in an uplift in operating revenues for the first time since listing.

Value is continuously working on several new initiatives, such as Distributed Energy Resources and new products related to optimisation and trading solutions.

OUTLOOK

Since listing, Value has prioritised strategic investments in its SaaS platform and expansion into new markets. This has created short to mid-term EBITDA impact to pursue business opportunities in the market. Measures are in place to counter margin effects, and Value targets year-by-year improvement in profitability and cash-conversion.

Value maintains its long-term guidance on organic growth, an active M&A agenda and year-on-year improvements of important KPIs. By delivering on these guidance elements, the ambition of NOK 2 billion revenues in 2025 will be met. As Value does not provide short-term financial guidance and maintains growth- and M&A guidance, the target of NOK 2 billion in 2025 is now deemed redundant and hence removed. The removal is not only the result of successful growth over time but also a demonstration of dedication towards attractive M&A opportunities and continuous streamlining of the business. Value provides the following long-term guidance to the market:

- Annual long term organic growth of 15%
- Active M&A agenda with 1-2 deals per year
- Year-by-year increase of adjusted EBITDA margin, cash conversion, share of ARR and SaaS revenues

NSSLGlobal

Portfolio company



FINANCIAL FIGURES (MNOK)		Q1 2024	Q1 2023	Q4 2023	FY 2023
Revenue and other income		291	297	316	1,206
Operating profit		57	54	48	211
Operating margin		20%	18%	15%	18%
Earnings before tax (EBT)		61	51	45	209
Operating cash flow		50	-43	4	122
NIBD		-276	-176	-346	-346
Equity		550	490	608	608
Equity ratio		53%	53%	57%	57%
Currency rates (NOK/GBP)					
Average Q1 2024: 13.33. Average Q1 2023: 12.44. End Q1 2024: 13.62. End Q1 2023: 12.96.					

NSSLGlobal

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

Head office
London, UK

Chair
Arild Nysæther

Chief Executive Officer
Sally-Anne Ray

Ownership
80%

Employees
242

Countries
10

HIGHLIGHTS OF Q1 2024

Revenue for the first quarter was GBP 21.8 million, GBP 2.0 lower than the same quarter last year. The reduction was primarily due to lower airtime revenue in the period. Conversely, operating profit in the quarter was GBP 4.5 million, compared to GBP 4.1 million in Q1. Higher airtime margins, as well as provision releases related to the end of one larger contract, resulted in an increase in operating profit in the quarter.

Operating costs were higher in the first quarter of 2024, compared to the same quarter the previous year, largely due to currency effects.

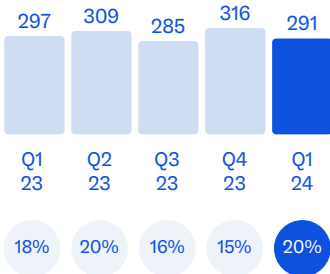
NSSLGlobal won new business estimated to GBP 91.5 million during the quarter, of which a significant amount was due to a five year Governmental Communication Satellite contract with an option for two additional years. In addition, three new customers contracted with NSSLGlobal for FusionIP^{LEO} across their fleet.

OUTLOOK

NSSLGlobal expects 2024 revenue to be higher than 2023. Expected revenue growth is driven by a solid pipeline for project sales, of both maritime and governmental, combined with increased airtime revenues from a short-term NATO operation and some changes in project timing. However, operating profit is expected to be lower than in 2023, driven by inflationary cost increases and to filling vacancies that were unfilled in much of 2023.

DEVELOPMENT LAST 5 QUARTERS

Revenue (MNOK)
and operating margin



Alytic

Portfolio company



FINANCIAL FIGURES (MNOK)	Q1 2024	Q1 2023	Q4 2023	FY 2023
Revenue and other income	13	11	12	46
Operating profit	-26	-19	-24	-85
Operating margin	-	-	-	-
Earnings before tax (EBT)	-27	-19	-24	-85
Operating cash flow	-21	-13	-12	-55
NIBD	-4	-30	4	4
Equity	154	153	140	140
Equity ratio	63%	68%	62%	62%



Alytic invests in data businesses with strong domain competence and works actively with them to develop market scalable, data rich products based on a SaaS business model. The current Alytic portfolio of companies includes Kontali, a world-leading aquaculture data and analyses provider. Veyt, a market intelligence provider for low carbon markets. Factlines, a technology provider for ESG reporting. And Utel, a provider of services for telecom network monitoring and analysis.

Head office
Arendal, Norway

Chair
Lars Peder Fensli

Chief Executive Officer
Espen Zachariassen

Ownership
95%

Employees
122

Countries
3

HIGHLIGHTS OF Q1 2024

The Alytic portfolio is delivering on important strategic milestones as the portfolio companies launch new products and grow revenues. In each portfolio company, the initial focus has been to establish a foundation for growth and technological development. This is resulting in the portfolio companies continuing to grow annual recurring revenues (ARR). In the first quarter of 2024, ARR grew to NOK 44 million, representing a 47% increase compared to the first quarter of 2023.

KONTALI

Kontali grew ARR 32% compared to the first quarter of the previous year. The company further strengthened its position within the aquaculture sector with the acquisition of the Nasdaq Salmon Index. This strategic acquisition will enhance Kontali's data capabilities and broaden its insights into the salmon market. With a strong brand in the salmon sector and the scalable seafood insights portal that was launched last year, Kontali is well positioned for growth. Continued growth in sales for the salmon product is expected along with sales for the new shrimp product, which was launched in the second half of 2023. Former Google and Microsoft executive Kjetil Angell Kjerstad assumed the position as new CEO of Kontali during the quarter.

VEYT

Veyt grew ARR by 65% compared to the first quarter of the previous year. With the launch of their EU ETS product, Veyt is accelerating its presence in the low carbon and renewable energy markets. Their expertise in delivering detailed data and insights is empowering businesses to make informed decisions for decarbonization. In addition to expanding their product offerings to include detailed data and insights into the hydrogen and biomethane markets, Veyt released their new PPA product at the end of Q1, strengthening Veyt's offerings in renewable power. The product currently covers onshore wind in Germany and will allow clients to better assess fair PPA prices in a growing market.

FACTLINES

Factlines grew ARR by 105% compared to the first quarter of the previous year. The company launched their rewritten and redesigned supply chain transparency software in Q4 2023 after soft-launching and testing since the end of Q2 2023. Factlines is continuing their growth journey with their EU Taxonomy product, which is currently being piloted with select customers. Experienced former Hill+Knowlton top executive, Henrik Halvorsen, assumed the position as CEO of Factlines during the first quarter.

UTEL

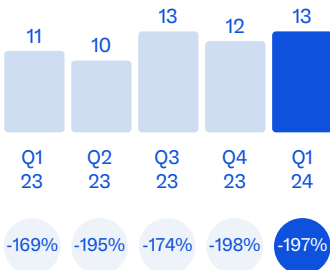
Utel's deep expertise in capturing and analyzing telecommunication network data is being applied to develop a general solution for anomaly detection, with a particular focus on fraud detection. With the development of a marketable fraud management solution as a key goal, Utel made further progress in Q1 as the solution is being tested and developed with a key customer.

OUTLOOK

Alytic is working closely with all portfolio companies and has committed new capital to accelerate their development. All companies are on a growth trajectory, expanding rapidly both in team size and competence. Investments are still being made in development, and continuous product launches and upgrades are expected throughout 2024. With a strategic focus on sales and marketing teams, Alytic anticipates robust ARR growth in the upcoming quarters.

DEVELOPMENT LAST 5 QUARTERS

Revenue (MNOK)
and operating margin



Our portfolio of Electrification & Materials Companies



Anything that can be electric, will be electric. As a result, demand for electricity and storage will grow, as will demand for new materials and additive manufacturing. We invest in companies that install smartness into an electric future and that enable more efficient manufacturing of better products.

TEKNA

AFK ownership
70%

Market cap (31.03)
NOK 924 million

Head office
Sherbrooke, Canada

Listed on
Oslo Børs

ENRX

AFK ownership
95%

Head office
Skien, Norway

Tekna

Portfolio company



FINANCIAL FIGURES (MNOK)	Q1 2024	Q1 2023	Q4 2023	FY 2023
Operating revenue	67	71	90	320
EBITDA	-15	-9	-36	-64
Adjusted EBITDA*	-20	-9	-2	-32
Operating profit	-24	-17	-45	-97
Operating margin	-35%	-24%	-49%	-30%
Earnings before tax (EBT)	-27	-19	-38	-107
Operating cash flow	-42	-25	2	-88
NIBD	181	14	125	125
Equity	269	393	294	294
Equity ratio	44%	72%	50%	50%

* Adjusted EBITDA: In order to give a better representation of underlying performance, EBITDA is adjusted for non-recurring items.

Currency rates (NOK/CAD)

Average Q1 2024: 7.80. Average Q1 2023: 7.57. End Q1 2024: 7.94 End Q1 2023: 7.73.



Tekna is a world-leading provider of advanced materials and plasma systems to several industries. Tekna produces high-purity metal powders for applications such as 3D printing in the aerospace, medical and consumer electronics sectors, as well as optimized induction plasma systems for industrial research and production.

Head office
Sherbrooke, Canada

Chair
Dag Teigland

Chief Executive Officer
Luc Dionne

Ownership
70%

Employees
215

Countries
5

HIGHLIGHTS OF Q1 2024

(Figures in parentheses refer to the same period the previous year)
In the first quarter of 2024, revenue came in at CAD 8.7 million, an 8% decline from the same period previous year. Both Systems (-57%) and Advanced Materials (-10%) experienced a decline in revenues in the quarter. Adjusted EBITDA for the quarter was CAD -2.6 million, a decline from CAD -1.2 million in the first quarter last year. The decline in adjusted EBITDA was driven by a decline in revenues, as well as costs previously absorbed by a joint venture in France. The company continues with its strong focus on cash management and cash flow, and is maintaining guidance on improving margins for the balance of the year.

Systems revenues declined from last year in part due to strong progress in manufacturing and revenue recognition of the PlasmaSonic system last year. Systems revenues are recognized by percentage of project completion, and therefore fluctuations can be expected. The decline in Advanced Materials revenues in the quarter was in part driven by high interest rates causing a slowdown in investments in new 3D-printing machines in the industry. About 12% (Based on 2023 figures) of Advanced Materials revenues are generated from sales to 3D printing machine manufacturers. Sales in other materials segments were stable and Tekna expects revenue growth for the year as a whole as per previous guiding.

During the quarter, Tekna delivered an advanced PlasmaSonic Wind Tunnel to a leading aerospace OEM. The System was delivered on time, and highlights Tekna's credibility as a leading technology provider within the Aerospace industry. Order backlog at the end of Q1 was CAD 22.9 million, down from CAD 26.4 million in Q1 2023 due to low order intake in Systems. Systems show order intake of CAD 0.4 million (-92%) and an order backlog of CAD 7.0 million (-45%). However, the Systems pipeline for the remainder of the year is strong. Tekna continues to experience strong demand for its advanced materials. Advanced Materials show a solid order intake of CAD 7.0 million (+26%) and an order backlog of CAD 15.9 million (+17%).

In April 2024, Tekna announced that it had received an order for nano nickel material for production of multi-layer ceramic capacitors (MLCC). This is the first revenue-generating order in Tekna's Microelectronics business line. MLCC devices are critical components in most fast-growing electronic applications, including mobile phones, wearable devices such as smartwatches and health monitoring, as well as automotive electronics. Tekna is taking important steps toward qualifying its nano nickel material within the microelectronics industry.

OUTLOOK

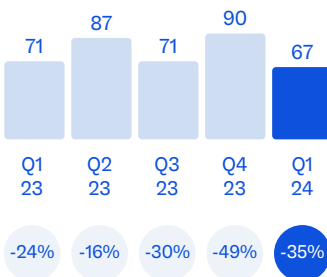
Although a somewhat slow start of the year, Tekna is experiencing high demand for its products. The current backlog and sales pipeline is expected to enable continued growth in 2024. Margin in 2024 is expected to improve, supported by the latter, as well as increased production capacity and organizational productivity. The company continues with its strong focus on cash management and cash flow, emphasizing operational excellence and working capital optimization.

Tekna's strategy, technology and products are considered highly relevant in today's global markets, which are marked by geopolitical turmoil, economic uncertainty, an urge for sustainability and increased predictability. The company's customers are transitioning towards new technology, moving manufacturing closer to markets whilst considering more sustainable production processes. Additive manufacturing (AM) remains the most prominent business line for Tekna materials at present with a projected market growth of up to 30% per year (Source: Smartech 2022).

At present, Tekna prioritizes significant opportunities within additive manufacturing and systems. While Tekna is focusing strategically on revenue opportunities in the near term, it is pursuing the development of high potential upsides in microelectronics. Tekna also remains engaged in dialogues with strategic partners in the energy storage industry.

DEVELOPMENT LAST 5 QUARTERS

Revenue (MNOK)
and operating margin



ENRX

Portfolio company



FINANCIAL FIGURES (MNOK)	Q1 2024	Q1 2023	Q4 2023	FY 2023
Operating revenue	527	459	487	1,800
Operating profit	46	37	38	116
Operating margin	9%	8%	8%	6%
Earnings before tax (EBT)	31	28	30	71
Operating cash flow	-11	-51	58	4
NIBD	904	704	777	777
Equity	451	403	417	417
Equity ratio	21%	21%	21%	21%
Currency rates (NOK/EUR)				
Average Q1 2024: 11.42. Average Q1 2023: 10.98. End Q1 2024: 11.68. End Q1 2023: 11.40.				

ENRX

ENRX combines global market leadership for industrial induction heating systems (Heat) with leading technology in the high-growth market for wireless induction charging solutions for mobility and industrial applications (Charge). Industries served by ENRX include automotive, renewable energy/wind energy, pipe fabrication, electronics, cable and mechanical engineering. Leveraging decades of experience, ENRX was established in 2022 and has operations in 20 countries.

Head office
Skien, Norway

Chair
Benjamin Golding

Chief Executive Officer
Bjørn E. Petersen

Ownership
95%

Employees
1,103

Countries
20

HIGHLIGHTS OF Q1 2024

Total operating revenue in the first quarter amounted to EUR 46.2 million, a 10% increase from the same quarter in 2023. Revenue growth was driven by a higher activity level within Heat and a smaller contribution from the Charge division. The company saw solid growth in the North American and European regions in the quarter compared to Q1 of 2023, while some sliding deliveries were holding Asia slightly back.

Operating costs increased in the quarter, reflecting the increased sales compared to first quarter of 2023. The rising cost inflation is impacting operating costs across the Group, emphasizing the importance of maintaining cost control as a key priority in all regions. Operating costs as a percentage of operating revenues increased to 38% compared to 36% in the same quarter last year.

EBIT for the quarter ended at EUR 4.0 million, up from EUR 3.4 million in the same quarter last year. The EBIT in the quarter corresponds to a margin of 8.6% compared to 8.0% in Q1 2023. The EBIT is still impacted by inflation effects not fully absorbed into the older parts of the order backlog.

OUTLOOK

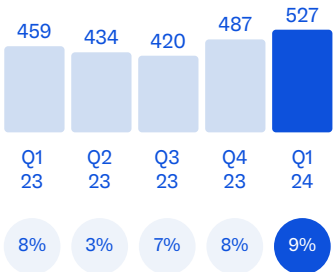
Total order intake for the quarter ended at EUR 35.1 million compared to EUR 41.7 million in the same quarter the previous year. The reduction is explained by a somewhat softer market and delayed customer decisions. Total order backlog at end Q1 2024 was EUR 74.3 million, down from EUR 94 mill in Q1 2023. The reduction is explained by high deliveries in combination with reduced order intake.

While the market for heating products is still considered strong, ENRX expects the market to remain uncertain and soften somewhat in the coming months as customer decision processes are taking longer and orders are pushed ahead.

The Charge division activities in 2024 are mainly related to the Dynamic Road project in Florida and R&D activities within the main activities: Charging for public transport, Industrial low power charging and Industrial high-power charging.

DEVELOPMENT LAST 5 QUARTERS

Revenue (MNOK)
and operating margin



Our portfolio of Energy Transition Companies

We have produced hydropower for generations. As the world is shifting away from fossil fuels, we are looking to capitalize on our competence and history to contribute to a more sustainable energy system.



VANNKRAFT

AFK ownership 100%	Head office Froland, Norway
-----------------------	--------------------------------

ampwell

AFK ownership 100%	Head office Arendal, Norway
-----------------------	--------------------------------

Vergia

AFK ownership 100%	Head office Arendal, Norway
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AFK Vannkraft

Portfolio company



FINANCIAL FIGURES (MNOK)	Q1 2024	Q1 2023	Q4 2023	FY 2023
Revenue and other income	122	190	117	511
Operating profit	95	161	87	414
Operating margin	78%	85%	74%	81%
Earnings before tax (EBT)	95	161	87	414
Earnings after tax (EAT)	33	31	40	119

AFK VANNKRAFT

AFK Vannkraft generates power at two locations in the Arendal watercourse. The Bøylefoss and Flatenfoss hydropower plants produce on average more than 500 GWh annually. AFK Vannkraft has a defined strategy of selling hydropower production in the day-ahead (spot) market.

Head office
Froland, Norway

Chair
Trond Westlie

Operating Manager
Jan Roald Evensen

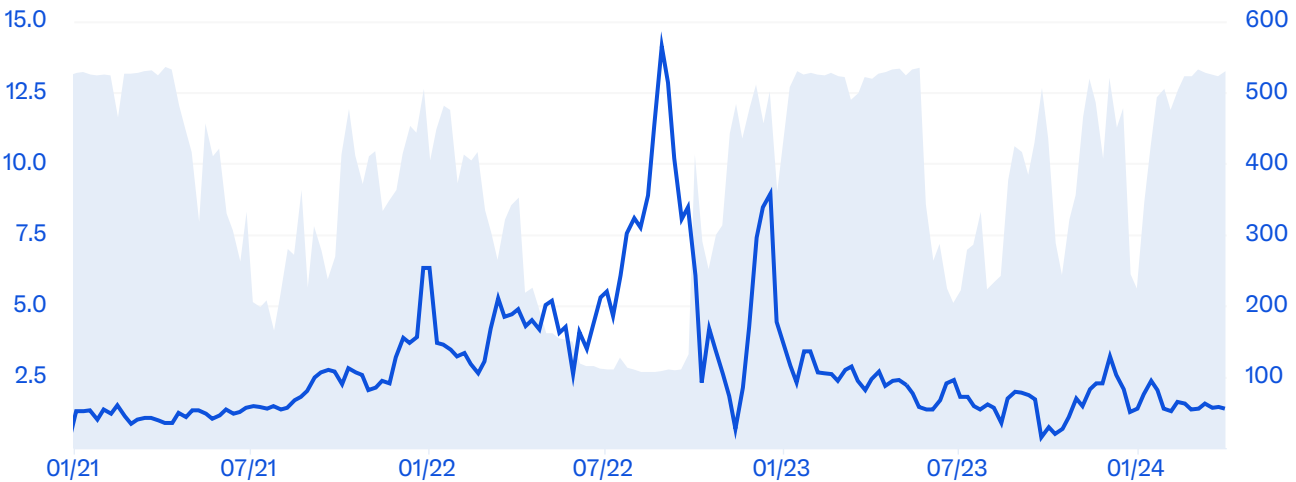
Employees
17

Countries
1

POWER PRICE & POWER GENERATION

The chart below shows the weekly power prices (NO2) and power generation in the period 01/01/2021 – 31/03/2024

- Power generation (GWh/Week)
- Power price (EUR/MWh)



HIGHLIGHTS OF Q1 2024

(Figures in parentheses refer to the same period the previous year)

Hydropower production in Q1 2024 reached 161.1 GWh, approximately equal to the production in Q1 2023 (167.1 GWh). Additionally, prices declined from the elevated levels seen in 2022 and the first quarter of 2023. Power generation in the first quarter amounted to 161.1 GWh (167.1 GWh). Precipitation and inflow year-to-date were respectively around 145% and 199% of the norm for the watercourse, and total reservoir levels in the watercourse were higher than normal by the end of the first quarter.

The first quarter of 2024 was characterized by an abnormally high amount of snow and temperatures lower than normal. This led to high electricity consumption, especially at the beginning of the quarter, and an uptick in prices compared to the end of 2023. The subsequent increase in temperature throughout the quarter led to a high amount of melting snow, resulting in high inflow and reduced prices. Price levels were further affected by the lower prices for gas, CO₂ and coal compared to 2023.

Precipitation and inflow year-to-date were respectively around 145% and 199% of the norm for the watercourse, and total reservoir levels in the watercourse were higher than normal by the end of the first quarter.

The effective tax rate from hydropower production was reduced in the quarter compared to the same quarter in 2023, primarily due to the high-price contribution being abolished as of 1 October 2023.

OUTLOOK

The high inflow and significant reservoir filling are likely to continue into Q2. The market price for the remaining of 2024 is lower than 2023. Actual power prices depend on various factors, including the prices of CO₂, natural gas and coal, weather conditions, consumption transmission capacities and more. Due to lower prices and planned maintenance, revenues for Q2 are expected to be lower than last year

AFK Vannkraft has started the rehabilitation of the exterior of the Bøylefoss hydropower station. Further investments in the upcoming years will include upgrading the dam facilities and reinvestment in the Bøylefoss power plant.

AFK Vannkraft has started the rehabilitation of the exterior of the Bøylefoss hydropower station. Further investments in the upcoming years will include upgrading the dam facilities and reinvestment in the Bøylefoss power plant. AFK Vannkraft is mandated by regulations to enhance the dam facilities to align with anticipated climate changes. The reconstruction of dams will start once detailed requirements have been established with the Norwegian Water Resources and Energy Directorate (NVE).

Ampwell

Portfolio company



FINANCIAL FIGURES (MNOK)	Q1 2024	Q1 2023	Q4 2023	FY 2023
Revenue and other income	9	34	-39	56
Operating profit	-39	-16	-34	-108
Operating margin	-	-	87%	-
Earnings before tax (EBT)	-53	-23	-45	-123
Operating cash flow	-59	-15	-217	-206
NIBD	991	467	879	879
Equity	-122	-19	-86	-86
Equity ratio	-147%	-30%	-105%	-105%

Currency rates (NOK/EUR)
Average Q1 2024: 11.42. Average Q1 2023: 10.98. End Q1 2024: 11.68. End Q1 2023: 11.40.
* Operating revenue in Q4 2023 was negative due to reclassifications between operating revenue and operating cost, with accumulated effect for the entire year 2023, but without any effect on operating profit. This impacts comparability between quarters.

ampwell

Ampwell was established by Arendals Fossekompani in 2022 to build an eco-system for battery technology and a Battery-as-a-Service business model. Efficient energy storage solutions are needed to reduce energy costs and enable the green transition. With Ampwell, it is possible to fully utilize non-flexible power production, like wind and solar, to secure a functional and stable energy grid. Ampwell consists of the German energy storage provider Commeo and the Spanish software company Collect Energy.

Head office
Arendal, Norway

Chair
Torkil Mogstad

Chief Executive Officer
Torkil Mogstad

Ownership
100%

Employees
102

Countries
3

HIGHLIGHTS OF Q1 2024

(Figures in parentheses refer to the same period the previous year)

First quarter sales in Commeo amounted to EUR 0.8 million (3.1 million). Commeo is experiencing reduced investment levels from its C&I target segment and is working continuously to improve its cost position and market its premium battery module solutions. This work has taken longer than expected, and Commeo has struggled to meet the market requirements and gain traction during 2023 and the start of 2024. The company is also experiencing delayed and longer sales processes driven by a softer German economy and pending battery subsidy schemes.

Operational ramp-ups in Collect Energy and parent company Ampwell also contributed negatively to margins in the quarter.

OUTLOOK

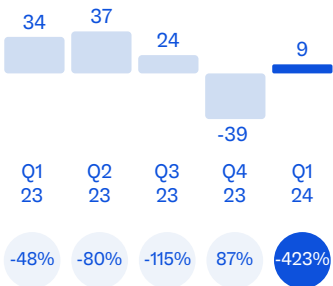
While Q1 sales in Commeo were below expectation, the fundamental trend for battery storage installations is still promising. However, longer sales processes in Commeo's target segment somewhat dampens short term growth.

Following the launch of an important pilot project with Volkswagen's charging company Elli in July 2023, Collect is targeting several companies with utility scale storage portfolios that need to be managed. Being able to provide both analytics and control functions as an independent provider makes Collect's service offerings unique in the market.

For 2024, Ampwell expects revenues to be in line with 2023. Operating profit is expected to remain negative due to the ramp-up phases of production of battery modules, development of related software solutions, and short-term challenging market conditions in Commeo's target segment.

DEVELOPMENT LAST 5 QUARTERS

Revenue (MNOK)
and operating margin



Vergia

Portfolio company



FINANCIAL FIGURES (MNOK)	Q1 2024	Q1 2023	Q4 2023	FY 2023
Revenue and other income	0	0	0	1
Operating profit	-2	-2	-3	-8
Operating margin	-	-	-	-
Earnings before tax (EBT)	-5	-4	-2	-26
Operating cash flow	-3	-9	-2	-15
NIBD	23	14	19	19
Equity	-7	5	-10	-10
Equity ratio	-28%	14%	-69%	-69%



Established in 2022, Vergia is an Arendals Fossekompani initiative that combines all existing green infrastructure projects and related portfolio companies. Vergia is a strategic green energy enabler leveraging in-house competence with strategic partners to develop infrastructure projects in alternative verticals within the energy transition sphere.

Head office
Oslo, Norway

Chair
Benjamin Golding

Chief Executive Officer
Martin Kjäll-Ohlsson

Ownership
100%

Employees
3

Countries
1

The Vergia ecosystem includes verticals such as small-scale hydropower, energy parks, power-to-x, offshore wind, and green fuel. Vergia is owned 100% by Arendals Fossekompani.

OFFSHORE WIND

Arendals Fossekompani and Ferd, two of Norway’s leading industrial investment companies, have come together to establish the offshore wind company Seagust. Seagust is structured as a 50:50 joint venture between Vergia and Ferd, with a mandate to become an offshore wind developer with domestic and international operations.

AMMONIA

Vergia and Grieg Maritime Group have joined forces to create a leading provider of green ammonia. North Ammonia is dedicated to developing the next generation green fuels for shipping and transportation. The company builds on extensive experience. Grieg Maritime Group has more than 60 years of experience in shipping. Arendals Fossekompani has more than 125 years of experience in industrial development and green power production. Eydehavn in Arendal is being developed as the first production site. Production is expected to start in 2027

SMALL-SCALE HYDROPOWER

Vergia has two small-scale hydropower development projects; Kilandsfoss and Glomsdam, which can contribute with an annual power production of 38 and 7 GWh, respectively. In the first quarter of 2024, the first cast for the bridge over to the new Kilandsfoss hydropower plant was completed. Kilandsfoss hydropower plant will produce an annual average of 38 GWh and is located in Nidelva between AFK Vannkraft’s two existing hydropower plants. Kilandsfoss hydropower plant is scheduled to start electricity production in 2026.

ENERGY PARKS

Vergia is developing Bøylestad Energy Park, an industrial and commercial area facilitating energy intensive industry, powered by renewable energy. The area is situated next to one of the largest energy hubs in Southern Norway, which makes it highly suitable for power intensive industries. Bøylestad Energy Park also offers proximity to highway systems, a railway and a port, which increases the strategic value of the area.

HYDROGEN

Vergia, Kongsberg Maritime and Moreld have joined forces to develop a combined offshore substation and hydrogen factory. HydePoint is a complete solution for receiving, converting and transmitting the full energy potential from offshore wind farms with reduced dependence on the onshore power grid. Placed in the ocean, close to wind farms, HydePoint can convert all or part of the energy into hydrogen. This will reduce the need for upscaling the power grid both to and on land.

Our portfolio of properties

Arendal Fossekompani`s property portfolio includes an urban development project, an airport and center for aviation and other stand-alone properties. All property-related companies and property investments are comprised in AFK Property.



AFK | Property

AFK ownership
100%

Head office
Arendal, Norway

AFK Property

Portfolio company



FINANCIAL FIGURES (MNOK)	Q1 2024	Q1 2023	Q4 2023	FY 2023
Revenue and other income	5	5	5	18
Operating profit	-4	-2	-2	-10
Operating margin	-78%	-35%	-31%	-55%
Earnings before tax (EBT)	-6	-3	-3	-14
Operating cash flow	-19	6	-164	-163
NIBD	401	136	361	361
Equity	179	203	185	185
Equity ratio	27%	42%	30%	30%

AFK Property

All property related companies and property investments are comprised in AFK Property.

Head office
Arendal, Norway

Chair
Lars Peder Fensli

Chief Executive Officer
Tom Krusche Pedersen

Ownership
100%

Employees
5

Countries
1

BRYGGEBYEN

The largest company in the property portfolio is Vindholmen Eiendom, which is transforming an old shipyard area into a new urban residential and commercial zone under the name Bryggebyen. The transformation will take 10-15 years to complete and will establish 500–700 residential units in combination with exciting trade and commerce offerings.

The third stage of the apartment complex at Bryggebyen is progressing according to plan, with 44 of 48 apartments sold per end of the quarter. The sale will be recognized as revenue at delivery which is expected in Q2 of 2024. The planning process for the fourth stage has started.

Arendals Fossekompagni also plans to build an indoor swimming facility at Bryggebyen. Arendal municipality has signed a long-term rental agreement, and a final investment decision is expected within 2024.

ARENDAL AIRPORT & PROPERTY GULLKNAPP

AFK Property is the majority owner of Gullknapp, which comprises an airport and an attractive 200,000 sqm industrial and commercial area. The main user of the airport facility is OSM Aviation Academy which runs a pilot school on the premises.

BØLEVEGEN 4

This property located along the Skien River, just one kilometer south of downtown Skien, was acquired in 2020. The 4,700 sqm building is fully lent to Arendals Fossekompagni's portfolio company ENRX on a 15-year bare-house agreement. As the city of Skien expands, this 12,000 sqm river property will be attractive both for commercial and residential development.

AFK Property has developed new facilities for ENRX, providing approximately 2,500 sqm of new offices, production and storage space. The building process was completed in March 2024.

LONGUM PROPERTY

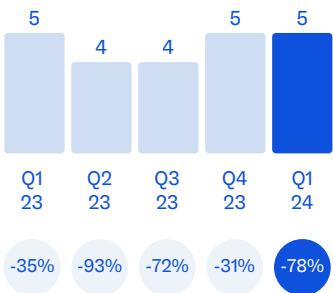
This 170,000 sqm property is located outside the city of Arendal, close to the E18 highway and the main production site of the coming Morrow Batteries factory. After the process to regulate the Longum property for commercial development started, the first inquiries for purchasing and/or renting space have been registered.

BEDRIFTSVEIEN 17

Bedriftsveien 17 is located in the middle of the emerging commercial area Krøgenes, three kilometers east of downtown Arendal. The 3,500 sqm building has been completely refurbished and is now fully lent to Scanmatic on a 25-year bare-house agreement. The area has grown in attractiveness following the completion of a new feed-in road to the E18 highway.

DEVELOPMENT LAST 5 QUARTERS

Revenue (MNOK) and operating margin



Shareholder Information Outlook

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

SHARES AND SHAREHOLDERS

There are a total of 55,995,250 shares in the company. At the end of the first quarter, a total of 1,137,911 were treasury shares. The share price was NOK 182.6 on 31 March 2024, compared to NOK 164.8 on 31 December 2023, and NOK 217.5 on 31 March 2023.

RISK AND UNCERTAINTIES

Arendals Fossekompani is exposed to credit risk, market risk and liquidity risk. These matters are described in detail in Note 16 to the annual financial statements for 2022.

RELATED PARTY TRANSACTIONS

The company's related parties comprise subsidiaries, associates and members of the Board of Directors and executive management. Transactions between Arendals Fossekompani companies and other related parties are based on the principles of market value and arm's length distance. Transactions carried out between related parties are detailed in Note 4. None of these transactions are considered of material importance for the company's financial position or earnings.

OUTLOOK

AFK Group revenues are expected to be higher in 2024 than in 2023, driven by expected strong underlying growth in portfolio companies and revenue recognition of the third stage of the AFK Property development project Bryggebyen. Lower expected power prices, partly offsets the growth. Operating profit is expected to be lower in 2024 compared to 2023, driven by the latter, reduced margins in NSSLGlobal and higher operational losses in Ampwell. Note that there is uncertainty associated with the war in Ukraine, supply chain constraints, soaring inflation, rising interest rates, as well as the development of energy prices.

VALUE

Value expects revenues and operating profit to be higher in 2024 compared to 2023. Value guides on long term organic growth of 15% and year-by-year increase of adjusted EBITDA margin, cash conversion, and share of ARR and SaaS revenue.

ENRX

ENRX expects revenues in 2024 to be in line with 2023. Operating profit is expected to increase compared to 2023.

NSSLGLOBAL

NSSLGlobal expects 2024 revenues to be higher than in 2023. Operating profit is expected be lower in 2024 compared to 2023 due to lower high-margin airline revenue and higher cost level.

TEKNA

Tekna expects revenues to be higher and operating profit to improve in 2024 compared to 2023.

ALYTIC

Alytic expects revenues to be higher in 2024 compared to 2023. Operating profit is expected to remain negative in 2024, as companies in the Alytic portfolio are still in a growth phase.

AFK VANNKRAFT

AFK Vannkraft expects revenue and operating profit to be lower in 2024 compared to 2023.

AMPWELL

For 2024, Ampwell expects revenues to be in line with 2023. EBIT is expected to remain negative.

AFK PROPERTY

AFK Property expects revenue and operating profit to be higher in 2024 compared to 2023, as the third stage of the apartment development project in Bryggebyen is scheduled for delivery in 2024.

VERGIA

Vergia expects revenue and operating profit for 2024 to be in line with 2023.

The Board of Directors emphasises that significant uncertainty is associated with assessments of future circumstances.

Froland, 15 May 2024

The Board of Directors, Arendals Fossekompani ASA

Financial Statements



CONSOLIDATED STATEMENT OF INCOME

(MNOK)

	Note	Q1 2024	Q4 2023	Q1 2023	Full year 2023
Revenue	5	1 432	1 399	1 402	5 400
Other Income		4	8	3	41
Revenue and other income		1 435	1 407	1 405	5 441
Materials and consumables used		448	425	452	1 814
Employee benefit expenses		552	399	489	1 868
Other operating expenses	2	230	469	194	1 006
Operating expenses		1 230	1 293	1 135	4 688
EBITDA		206	114	270	753
Depreciation	2	46	51	42	179
Amortisation		49	40	26	141
Operating profit		111	24	202	433
Finance income		41	42	83	183
Finance costs		41	90	35	193
Net financial items		1	-48	48	-11
Share of profit or loss of associates and joint ventures		-2	6	-12	-31
Profit before income tax		110	-19	238	391
Income tax expense		102	69	167	421
Profit (-loss)		8	-87	71	-30
Attributable to:					
Non-controlling interests		-21	-41	-4	-65
Equity holders of the company		29	-46	75	35
Basic/diluted earnings per share (NOK)		0,15	-1,59	1,29	-0,54
Statement of comprehensive income					
Items that may be reclassified to statement of income					
Total Effect from Foreign Exchange		80	-17	111	85
Change on Cash flow hedges		-6	16	-15	6
Tax on cash flow hedges that may be reclassified to P&L		1	-3	3	-1
Items that may be reclassified to statement of income		75	-5	99	89
Items that will not be reclassified to statement of income					
Change in financial assets at fair value through OCI		6	-2	1	2
Actuarial gains and losses		-	-1	-	-1
Tax on OCI that will not be reclassified to P&L		-	-	-	-
Items that will not be reclassified to statement of income		6	-4	1	1
Total Other Comprehensive Income (OCI)		82	-9	100	90
Profit (-loss)		8	-80	71	-22
Total Comprehensive Income		90	-89	171	68
Attributable to:					
Non-controlling Interests		0	-38	29	-36
Equity holders of the parent		89	-51	142	103

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(MNOK)

	Note	Q1 2024	Q1 2023	Full year 2023
Assets				
Property, plant and equipment		1 483	1 140	1 429
Intangible assets		2 486	1 892	2 377
Investments in associates and joint ventures		27	34	20
Net pension assets		29	25	28
Non-current receivables and investments		286	295	266
Deferred tax assets		134	121	128
Non-current assets		4 445	3 508	4 247
Inventories		1 398	1 031	1 280
Contract assets		288	199	182
Current receivables		1 328	1 384	1 528
Cash and cash equivalents		2 041	2 199	1 801
Derivatives - current assets:		5	12	5
Financial assets at fair value through OCI		22	13	16
Current assets		5 083	4 839	4 813
Total assets		9 528	8 347	9 060
Equity and liabilities				
Share capital		224	224	224
Other paid-in capital		26	22	26
Treasury shares		-113	-110	-113
Other reserves		96	30	60
Retained earnings		2 800	3 001	2 804
Capital and reserves attributable to owners of the company		3 033	3 166	3 001
Non-controlling Interests		635	668	638
Total equity		3 668	3 835	3 638
Non-current bond loans		498	498	498
Non-current interest-bearing debt		1 854	370	1 745
Pension liabilities		36	25	37
Non-current provisions		22	31	31
Deferred tax liabilities		133	64	133
Non-current lease liabilities		237	209	227
Non-current liabilities		2 780	1 197	2 671
Current interest-bearing debt		264	197	235
Bank overdraft		170	132	169
Derivatives - current liabilities		10	24	4
Accounts payable		399	738	513
Payable income tax		300	474	370
Contract liabilities		584	520	240
Current lease liabilities		68	63	66
Current provisions		52	118	57
Other current liabilities		1 233	1 048	1 099
Current liabilities		3 080	3 315	2 751
Total liabilities and equity		9 528	8 347	9 060

CONSOLIDATED STATEMENT OF CASH FLOWS

(MNOK)

		YTD 2024	YTD 2023
Cash flow from operating activities			
Profit (-loss)		8	71
Adjusted for			
Depreciation, Impairment and Amortization		94	68
Net financial items		-1	-48
Share of profit from associates and joint ventures		2	12
Tax expense		102	167
Total after adjustments to net income		205	270
Change in Inventories		-79	-140
Change in trade and other receivables		22	-3
Change in trade and other payables		-128	-285
Change in other current assets		2	-16
Change in other current liabilities		456	475
Change in employee benefits		-2	-
Total after adjustments to net assets		475	301
Tax paid		-180	-145
Net cash from operating activities	A	295	155
Cash flow from investing activities			
Interest received and realized FX gains		10	9
Proceeds from sales of PPE		2	4
Purchase of PPE and intangible assets		-133	-109
Purchase of other investments		-23	-4
Proceed from sale of other investments		9	-
Purchase of shares in subsidiaries		-3	-14
Proceeds from the sales of shares in subsidiaries		0	1
Net cash from investing activities	B	-137	-114
Cash flow from financing activities			
Equity payments from/to non controlling interests		5	-
New long-term borrowings		201	1
Repayment of long-term borrowings		-174	-34
Cash Flow from issuance of receivables		-2	-28
Cash Flow from Net change in current interest bearing debt		16	72
Interest paid and realized FX losses		-46	-47
Dividend paid		-81	-82
Net cash from financing activities	C	-82	-117
Cash Flow	A+B+C	76	-75
Opening balance for cash and cash equivalents		1 929	2 212
FX effects on cash accounts		37	62
Closing balance for cash and cash equivalents		2 041	2 199

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(MNOK)

	Share capital	Other paid-in capital	Treasury shares	Other reserves	Retained earnings	Capital and reserves attributable to owners of the company	Non-controlling Interests	Total equity
Opening balance at 01.01 2023	224	22	-110	-51	3 034	3 119	668	3 787
Profit (-loss)	-	-	-	-	75	75	-4	71
Total Other Comprehensive Income (OCI)	-	-	-	69	-1	67	33	100
Other changes from subsidiaries	-	-	-	12	-50	-38	-4	-42
Dividends paid	-	-	-	-	-57	-57	-25	-82
Closing balance at 31.03	224	22	-110	30	3 001	3 166	668	3 835
Opening balance at 01.01 2024	224	26	-113	60	2 804	3 001	638	3 638
Profit (-loss)	-	-	-	-	29	29	-21	8
Total Other Comprehensive Income (OCI)	-	-	-	60	-	60	21	82
Treasury shares	-	-	-	-	1	1	-	-
Other changes from subsidiaries	-	-	-	-23	20	-3	23	20
Dividends paid	-	-	-	-	-54	-54	-27	-81
Closing balance at 31.03	224	26	-113	96	2 800	3 033	635	3 668

STATEMENT OF INCOME PARENT COMPANY

(MNOK)

	Note	Q1 2024	Q4 2023	Q1 2023	Full year 2023
Revenue		122	114	189	504
Other Income		4	5	4	16
Revenue and other income		126	119	193	519
Materials and consumables used		-	3	-	2
Employee benefit expenses		22	25	20	76
Other operating expenses		27	25	26	92
Operating expense		48	53	45	170
EBITDA		78	66	147	350
Depreciation		3	4	3	13
Amortisation		-	-	-	2
Operating profit		74	62	144	335
Finance income and finance costs					
Finance income	7	166	37	174	268
Finance costs		21	49	13	92
Net financial items		145	-11	161	175
Profit before tax		219	51	305	510
Income tax expense		67	41	140	299
Profit (-loss)		151	10	164	211
Basic/diluted earnings per share (NOK)		2,76	0,18	3,00	3,85
Statement of comprehensive income					
Profit for the period		151	10	164	211
Change in financial assets at fair value through OCI		6	-2	1	2
Actuarial gains and Losses		-	-1	-	-1
Tax on OCI that will not be reclassified to P&L		-	-	-	-
Items that will not be reclassified to statement of income		6	-3	1	2
Total Other Comprehensive Income (OCI)		6	-3	1	2
Total Comprehensive Income		158	7	166	213
Attributable to:					
Equity holders of the parent		158	7	166	213

STATEMENT OF FINANCIAL POSITION PARENT COMPANY

(MNOK)				
	Note	Q1 2024	Q1 2023	Full year 2023
Assets				
Property, plant and equipment		226	231	227
Intangible assets		6	8	7
Investment in associates		-	-	17
Investment in subsidiaries		1 848	1 809	1 795
Intercompany loans - non-current		1 548	812	1 384
Net pension assets		13	12	13
Non-current receivables and investments		134	172	134
Deferred tax assets		46	47	46
Non-current assets		3 823	3 092	3 624
Current receivables		295	205	243
Cash and cash equivalents		1 064	1 074	1 064
Financial assets at fair value through OCI		22	13	16
Current assets		1 381	1 292	1 323
Total assets		5 204	4 384	4 947
Equity and liabilities				
Share capital		224	224	224
Other paid-in capital		26	22	26
Treasury shares		-113	-110	-113
Other reserves		6	-1	-1
Retained earnings		2 987	3 007	2 890
Capital and reserves attributable to owners of the company		3 129	3 141	3 026
Total equity		3 129	3 141	3 026
Bond		498	498	498
Non-current interest-bearing debt		1 194	167	964
Pension liabilities		6	6	7
Provisions		-	2	-
Non-current lease liabilities		60	60	58
Non-current liabilities		1 757	731	1 527
Accounts payable		10	7	12
Payable income tax		203	401	272
Current interest-bearing debt, intercompany		36	27	36
Current lease liabilities		2	2	2
Other current liabilities		66	73	71
Current liabilities		318	511	394
Total liabilities and equity		5 204	4 384	4 947

STATEMENT OF CASH FLOWS PARENT COMPANY

(MNOK)			
		YTD 2024	YTD 2023
Cash flow from operating activities			
Profit (-loss)		151	164
Adjusted for			
Depreciation, Impairment and Amortization		4	4
Net financial items		-145	-161
Tax expense		67	140
Total after adjustments to net income		78	147
Change in trade and other receivables		-7	-11
Change in trade and other payables		-1	-6
Cash flow form Internal Accounts Payable and Receivable		2	16
Change in other current liabilities		4	-2
Change in employee benefits		-1	-1
Total after adjustments to net assets		74	143
Tax paid		-136	-114
Net cash from operating activities	A	-62	30
Cash flow from investing activities			
Interest received and realized FX gains		28	14
Dividends received		107	96
Purchase of PPE and intangible assets		-	-5
Purchase of other investments		-	-1
Proceed from sale of other investments		2	-
Purchase of shares in subsidiaries		-36	-41
Proceeds from the sales of shares in subsidiaries		-	1
Net cash from investing activities	B	101	64
Cash flow from financing activities			
New long-term borrowings		187	-
Repayment of long-term borrowings		-1	-1
Cash Flow from Internal Loans and Borrowings		-141	-120
Interest paid and realized FX losses		-27	-17
Group Contribution Received		-	34
Dividend paid		-55	-52
Net cash from financing activities	C	-38	-180
Cash Flow	A+B+C	-	-87
Opening balance for cash and cash equivalents		1 064	1 160
Closing balance for cash and cash equivalents		1 064	1 074

STATEMENT OF CHANGES IN EQUITY PARENT COMPANY

(MNOK)	Share capital	Other paid-in capital	Treasury shares	Other reserves	Retained earnings	Capital and reserves attribut-able to owners of the company	Total equity
Opening balance at 01.01 2023	224	22	-110	-3	2 894	3 027	3 027
Profit (-loss)	-	-	-	-	164	164	164
Total Other Comprehensive Income (OCI)	-	-	-	1	-	1	1
Dividends paid	-	-	-	-	-52	-52	-52
Closing balance at 31.03	224	22	-110	-1	3 007	3 141	3 141
Opening balance at 01.01 2024	224	26	-113	-1	2 890	3 026	3 026
Profit (-loss)	-	-	-	-	151	151	151
Total Other Comprehensive Income (OCI)	-	-	-	6	-	6	6
Effect of share based payment	-	-	-	-	1	1	1
Dividends paid	-	-	-	-	-55	-55	-55
Closing balance at 31.03	224	26	-113	6	2 987	3 129	3 129

NOTE 1 CONFIRMATION OF FINANCIAL FRAMEWORK

The financial statements for the quarter have been prepared in accordance with IAS 34 Interim Financial Reporting. The report does not include all the information required in full annual financial statements and should be read in conjunction with the consolidated financial statements for 2023.

NOTE 2 KEY ACCOUNTING POLICIES

The accounting policies for 2023 are described in the Annual Report for 2022. The financial statements have been prepared in accordance with EU-approved IFRS and associated interpretations, as well as the additional Norwegian disclosure requirements pursuant to the Norwegian Accounting Act and stock exchange regulations and rules, applicable as at 31 December 2023. The same policies have been applied in the preparation of the interim financial statements as at 31 March 2024.

New standards effective from 1 January 2024 have had no material effect on the financial statements.

NOTE 3 ESTIMATES

Areas involving significant use of estimates include the valuation of companies in the share portfolio and measurement of goodwill/excess values in subsidiaries and associates, and of impairment indicators for property, plant and equipment and intangible assets. In the year to date these measurements have not resulted in material impairment losses on any assets or cash-generating units.

"Impairment considerations for Commeo are based on current expectations for future growth and cashflow generation. However, the business case is characterized by substantial uncertainty, and the valuation will heavily depend on the commercial developments in 2024 and onwards."

NOTE 4 RELATED PARTY TRANSACTIONS

Disclosures concerning related party transactions are given in the company's Annual Report for 2023, Note 24.

NOTE 5 SEGMENT REPORTING

(MNOK)										
	Group Management		AFK Vannkraft		Value		NSSLGlobal		ENRX	
Per 31.03.	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Sales at a point in time	-	1	122	189	69	62	291	297	227	215
Sales over time	-	-	-	-	330	277	-	-	301	244
Other Income	5	3	-	1	1	1	-	-	2	1
Revenue and other income	5	3	122	190	400	339	291	297	529	460
Operating expenses	25	20	24	26	328	293	228	238	464	404
Depreciation, amortization and impairment	1	1	3	3	43	23	5	5	19	19
Operating profit	-21	-18	95	161	29	24	57	54	46	37
Net financial items	145	161	-	-	-5	1	3	-3	-14	-9
Income tax expense	5	10	62	130	7	6	15	10	11	11
Profit (-loss)	118	133	33	31	17	19	46	41	21	17
Total assets	4 967	4 153	241	233	2 332	2 004	1 031	928	2 140	1 930
Total liabilities	1 868	831	211	413	1 431	1 165	480	437	1 690	1 526
Net interest bearing debt	-1 075	-1 299	-	-	-5	-392	-276	-176	904	704

	Tekna		Alytic		Property		Vergia		Ampwell	
Per 31.03.	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Sales at a point in time	47	52	13	12	3	2	-	-	9	34
Sales over time	20	18	-	-	-	-	-	-	-	-
Other Income	1	1	-	-	2	3	-	-	-	-
Revenue and other income	68	71	13	11	5	5	-	-	9	34
Operating expenses	83	80	34	28	5	3	2	2	41	45
Depreciation, amortization and impairment	9	8	6	3	4	3	-	-	7	6
Operating profit	-24	-17	-26	-19	-4	-2	-2	-2	-39	-16
Income from associates	-	-3	-	-	-	-	-3	-2	-	-1
Net financial items	-4	1	-	-	-2	-1	-	-	-14	-5
Income tax expense	2	-	-	-	-	-	-	-	-	-
Profit (-loss)	-29	-19	-27	-19	-6	-3	-5	-4	-53	-23
Total assets	613	546	245	225	667	484	24	34	1 038	711
Total liabilities	344	153	92	72	488	281	31	29	1 174	729
Net interest bearing debt	181	14	-4	-30	401	136	23	14	991	467

	Eliminations		Total	
Per 31.03.	2024	2023	2024	2023
Sales at a point in time	-	-	781	863
Sales over time	-	-	651	539
Other Income	-7	-7	4	3
Revenue and other income	-7	-7	1 435	1 405
Operating expenses	-4	-5	1 230	1 135
Depreciation, amortization and impairment	-2	-2	94	68
Operating profit	-	-	111	202
Income from associates	-	-6	-2	-12
Net financial items	-107	-102	1	48
Income tax expense	-	-	102	167
Profit (-loss)	-107	-102	8	71
Total assets	-3 771	-2 900	9 528	8 347
Total liabilities	-1 948	-1 125	5 860	4 512
Net interest bearing debt	-78	-92	1 063	-653

NOTE 6 FINANCE INCOME, PARENT COMPANY

	Full year 2024	Full year 2023
Interest income, I/C	26	10
Interest income	13	9
Currency exchange income	20	59
Dividend income I/C an group contribution	107	96
Total	166	174

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