

Technology for a sustainable tomorrow

Annual report 2020

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Value in brief

Value is a market leader in technologies and services that power the green transition. Based on 50 years of experience, Value provides innovative solutions, systems and insights to industries critical to society. Over 600 employees work with more than 2000 customers on energy, power grid, water and infrastructure projects that ensure a sustainable, flexible and reliable future. The company is headquartered in Oslo, Norway and active in 40+ countries.

The company was established in March 2020 through the merger of the Trondheim company Powel and the Arendal companies Scanmatic, Markedskraft and Wattsight to increase the returns and reduce greenhouse gas emissions for customers in the European power market, while at the same time safeguarding the role as a promoter of increased digitalisation in other industries.

Combined, the four companies have large, established positions in the European energy market, with a natural centre of gravity in the Nordic region.

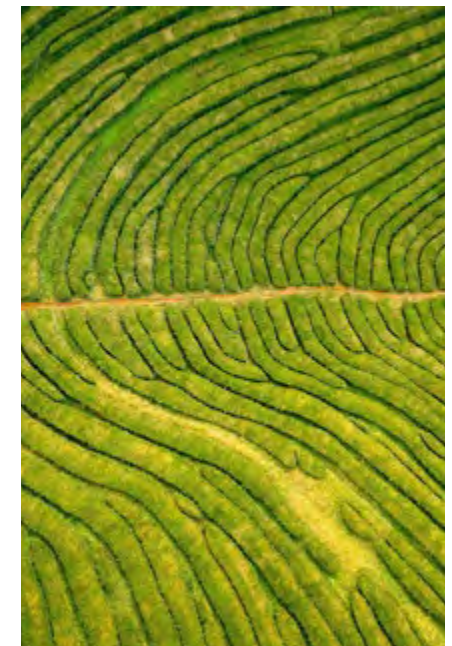
Value's digital platforms and innovative solutions support digital water management and the automation of processes and machines for the construction industry. Our software suite, built on deep domain knowledge, enables customers across the clean energy value chain to provide services critical to society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

Value's product families are:

- Industrial IoT
- Water & Community Software
- Construction Software
- Market Services
- Transmission & Distribution Software
- Optimisation & Trading Software
- Insight

All employees at Value are united behind the belief that great people, delivering end-to-end platforms and technology services, hold the key to unlocking a more equitable, sustainable and prosperous future.

Value is headquartered in Oslo, Norway, with teams based across 30 offices all over Europe, thereby enabling us to be closely connected with our customers, markets and industries. We are thinking globally and acting regionally.






Value by numbers

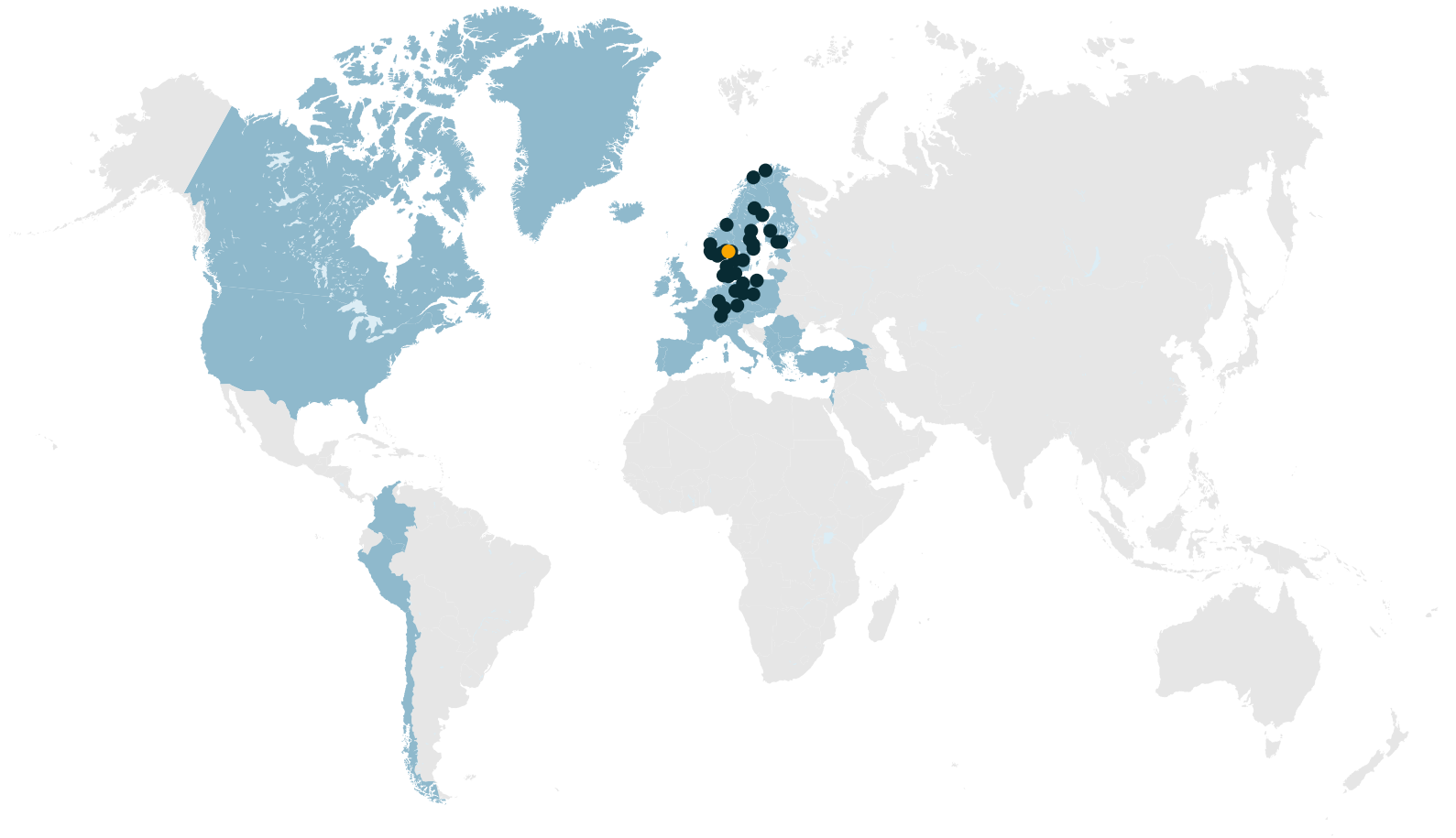
600+
EMPLOYEES

2 000+
CUSTOMERS
IN 40+ COUNTRIES

30+
OFFICES
IN 7 COUNTRIES

Where we are:

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



Key figures

Amounts in NOK million and per cent

LOCATION	2020	2019
Revenues	892	798
EBITDA	148	100
EBITDA margin (per cent)	17	13
Adj. EBITDA	196	134
Operating profit	82	40
Ordinary profit for continued operations	60	25
Operating cash flow	210	154
NIBD	-440	-184
Equity	743	362
Equity ratio (per cent)	50	34

Highlights of 2020

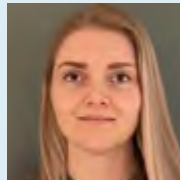
- Revenues amounted to NOK 892 million for 2020, up 12 per cent from 2019
- Solid operational performance and revenue growth in all business segments
- EBITDA ended at NOK 148 million, a margin of 17 per cent
- Successful listing of Value on Euronext Growth Oslo in October
- Acquisition of leading algorithmic trading provider Likron GmbH in November

“Not a single day working at Volue Industrial IoT looks the same. Every day we face new opportunities and challenges with teamwork and creativity! It is extremely rewarding to be part of a highly skilled team that fosters a culture of continuous learning and knowledge sharing.”



Birgitte Centeno Austefjord,
Sales Engineer Industrial IoT,
Norway.

“What I enjoy the most at Volue is working on the gap between technology and sustainability, while creating value for our customers! ”



Hanne Sandven,
Product Specialist
Infrastructure, Norway.

“Working for Volue, feels like being in the right place at the right time: at the beginning of a growth story, with possibilities to create a positive impact with our personal contributions.”



Dr. Vija Pakalkaite,
Head of Continental Market
Analysis, Germany.

“I had the pleasure of working with the creation of Volue from the initial stages. Early on, we focused on harvesting the obvious synergies by utilising technologies from the parent companies. When working together, the enormous commitment from everyone made the work both easy and extremely rewarding. All contributed significantly to realise the value from the union of Volue’s four parent companies. Our mission to realise the green transition is straightforward and makes it easy for us to identify ourselves within the organisation.”



Jesper Holm,
Product Manager Market Services, Denmark.

“Working for Volue (and previously Powel), is a great honour and pleasure. Through my work at Volue, I positively contribute to building a society that is both in line with my values and my ethics. I love working with people across Europe who I can confidently call my close friends. Across our different lines of business, we have strong values and goals – to realise the green transition and make the world a better place.”



Adam Boryniec,
Country Manager, Poland.

Shareholder information

Volue attaches importance to an open and trusting dialogue with its shareholders, investors, analysts and the capital markets.

Our goal is for the share price to reflect the underlying values of the company by making all price-relevant information available to the market. Volue works to create shareholder value in the form share appreciation over time.

Share capital

Volue AS (Volue) has one class of shares. Each share carries one vote at the company's general meeting. The shares are freely transferable pursuant to the company's articles of association.

Volue's registered share capital at 31 December 2020 was NOK 57 431 050.40 divided between 143,577,626 shares with a nominal value of NOK 0.40 each.

The shares are registered in the Norwegian Central Securities Depository with DNB ASA as the account operator and issuer. The securities identification number for the share is ISIN NO0010894603.

Stock market listing

The company's shares have been listed on Euronext Growth Oslo (ticker code: VOLUE) since 19 October 2020.

The share began trading at NOK 32.20 and closed at NOK 50.20 at year end, an increase of 57 per cent. The Euronext Growth Index increased by 14 per cent during the same period. The share price has varied between NOK 25.21 and NOK 62.5. At the end of 2020, the company's market capitalisation was NOK 7 207.1 million. A total of 44.1 million shares were traded in the 2.5 months since listing, corresponding to a turnover rate of 30.7 per cent.

The company is preparing to transfer from Euronext Growth to the Oslo Stock Exchange in the first half of 2021.

Shareholder structure

At the end of 2020, Volue had 1 553 shareholders. At the end of the year, the foreign shareholding amounted to 11.2 per cent. At the balance sheet date, Arendals Fossekompani ASA was the largest shareholder holding 75.7 per cent of the Volue shares, followed by Morgan Stanley & Co. LLC with 1.7 per cent and Goldman Sachs & Co. LLC with 1.56 per cent.

The 20 largest shareholders held a total of 86.30 per cent of the company's shares at the end of the year.

Option schemes

As at 31 December 2020, Volue had no option schemes.

Current authorisations

The Board of Directors of Volue AS has the authorisation to increase the share capital.

Investor relations

Volue wishes to maintain open communications with its shareholders and other stakeholders. Shareholders and stakeholders are kept informed by announcements to the Euronext Growth and press releases.

Volue's website www.volue.com provides information on Volue's business and financial situation. Interim financial statements are presented at meetings open to the general public and are available as webcasts at www.volue.com.

The corporate management is responsible for communication activities and investor relations, and also facilitates direct contact with the chairman of the board and other board members.

General Meeting

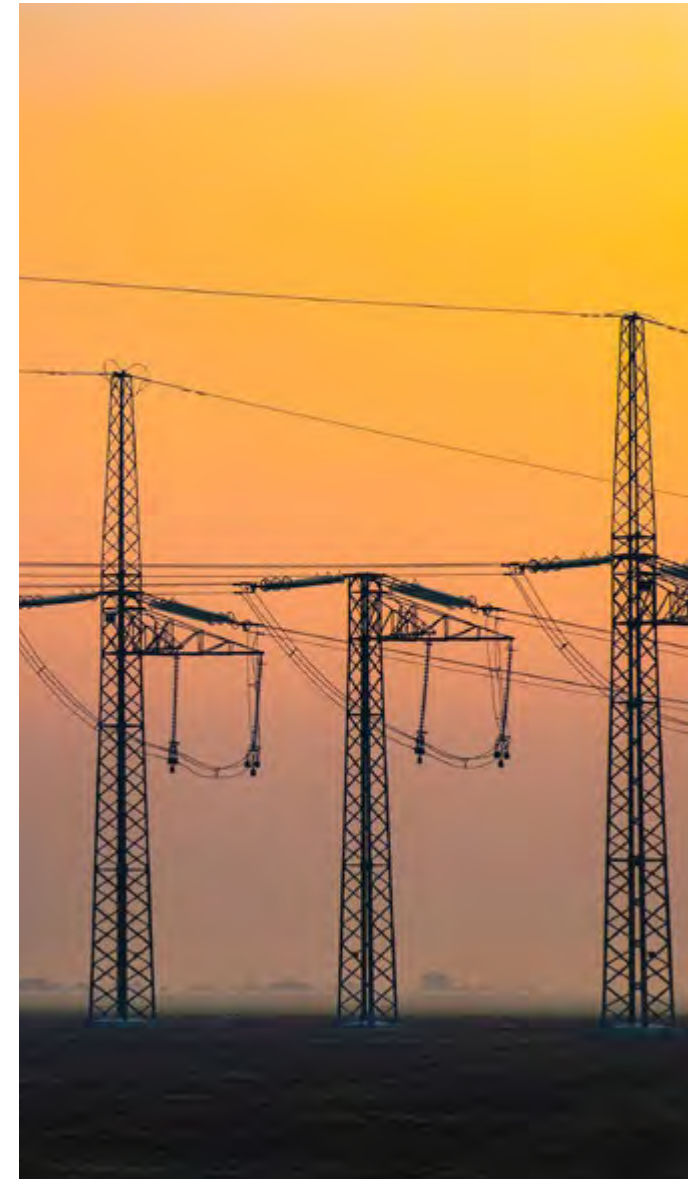
Through the general meeting, shareholders exercise supreme authority in a Norwegian company. In accordance with Norwegian law, the annual general meeting of shareholders is required to be held each year on or prior to 30 June. Norwegian law requires that a written notice of annual general meetings setting forth the time of, the venue for and the agenda of the meeting is sent to all shareholders with a known address no later than seven days before the annual general meeting of a Norwegian private limited liability company shall be held. Volue's articles of association

require that notice of annual general meetings is sent to all shareholders 14 days prior to the meeting.

A shareholder may vote at the general meeting either in person or by proxy (the proxy holder is appointed at their own discretion). All of the Company's shareholders who are registered in the shareholders' register kept and maintained with VPS as of the date of the general meeting, or who otherwise have reported and documented ownership of Shares in the Company, are entitled to participate at general meetings, without any requirement of pre-registration.

Apart from the annual general meeting, extraordinary general meetings of shareholders may be held if the board of directors considers it necessary. An extraordinary general meeting of shareholders shall also be convened if, in order to discuss a specified matter, the auditor or shareholders representing at least 10 per cent of the share capital demands such in writing. The requirements for notice and admission to the annual general meeting also apply to extraordinary general meetings.

An extraordinary general meeting in Volue was held 17 March 2021, which resolved to convert Volue into a public limited liability company (ASA). The name of the company was changed to Volue ASA.



Letter from the CEO

What a difference a year makes. On 3 March 2020, we announced the merger of Powel, Scanmatic, Markedskraft and Wattsight to form a new leading technology supplier: Value. Our purpose: to create a greener, better future through technology. Our initial focus: to enable the green energy transition.

We were quick off the starting blocks, motivated by the urgency of our mission. Four companies had to be integrated into one, the customer portfolio needed to be expanded, new solutions needed to be developed. What we hadn't factored in, was the unprecedented stress test the Covid-19 pandemic would place on every company in the world, Value included.

Our way of living was turned upside down, as was our way of working. Yet our 600 colleagues across Europe have risen to the challenge, working tirelessly to ensure the continuity of our customers' operations, while a safe work environment was provided for all. I cannot commend them highly enough for their efforts, which have been nothing short of inspirational.

Profitable growth

Their hard work enabled Value to deliver solid results in 2020. Our revenues grew by 12 per cent to NOK 892 million and our operating profit by 105 per cent to NOK 82 million. We reported a 22 per cent adjusted EBITDA. In addition, we successfully integrated four companies, took Value public and acquired a leading algorithmic power trading software provider.

2020 may have thrown us some curveballs, but our list of achievements by the end of it make me proud. And we're just getting started. Because the trends that led us to establish Value one year ago have by no means been diminished or derailed by the pandemic.

The energy markets are changing at a breathtaking pace. While today's market is dominated by a few hundred players, we're likely to see thousands or even millions in the future. The distinction between producer and consumer is becoming increasingly blurred. The market will be dominated by "prosumers" – those who produce as well as consume. As the share of renewables in global electricity generation steadily grows, so does the volatility in the market. When the supply side depends on the weather and demand is marked by the electrification of the transport sector, keeping that market in balance so that 750 million Europeans can have light is a challenge. Put simply: we're entering a power market that is too complex for humans to manage on their own.

The solution lies in a combination of digital technology and deep industry knowledge, which is what Volue provides, having pioneered green technology for over five decades. Our domain knowledge is an intrinsic part of our DNA, which makes us perfectly positioned to help our customers master disruption through digital transformation. Our market-leading products optimise energy production, trading, distribution and consumption, enabling the replacement of fossil fuels with renewable energy sources. Creating Volue last year has given us an unrivalled coverage along the clean-energy value-chain, from monitoring using sensors to realising cash in trading.

And our impact goes beyond energy: Volue technology secures availability of the core services society relies on – energy, water and infrastructure. Building on the success we've had in our home market, we've now earned the trust of more than 2000 customers across 40 countries.

Listing on Euronext Growth

After a successful private placement that raised NOK 500 million to the company, Volue was listed on Euronext Growth Oslo on 19 October, 2020. We're pleased to see that the trust our shareholders have placed in us has so far paid off, with a 62 per cent return on the stock, compared to 14 per cent for the Euronext Growth Index in the same period. It is important for us to attract

a broader investor base going forward, and the company prepares for a listing on the Oslo Stock Exchange in the first half of 2021.

A consolidator in the market

An important driver for listing Volue, was the opportunity for structural growth in the energy market. We operate in a highly fragmented market composed of smaller, specialised players, that can't fully support customers in their much-needed transition to renewable energy. Looking at the landscape in which we operate, we see two distinct players at opposite ends. At the beginning of the value-chain we find the hardware vendors or the OEMs. They have some software, but focus primarily on hardware efficiency, with some software for inspection and maintenance. At the other end of the value-chain are ETRMs, or Enterprise Trade & Risk Management solutions. Their comparative advantage resides in risk and finance, more than in the monetisation of energy in a volatile market.

Everything in-between these players are potential attractive acquisition candidates to us. These can be divided into two groups. The first is established companies with a solid revenue stream, but with a potentially outdated technology stack. They can provide us with a good customer base. The other category are younger companies with great technologies, great people and ideas, but without a significant revenue stream and market penetration.

We find both categories of companies attractive for M&A, one for market access and the other to strengthen our capabilities along the value-chain.

A good example of the latter is the leading algorithmic power trading software provider, Likron GmbH, which we acquired in November. Likron, headquartered in Munich, Germany, will form the basis for Volue's centre of excellence for trading solutions. The Likron team pioneered algorithmic trading on the European Power Exchange and provides products perfectly complementing Volue's power trading offering. By combining our joint capabilities, we will take the pole position in this rapidly growing and changing industry.



Outlook

Volue has clear ambitions for the future. We have a well-defined strategy and the financial strength needed to succeed. Our ambition is to create a NOK 2.0 billion revenue company by 2025, with EBITDA margins towards 30 per cent.

We see three primary drivers behind this growth:

1. Our end-market is growing: our customers' spend on advanced software solutions is growing as a consequence of the green energy transition and the rapid market transformation. The shift to green non-controllable energy sources leads to increased volatility and complexity for our customers, requiring more advanced software solutions. Bloomberg New Energy Finance forecasts a 10 per cent growth in investments year-on-year for the energy industry between 2020-2025.
2. The European market is growing: we now have a solid footprint in the European market, supporting 40 per cent of the participants on the European power exchanges, and we continue to invest in sales and marketing outside the Nordic region, which still represents our largest source of revenue. In the fourth quarter, we won two significant and strategic contracts for reinventing the intraday trading process - one with a customer in the Nordics, and another with a customer in continental Europe.

3. There is great potential to grow existing accounts: we have over 900 customers in the Energy segment, where more than 800 customers are currently only buying from one of the Volue group companies. As one integrated company, we can deliver a more integrated solution offering, taking end-to-end responsibility. We are now integrating our capabilities in the cloud, to allow for friction-free deployment and scalability.

An important goal for us this year, is to reach NOK 1.0 billion in run-rate sales. We aim to achieve this whilst maintaining a healthy EBITDA margin, exceeding 20 per cent. Central to this growth strategy, is to increase our recurring revenues through our ongoing SaaS transformation.

We will continue to cultivate our leading position in each of our business segments and invest in growth opportunities. And we will step up our sustainability efforts. To this end, we have produced our first sustainability report, which you will find in this annual report. The report describes our approach and performance on our most material environmental, social and governance issues for the 2020 financial year. It is a first step towards making our work on sustainability more transparent and in line with reporting standards.



Lastly, I would like to thank our customers, partners, and shareholders, who have put their trust in Volue. We will work hard every day to prove that we are worthy of the support we have been given.


Trond Straume,
CEO Volue

Board of Directors' report

Volue reported strong profitable growth for 2020. The company recorded revenues of NOK 892 million and an EBITDA margin of 17 per cent. The adverse market conditions brought by the Covid-19 pandemic had limited impact on the business.

All Lines of Business delivered solid operational performance, reported good order intake and continued build-up of a highly sticky customer base. Growth in recurring revenues through sales closed the year above target. The company was listed on Euronext Growth Oslo and has since created significant shareholder value.

Volue's revenue for the year reached NOK 892 million (NOK 798 million), which represented a 12 per cent increase compared with 2019, driven by growth across all business segments and a successful European expansion. The total of recurring revenues stood at NOK 572 million. EBITDA reached NOK 148 million compared to NOK 100 million in 2019. Net profit for the year amounted to NOK 99 million (NOK -20 million). Volue's current financial position is sound, and the company has seen limited impact from the

Covid-19 pandemic. The market outlook remains good for the company's three business areas due to an ever-increasing need for new digital solutions in the industry verticals where Volue operates.

Business and location

Volue's business model is to supply software and technology solutions for the energy, power grid and infrastructure markets, serving over 2,000 customers in 40+ countries. Based on 50 years of green technology expertise, Volue offers software solutions, systems and market insight that optimise production, trading, distribution and consumption of energy, as well as infrastructure and construction projects. As one of Norway's leading software companies, Volue has unrivalled coverage along the clean-energy value-chain, from monitoring using sensors

to realising cash in trading. Volue's technology secures availability of the core services society relies on – energy, water and infrastructure.

The business is organised into three business segments: Energy, Power Grid and Infrastructure.

The Energy segment delivers solutions that help customers master the energy transition by enabling wall-to-wall digitalisation of the green energy value chain. The Power Grid segment enables power distributors to support electrification of society by unlocking flexibility and digital management of the power grid. The Infrastructure segment offers customers flexible capabilities for digital water management and helps automate processes and machines for the construction industry.

Volue Technology AS is the largest subsidiary and operates in all three segments. Volue Market Services AS, Volue Insight AS and Volue Industrial IOT AS operates mainly in the Energy segment.

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

Market sectors

Volue is organised into three business segments: Energy, Power Grid and Infrastructure.

Energy

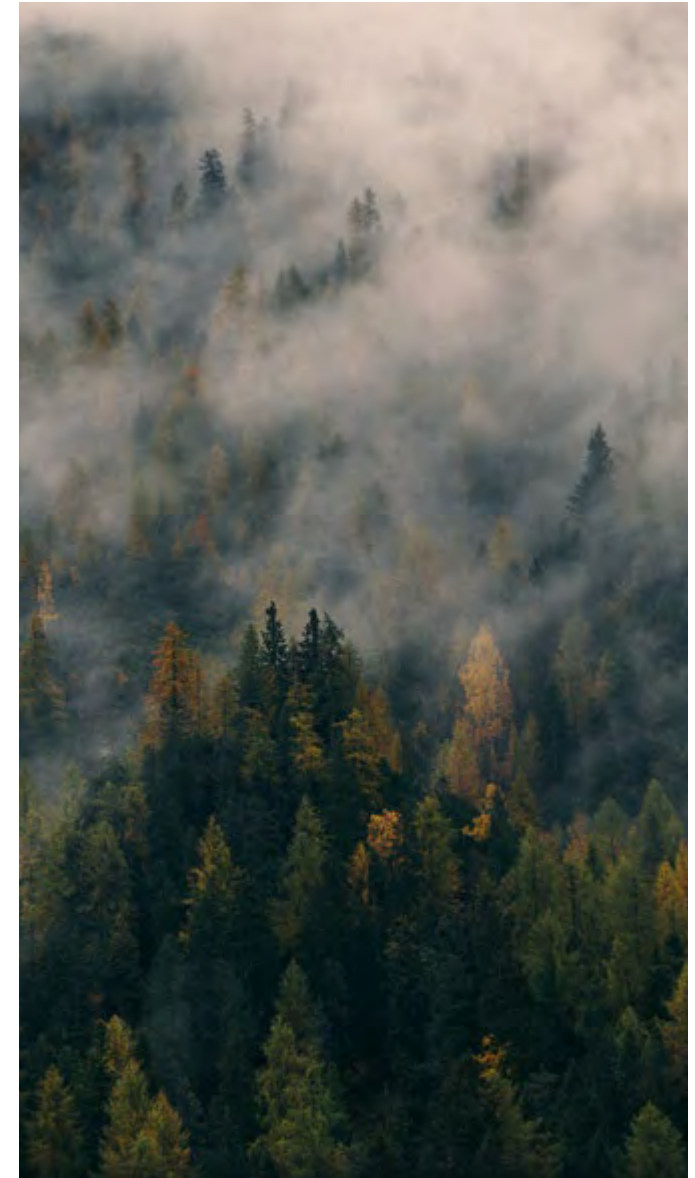
Revenue in the Energy segment increased by 17 per cent to NOK 460 million in 2020. This represented 52 per cent of the group's revenues. Revenue increased by 10 per cent to NOK 393 million in 2019 (NOK 359 million in 2018). This represented 49 per cent of the group's revenues (44 per cent). Adjusted EBITDA margin rose to 21 per cent in 2020, compared with 7 per cent in 2019. Growth rates were primarily driven by SaaS-offerings and large ongoing software delivery projects. In the Energy segment, Volue is expanding from a dominating Nordic position, into continental Europe. Part of Volue's initial focus was on the most complex optimisation challenge, which was for hydropower. Since then, Volue has worked to expand its platform into thermal,

solar, wind and batteries. This is important to Volue's customers as they continue to operate their existing assets, while expanding capacity in new asset types. Trading solutions has growing in part of total solution in portfolio and the recent acquisition of Likron will be core as part of the value offering. Data capture has been important part of Volue with gathering of data from sensor through our Industrial IoT solution. In the Energy market Volue offers forecast solutions that provide customers with the best in class data for cost-efficient decision-making. Volue translate weather into energy and present scenarios that help customers manage trading risks. CAPEX levels in the Energy segment represents approximately 12 per cent of sales, which is mainly composed of by R&D investments.

Volue is making significant investments into new products related to optimisation, trading solutions, analyses and forecast solutions. In the fourth quarter 2020, Volue won two significant and strategic contracts for reinventing the intraday trading process, with a customer in the Nordics, and another in continental Europe.

Power Grid

Revenue in the Power Grid segment increased by 5 per cent to NOK 236 million in 2020. This represented 26 per cent of the group's revenues. Revenue decreased by 8 per cent to NOK 225 million in 2019 (NOK 244 million in 2018). This represented 28 per cent of the Group's



revenues (30 per cent). Adjusted EBITDA margin rose to 24 per cent, compared with 21 per cent in 2019. Volue holds a strong market position in the Nordics. With decades of experience supporting customers, the Nordic region has built one of the strongest grids in Europe, which is now being put under pressure by the electric vehicles revolution. The electrification of the society is growing, creating new challenges and opportunities. Volue aims to expand its footprint in the Power Grid segment through its market position in the Energy segment. CAPEX levels in the Power Grid segment represents approximately 8 per cent of sales and are related to R&D. CAPEX levels are expected to increase in 2021 due to ongoing investments in new product development.

Infrastructure segment

Revenue in the Infrastructure segment increased by 15 per cent to NOK 202 million in 2020. This represented 23 per cent of the group's revenues. Revenue increased by 15 per cent to NOK 176 million in 2019 (NOK 154 million in 2018). This represented 22 per cent of the group's revenues (19 per cent). Adjusted EBITDA margin rose to 26 per cent, compared with 21 per cent in 2019. Growth rates were primarily driven by a strong performance in the home markets from the construction market, where there is increasing need for digitalisation, as well as from ongoing market expansion in Sweden. Deliveries through software

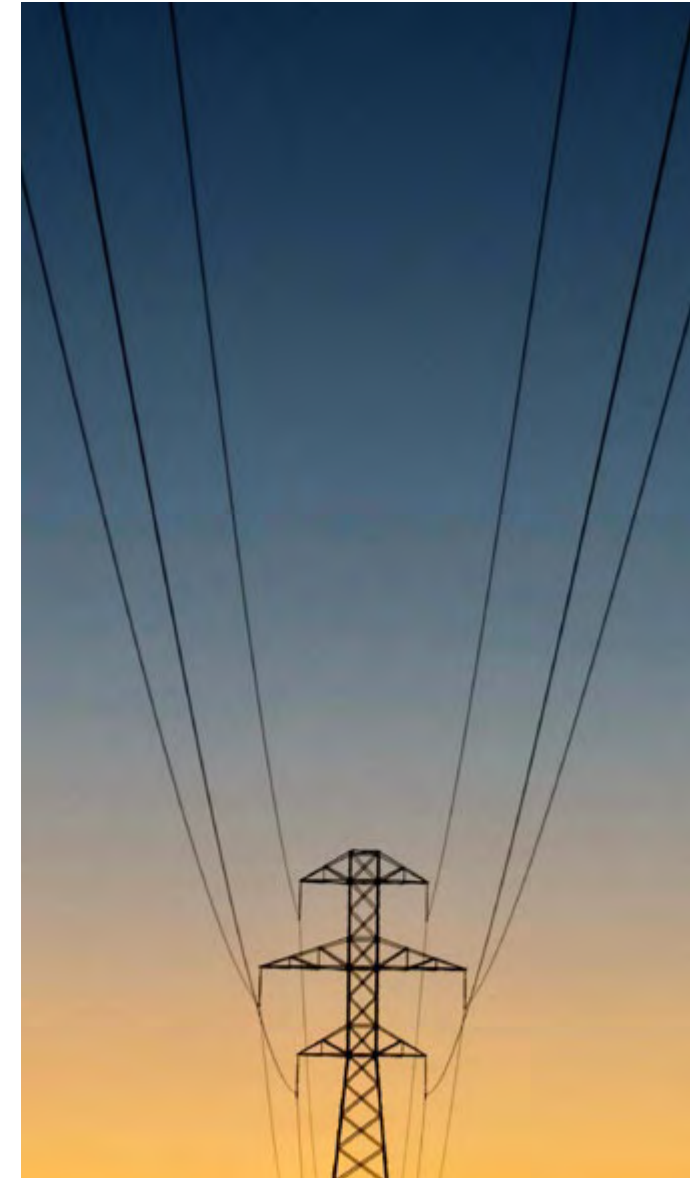
and Software as a Service (SaaS) also reported a strong uplift in recurring revenue levels. Volue has so far focused on SaaS transformation in its home market, with 900 customers in the infrastructure construction business, in addition to covering 84 per cent of the Norwegian population with its water and wastewater business. Volue forecasts further increased profitable growth in Scandinavia, driven by the on-going expansion to Sweden and Denmark. CAPEX levels in the Infrastructure segment represents approximately 11 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.

Important events in 2020 Establishment of Volue

On 3 March 2020, it was announced that the industrial investment company Arendals Fossekompagni ASA would merge the portfolio companies Powel, Scanmatic, Markedskraft and Wattsight to form Volue. The aim was to create a leading technology supplier and enabler for Europe's green transition. Volue would fill a gap in the market by offering technology and expertise that make it possible to replace fossil energy with renewables and reduce emissions from fossil energy sources.

Launch of first cloud offering

In early 2020, Volue launched its cloud offering - Volue Intraday cloud. The digital



launch event attracted 420 participants from over 200 companies. Volue Intraday Cloud consists of three existing solutions from the group companies, but packaged in a new way for friction-free adoption in the cloud. Volue Intraday Cloud helps customers solve some of their greatest challenges: intraday and high-frequency trading.

Listing on Euronext Growth

On 19 October 2020, Volue was listed on Merkur Market, since renamed Euronext Growth, after a successful private placement that raised NOK 500 million in gross proceeds. Following the completion of the initial public offering, Volue has a total of 143 577 626 shares issued and outstanding. The share price opened at NOK 31.00 on first day of trade and closed at NOK 50.30 at year end, an increase of 62 per cent. The Euronext Growth Index increased by 14 per cent during the same period. Volue is working towards being moved to the main list of Oslo Stock Exchange during second quarter of 2021.

Mergers and acquisitions

In November, Volue announced the acquisition of Likron GmbH, a leading provider of algorithmic intraday energy trading on the European Power Exchange EPEX and the Nordic Nord Pool power exchange. The acquisition cements Volue's European position in an increasingly important intraday power trading market. The Munich, Germany, headquartered company was founded in 2010, has 30 employees, and will serve as Volue's centre of excellence for algorithmic trading software. Likron has over time demonstrated strong revenue growth, gaining market share through the transformation of the energy industry. The company brings deep trading expertise, state-of-the-art technologies and unmatched quantitative analysis for short-term power trading. In addition, Likron holds a significant customer base, thereby expanding Volue's footprint in the European market, most notably in Germany, which is considered a leading nation in the energy transition.

MARCH 2020

Establishment of
Volue

EARLY 2020

Launch of first
cloud offering

OCTOBER 2020

Listing on Euronext
Growth

NOVEMBER 2020

Acquisition of Likron
GmbH

Financial statements

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

Profit and loss

Revenue was NOK 892 million, up from NOK 798 million in 2019, which represents 12 per cent revenue growth. In the previous period, the revenue decreased by 3 per cent from NOK 818 million in 2018. EBITDA was NOK 148 million compared with NOK 100 million in 2019 (NOK 36 million in 2018). Volue had a profit for the period of NOK 99 million compared to NOK -20 million in 2019 and NOK 12 million in 2018. Profit from continuing operations in 2020 was 60 million, a 172 per cent increase from 2019. Profit from continuing operations decreased from NOK 24 million in 2018 to NOK -45 million in 2019. Earnings per share were NOK 0.76 in 2020, compared to 0.13 in 2019 and 0.01 in 2018.

Cash flow

Net cash from operating activities was NOK 210 million in 2020 compared with NOK 154 million in 2019, with higher operating income being the main contributor. Net cash used for investing activities in 2020 was NOK -160 million, reflecting purchase of Likron Gmbh and intangible assets. Net

cash from financing activities is mainly related to issue of shares and acquisition of non-controlling interests. In 2019 change in net working capital being was the main contributor to the operating activities. Net cash from investing activities are used for investing in R&D as intangible assets and structural growth. Net cash from financing activities is primarily related to borrowings and interest paid.

Financial position

Volue's financial position improved in 2020, with a debt/equity ratio of 0.98 at year-end compared with 1.76 at the end of 2019 and 1.31 at the beginning of 2019. Net interest-bearing debt was NOK -440 million at year end, while total assets were NOK 1 473 million. Total equity attributable to shareholders of the parent company as of 31 December 2020 amounted to NOK 740 million. At the end of 2020 Volue had NOK 434 million in cash and cash equivalents. We consider the company's cash and financial position to be strong. In the opinion of the Board of Directors, the consolidated financial statements provide a true and fair view of the group's financial performance during 2020 and financial position on 31 December 2020. According to section 3-3 of the Norwegian Accounting Act, we confirm that the consolidated financial statements and the financial statements of the parent company have been prepared based on the going concern assumption, and that it is appropriate to make that assumption.

Value AS

The parent company Volue AS is a holding company, with very limited activity and a few corporate functions. Profit for the year was NOK -12 million in 2020. Net cash flow was NOK 178 million and the equity ratio was 98 per cent at year end 2020.

Risk factors and risk management

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

Volue operates on an international level, and provides software solutions, platforms and related services within various market segments, including energy and electricity, infrastructure and construction, water supply and the government/municipalities. The Group's operations may consequently be affected by global economic and political conditions in the markets in which it operates, especially in the Nordics which

the Group considers as its most important markets. The outlook for the world economy remains subject to uncertainty. Downturns in general economic conditions, whether globally or in the specific region or end markets segments in which the Group operates, can result in reduced demand for, and lower prices of, the Group's software solutions and platforms, which could have a material negative impact on the Group's revenues, profitability and growth prospects.

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

The Group's software solutions, platforms, analyses, and trading and management services are based on complex software technology. The Group sets high-quality and security standards for its products and services, but it is possible that software solutions and platforms may contain errors or defects or otherwise not perform as expected. Although the Group carries out control procedures for testing, monitoring, securing and developing its solutions and platforms, there is a risk that these procedures may fail to test for all possible conditions for use, or identify all defects or errors in the specific software used in its solutions and platforms. Defects or other errors or failures could occur in the actual solutions or within the software or platform in which the solutions and related services are based. Such damage may cause material liability claims against the Group, as well as significant costs for the Group. Additionally, errors or defects in the Group's software solutions and platforms may lead to significant reputational damage for the Group, which could result in loss of customers and consequently reduced future sales. Errors and defects in the Group's solutions and platforms may also result in claims for property damage, business interruptions and other negative consequences, alleged to have been caused by such error or defect. Any such errors or defects could have a material adverse effect on the Group's business, financial position and profits.

The Group's software solutions and platforms are subject to substantial external threats associated with data security, such as risk of virus attacks, attempts at hacking, social manipulation and phishing scams. Furthermore, there is a risk that the data and systems delivered to the Group by third parties and in which the Group base the development and the functionality of its software solutions and platforms on are incorrect or inadequate, or that such data and systems contain failures, viruses or other defects or errors, which could materially affect the quality, functionality and use of the Group's products and services.

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

made in several currencies, including the Norwegian krone, euro and U.S dollar. Unfavorable fluctuations in exchange rates of especially the Norwegian Krone, the Euro or the U.S. dollar could have an adverse effect on the Group's business, financial positions and profits.

For a full overview of the potential risks and uncertainties relating to the Company's business and the industry in which it operates, please refer to Volve's admission document to trading of shares on Euronext Growth, dated 16 October 2020.

Research and development

Investments into research and development (R&D) has been an important part of Volve's strategy to develop new and innovative technological solutions and is expected to remain an important part of the company's strategy going forward. Volve has a long-term ambition to invest significantly in R&D, with approximately 10-12 per cent of its annual revenue being capitalised in balance sheet, to secure long-term growth. For 2020, the company capitalized invested a total of NOK 86 million in R&D, representing 10 per cent of the revenues for the year. For 2019, capitalised R&D investments amounted to NOK 33 million, representing 4 per cent of annual revenues.

Volve expects R&D investments for 2021 to be at approximately 10-11 per cent of revenues.

Sustainability

Volve has prepared a separate report in accordance with Section 3-3 of the Norwegian Accounting Act regarding corporate social responsibility. The report is included in the annual report and is available on the company's website.

The report describes Volve's performance in areas defined of importance to the company. It states the company's goals and targets going forward, and how the company will measure its impact. On the basis of an internal materiality assessment conducted in September 2020, Volve identified four overarching sustainability topics which we report on: a good workplace, ethical business conduct, the environment and the provision of reliable products and services.

Volve sets high ethical standards, and communication with the outside world is to be open, clear and honest. The company is responsible for ensuring safe and good workplaces in the local communities where it is present. Volve seeks to create value for society, customers, employees and shareholders.

Volve does not pollute the external environment to any material extent and does not have operations that require special discharge permits or cleaning measures. Waste is sorted according to the requirements applicable at the various locations.

Health, safety, security and environment (HSSE)

The competence of our employees represents a major asset and competitive advantage for Volve.

At the end of 2020 the group employed a total of 594 people. Adjusting for part-time employees, this translates to 590 full-time equivalents.

The number of employees were divided across locations as follows:

- Norway: 371
- Sweden: 52
- Denmark: 55
- Finland: 4
- Germany: 19
- Poland: 72
- Turkey: 1
- Switzerland: 20

There were no serious work-related accidents in 2020. Sick leave in Volve was 2 per cent in 2020, compared to 3 per cent in 2019 and 2.5 per cent in 2018.

Equal opportunities

Volue is committed to ensuring that people with different backgrounds, irrespective of ethnicity, gender, religion, sexual orientation or age, should all have the same opportunities for work and career development at Volue. Women represented 22 per cent of the Volue workforce in 2020. Out of 67 managers (manager with employees reporting to them) 30 per cent were female. Volue aspires to substantially increase the share of female and non-Nordic employees and are working through the employee life cycle to see where measures could be implemented to enhance diversity across the organisation. To date, Volue's workforce comprises 25 different nationalities, of which 482 are Nordic and 112 are non-Nordic employees.

Volue takes its social responsibility seriously. In addition to ensuring that the work is carried out safely this involves respecting the freedom of association and not accepting any form of forced labour, child labour or work-related discrimination.

The average pay for men and women vary due to differences in job categories and years of service, not because of gender. No gender-based differences exist with regard to working hour regulations or the design of workplaces.

The corporate management team has eight male and one female member. The Board of Directors has five male and three female member.

Management model, control and compliance

Volue is a public limited liability company organised under Norwegian law and with a governance structure based on Norwegian corporate law and other regulatory requirements. The company's corporate governance model is designed to provide a foundation for long-term value creation and to ensure good control.

Volue has eight Board members, none of whom are members of the company's management and three of whom are employee representatives. The majority of Board members are independent of company management and significant business partners.

The Board of Volue establishes the overall principles for governance and control in Volue AS through the adoption of various governing documents. Volue follows the Norwegian Code of Practice for Corporate Governance. The company's practice is largely in accordance with these recommendations. Reference is made to the Corporate Governance Report.

Corporate governance

The Volue Board has adopted policies for corporate governance to safeguard the interests of the company's owners, employees and other stakeholders. These principles and associated rules and practices are intended to create increased predictability and transparency, and thus reduce uncertainties connected with the business. Volue endeavours to have in place procedures that comply with the Norwegian code for corporate governance. This report is approved by the Board of Directors and is available on the company's website www.volue.com The Board's review of corporate governance is presented in the annual report.

Going concern

There have been no events to date in 2021 that significantly affect the result for 2020 or valuation of the company's assets and liabilities at the balance sheet date. The Board confirms that the conditions for the going concern assumption have been satisfied and that the financial statements for 2020 have been prepared on the basis of this assumption.

Subsequent events

Following the completion of the integration of the four companies in the fourth quarter 2020, Volue finalised the establishment of the new brand identity in January 2021. The Powel, Scanmatic, Wattsight and Markedskraft groups and their subsidiaries are now all Volue – one company, under one brand. The rebranding will support the acceleration of the company's market expansion and the extraction of the group's synergies more efficiently through cross-selling to existing customers.

After the acquisition of Likron GmbH an integration process is ongoing to utilise synergies for a profitable growth. During 2021 Likron GmbH will be a fully integrated company within the Energy segment.

As part of the preparation for listing Volue on Oslo Stock exchange (main list) the general assembly of Volue on 17 March 2021 decided to convert Volue AS into a public limited company (ASA).

Outlook

Volue sees good opportunities to secure continued profitable growth and aims to develop its business both organically and structurally. The global market needs large, integrated suppliers in order to add greater value for customers.

Volue has expressed an ambition of being a NOK 2 billion company by 2025, with 15 per cent annual organic revenue growth, SaaS revenues increasing to 50 per cent, recurring revenues towards 80 per cent

and an adjusted EBITDA margin towards 30 per cent. Short term, the company has outlined the following priorities:

- Exceeding 20 per cent in EBITDA margin
- Reaching NOK 1 billion in run-rate sales
- Accelerating growth in ARR through SaaS transformation
- Structural growth: taking lead position in market consolidation
- Utilising the synergies in Volue Group to increase operational efficiency
- Listing on the Oslo Stock Exchange in the first half of 2021.

The Board wishes to express its gratitude to all of Volue's employees, including the executive management, for their dedicated efforts, contributing to Volue's strong growth and successful development.

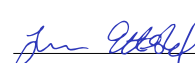
Oslo, Norway, 26 March 2021
The Board of Directors and CEO
 Volue AS



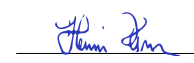
Ørjan Svanvik
 Chairman of the Board



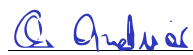
Lars Peder Fensli
 Board Member



Ingunn Ettestøl
 Board Member



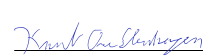
Henning Hansen
 Board Member



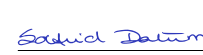
Christine Grabmair
 Board Member



Bård Mageli
 Board Member



Knut Ove Stenhagen
 Board Member



Solfrid Dalum
 Board Member



Trond Straume
 Chief Executive Officer

Consolidated financial statements

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Consolidated statement of income

For the year ended 31 December

<i>Amounts in NOK 1000</i>	Note	2020	2019	2018
Continuing operations				
Revenues	3, 4	891 866	797 862	818 468
Materials and consumables used		157 781	106 713	85 745
Employee benefit expenses	5	470 787	469 189	533 418
Other operating expenses	6	115 317	121 862	163 286
EBITDA		147 980	100 098	36 019
Depreciation and amortisation	11, 12	65 017	60 045	48 234
Impairment loss from PPE	11, 12	1 004	-	-
Net operating income/(loss)		81 960	40 053	-12 214
Finance income	18	17 169	8 439	6 618
Finance costs	18	23 797	14 048	10 480
Profit/(loss) before income tax		75 333	34 444	-16 076
Income tax expense	7	15 075	9 359	-4 417
Profit/(loss) from continuing operations		60 258	25 085	-11 659
Profit/(loss) from discontinued operation		38 803	-44 898	23 756
Profit/(loss) for the period		99 061	-19 813	12 097
Attributable to equity holders of the company		82 232	7 245	752
Attributable to non-controlling interests		16 829	-27 058	11 345
Basic earnings per share	20	0.76	0.13	0.01
Diluted earnings per share	20	0.76	0.13	0.01
Basic earnings per share from continuing operations	20	0.49	0.67	-0.27
Diluted earnings per share from continuing operations	20	0.49	0.67	-0.27

Consolidated Statement of other comprehensive income

For the year ended 31 December

<i>Amounts in NOK 1000</i>	2020	2019	2018
Items that may be reclassified to statement of income			
Exchange differences on translation of foreign operations	-85	-1 165	-1 029
Changes on cash flow hedges	-331	728	-614
Income tax related to these items	-	-	-
Items that may be reclassified to statement of income	-416	-437	-1 642
Items that will not be reclassified to statement of income			
Remeasurements of post-employment benefit obligations	637	-1 607	972
Income tax relating to these items	-	354	-223
Items that will not be reclassified to statement of income	637	-1 254	748
Other comprehensive income/(loss) for the period, net of tax	221	-1 690	-894
Total comprehensive income/(loss) for the period	99 282	-21 504	11 203
Attributable to equity holders of the company	82 428	7 091	-142
Attributable to non-controlling interests	16 854	-28 595	11 345

Consolidated balance sheet

For the year ended 31 December

Amounts in NOK 1000	Note	2020	2019	2018
Assets				
Non-current assets				
Property, plant and equipment	11	162 492	158 029	22 637
Intangible assets	12	462 975	237 691	234 773
Pension assets	5	14 622	18 776	21 388
Non-current receivables and investments	13	31 774	618	1 107
Deferred tax assets	7	7 950	4 700	7 650
Total non-current assets		679 813	419 814	287 555
Current assets				
Inventories	8	13 137	8 883	12 378
Contract assets	4, 16	39 335	36 444	87 605
Trade and other receivables	9, 16	296 312	261 696	219 381
Other current assets	16	562	116	-
Financial investments	16	10 000	10 150	-
Cash and cash equivalents	10	433 527	233 117	185 422
		792 874	550 406	504 787
Assets connected to discontinued operation	23	-	156 042	283 238
Total Current assets		792 874	706 448	788 025
Total assets		1 472 687	1 126 262	1 075 580

Oslo, Norway, 26 March 2021
The Board of Directors and CEO Volue AS

Ørjan Svanvik
Chairman of the Board

Lars Peder Fensli
Board Member

Ingunn Ettestøl
Board Member

Henning Hansen
Board Member

Christine Grabmair
Board Member

Bård Mageli
Board Member

Knut Ove Stenhagen
Board Member

Solfrid Dalum
Board Member

Trond Straume
Chief Executive Officer

Amounts in NOK 1000	Note	2020	2019	2018
Equity and liabilities				
Equity				
Share capital and share premium		4 492 332	-	-
Other reserves		-3 752 655	321 298	301 013
Capital and reserves attributable to holders of the company		739 676	321 298	301 013
Non-controlling interests		3 411	40 442	73 501
Total equity	19, 20	743 087	361 740	374 514
Non-current liabilities				
Lease liabilities	14	117 475	109 304	-
Employee benefits		8 731	8 367	9 112
Other non-current liabilities	21	28 500	-	-
Provisions		372	554	561
Deferred tax liabilities	7	26 385	4 710	5 339
Total non-current liabilities		181 463	122 935	15 012
Current liabilities				
Borrowings	17	3 695	64 346	99 481
Lease liabilities	14	21 356	25 154	-
Trade and other payables	15	146 633	101 977	101 620
Current tax liabilities	7	15 606	9 188	2 096
Contract liabilities	4	55 917	34 813	84 379
Other current liabilities	15, 16	304 930	279 282	186 743
		548 138	514 761	474 320
Liabilities connected to discontinued operation	23	-	126 827	211 734
Total current liabilities		548 138	641 587	686 054
Total liabilities and equity		1 472 687	1 126 262	1 075 580

Consolidated statement of changes in equity

For the year ended 31 December

Amounts in NOK 1000	Note	Attributable to equity holders of the company			Non-controlling interests	Total equity
		Share capital and share premium	Other reserves	Total		
Balance at 1 January 2018		-	310 529	310 529	68 085	378 614
Profit/(loss) for the period		-	-	-	11 345	11 345
Other comprehensive income/(loss)		-	-142	-142	-	-142
Disposal		-	-	-	-1 029	-1 029
Dividends		-	-9 730	-9 730	-4 900	-14 630
Other equity transactions		-	356	356	-	356
Balance at 31 December 2018		-	301 013	301 013	73 501	374 514
Balance at 1 January 2019		-	301 013	301 013	73 501	374 514
Profit/(loss) for the period		-	7 245	7 245	-27 058	-19 813
Other comprehensive income/(loss)		-	-154	-154	-1 537	-1 690
Issue of ordinary shares, net of transaction costs and tax		-	20 968	20 968	250	21 218
Dividends		-	-7 775	-7 775	-4 714	-12 489
Balance at 31 December 2019		-	321 297	321 298	40 442	361 740
Balance at 1 January 2020		-	321 298	321 298	40 442	361 740
Profit/(loss) for the period		-	82 232	82 232	16 829	99 061
Other comprehensive income/(loss)		-	196	196	25	221
Transaction with owners			-	-	-	-
Share capital increase contribution in kind Arendal Fossekompagni	19	3 904 733	-3 904 733	-	-	-
Acquisition of non-controlling interest	21	8 940	-222 291	-213 351	-25 520	-238 871
Disposal of discontinued operations	23	-	-	-	-16 238	-16 238
Shares issued as consideration in business combinations	21	28 593	-	28 593	-	28 593
Issue of ordinary shares for cash	19	567 604	-	567 604	-	567 604
Transaction cost share issue, net of tax	19	-17 539	-	-17 539	-	-17 539
Dividends		-	-29 357	-29 357	-12 127	-41 484
Balance at 31 December 2020		4 492 332	-3 752 655	739 676	3 411	743 087

Consolidated statement of cash flows

For the year ended 31 December

Amounts in NOK 1000	Note	2020	2019	2018
Cash flow from operating activities				
Profit/(loss) before income tax		75 333	34 444	-16 076
adjustments for:				
Depreciation, amortization and impairment	11, 12	65 017	60 045	48 234
Net financial items	18	6 627	5 609	3 862
(Gain)/Loss from sales of assets				-2 254
Tax on transaction costs related to share issue		-4 947		
Total after adjustments to profit before income tax		142 030	100 098	33 765
Change in Inventories		2 749	3 495	10 040
Change in other current assets		-80 848	72 074	4 837
Change in other current liabilities		175 841	-7 028	25 463
Change in other provisions		-212	-12 675	-8 176
Change in employee benefits		4 939	-	-
Total after adjustments to net assets		244 499	155 964	65 931
Change in tax paid		-14 037	-125	-3 043
Net cash from operating activities (continued operations)		230 461	155 839	62 888
Net cash flow from operating activities (discontinued operations)		-20 290	-1 637	98
Net cash flow from operating activities		210 172	154 203	62 985
Cash flow from investing activities				
Interest received		7 335	4 296	2 849
Proceeds from the sales of PPE		673	-	-
Purchase of PPE and intangible assets	11, 12	-135 161	-38 381	-50 850
Purchase of other investments		-1 224	-10 150	-281
Loans to employees	13	-30 086		
Proceed from sale of other investments		74	763	390
Purchase of shares in subsidiaries	21	-62 018		
Proceeds from the sales of shares in subsidiaries			-	16 371
Net cash flow from investing activities (continued operations)		-220 408	-43 472	-31 521
Net cash flow from investing activities (discontinued operations)	23	61 109	-427	-1 221
Net cash flow from investing activities		-159 299	-43 900	-32 742

Amounts in NOK 1000	Note	2020	2019	2018
Cash flow from financing activities				
Proceeds from issue of shares		550 065	20 000	-
Movement in short term borrowings	17	-60 651	-35 135	-11 714
Repayment of lease liabilities	17	-25 506	-25 133	-
Interest paid etc.		-16 881	-12 977	-5 440
Dividend paid		-41 484	-7 489	-4 630
Acquisition of non-controlling interests	21	-238 871		
Cash Flow from Own Shares		-	-	56
Net cash flow from financing activities (continued operations)		166 671	-60 734	-21 727
Net cash flow from financing activities (discontinued operations)		-26 170	697	1 952
Net cash flow from financing activities		140 502	-60 037	-19 775
Net increase in cash and cash equivalents (continued operations)		176 725	51 633	9 639
Net increase in cash and cash equivalents (discontinued operations)		14 649	-1 368	829
Net increase in cash and cash equivalents		191 374	50 265	10 469
Cash and cash equivalents at the beginning of the financial year		233 117	185 422	180 567
Effects of exchange rate changes on cash and cash equivalents		9 036	453	-1 222
Cash and cash equivalents at end of year (discontinued operations)		-	3 024	4 391
Cash and cash equivalents at end of year		433 527	233 117	185 422

Notes to the Consolidated Financial Statements

For the year ended 31 December

Note 1 Accounting principles

Organisation

Volue AS is domiciled in Norway, and with headquarters in Oslo. The consolidated financial statements for financial year 2020 include the company and its subsidiaries (as a whole, referred to as “the Group”). Information about the companies included in the scope of consolidation is disclosed in [note 22](#) in Volue AS financial statements.

As of March 2020, Arendals Fossekompni decided to reorganise their ownership in the portfolio companies Powel, Markedskraft, Wattsight and Scanmatic into a new international technology group, Volue AS.

Significant accounting policies

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

Basis for preparation

The annual and consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union and associated interpretations, as well as Norwegian disclosure requirements pursuant to the Norwegian Accounting Act applicable as of 31 December 2020. The annual and consolidated financial statements were approved by the Board of Directors on 26 March 2021.

The annual and consolidated financial statements will be submitted for adoption at the Annual General Meeting scheduled for 6 May 2021. The board is authorised to amend the annual and consolidated financial statements until final adoption.

Volue was incorporated on 26 November 2019 and has no operating history. The Company was established by Arendals Fossekompni ASA (“AFK”) for the purpose of being the new holding company for four of AFK’s subsidiaries.

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

- 18 410 292 shares (96.0 per cent ownership interest) in Volue Technology AS (former name Powel AS)
- 25 733 759 shares (90.5 per cent ownership interest) in Volue Insight AS (former name Wattsight AS)
- 36 001 460 shares (96.7 per cent ownership interest) in Volue Market Services AS (former name Markedskraft AS),
- 28 824 shares (69.0 per cent ownership interest) in Volue Industrial IoT (former name Scanmatic AS)

As a consideration for the acquisition of the shareholdings in the Subsidiaries, the Company immediately carried out a share capital increase by issuing 22,900 new shares to AFK.

The transaction combining the business activities of the four subsidiaries represents a business combination under common control, and does not fall under the scope of IFRS 3 Business combinations. Management has determined that predecessor accounting best reflects the economic substance of the transaction, since AFK’s ownership and control is not changed because of the transaction. The financial statements are based on predecessor values from AFK’s consolidated financial statements. To be able to provide relevant historical financial information, predecessor accounting is applied retrospectively, and the financial statements are therefore presented based on the assumption that the transaction was completed 1. January 2018 (opening balance for these financial statements). Reference is made to [note 27](#) for information about assets and liabilities for the combined businesses as of 1 January 2018.

On 11 August 2020, Volue Industrial IoT AS (former name Scanmatic AS) sold the 51 per cent owned company Scanmatic Electro AS. This company delivers services related to infrastructure and represents a separate line of business compared to the rest of the Group. Since this line of business has a significant contribution to the Group's revenue, this is presented as a discontinued operation. Because Volue has not previously presented consolidated financial statements for 2018 and 2019, management has chosen to present assets and liabilities related to the discontinued operations separately in the balance sheet for 2018 and 2019 although not required by IFRS 5. Management considers this presentation to provide more relevant information about asset and liabilities in the comparable periods for both continuing and discontinued operations. Information about both revenues and expenses and a specification of assets and liabilities for the discontinued operations are included in [note 23](#).

On 21 October 2020, shortly after Volue's listing on Euronext Growth, Volue offered to buy all shares from the non-controlling shareholders of the four subsidiaries. The selling shareholders could choose between settlement in cash and shares in Volue. Reference is made to [note 21](#) for information about the transactions with non-controlling interest.

The financial statements are presented in Norwegian kroner (NOK), which is the functional currency of the parent company. All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand NOK units unless otherwise stated. The financial statements have been prepared using the historical cost principle, except for the following assets, which are presented at fair value: Financial instruments at fair value through profit or loss and financial instruments at fair value through other comprehensive income.

The Group recognises changes in equity arising from transactions with owners in the statement of changes in equity. Other changes in equity are presented in the statement of comprehensive income (total return).

Preparation of financial statements in accordance with IFRS requires the use of assessments, estimates and assumptions that influence which accounting policies shall be applied, and influence recognised amounts for assets and liabilities, revenues, and costs. Actual amounts can deviate from estimated amounts. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes in accounting

estimates are recognised in the period in which they arise if they only apply to that period. If the changes also apply to subsequent periods, the effect is allocated over the current and subsequent periods. Areas with significant estimation uncertainties, and where assumptions and assessments may have significantly influenced the application of the accounting policies, are disclosed in [note 2](#).

Accounting policies

The accounting policies applied in the preparation of the annual and consolidated financial statements are described below. In case that subsidiaries have used other principles to prepare their separate annual financial statements, adjustments have been made so the consolidated financial statements are prepared according to common policies.

Principles of consolidation

Business combinations

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

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

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

When an investment is reclassified from fair value through other comprehensive income to subsidiary or associated company, the investment's carrying amount at the time control or significant influence is obtained is used as recognised cost.

Subsidiaries

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

Associated companies

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

Elimination of intercompany transactions

Intercompany transactions, balances and unrealized gains and losses on transactions between group companies are eliminated.

Discontinued operations

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

Segment reporting

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

Foreign currency translation

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

Transactions and balances

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

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

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

Group companies

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

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

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

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

Revenue recognition**Revenues from contracts with customers**

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

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

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

License fee

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

Software as a service (Saas)

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

Maintenance revenues

Maintenance services related to software are typically a service that is needed throughout the contract period and are typically delivered together with a software

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

Consulting revenues

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

Transactions price

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

Fix price contracts

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

Contract balances

Contract balances consist of client-related assets and liabilities. Contract assets relate to consideration for work complete, but not yet invoiced at the reporting date. The contract assets are transferred to trade receivables when the right to payment has become unconditional, which usually occurs when invoices are issued to the customers. When a client pays consideration in advance, or an amount of consideration is due contractually before transferring of the license or service, then

the amount received in advance is presented as a liability. Contract liabilities represent mainly prepayments from clients for unsatisfied or partially satisfied performance obligations in relation to licenses and services. Contract assets are within the scope of impairment requirements in IFRS 9. For contract assets the simplified approach is applied, and the expected loss provision is measured at the estimate of the lifetime expected credit losses.

Income tax

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

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

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

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

Leases

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

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

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

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

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

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

Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Cash and cash equivalents

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

Trade receivables

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

Inventories

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

Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their

carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

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

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

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

Foreign currency translation

Transactions in foreign currencies

Transactions in foreign currencies are translated to the functional currency of each individual Group company using the exchange rates at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated to NOK using the exchange rate at the balance sheet date. Differences that arise from the currency translation are recognised in the income statement.

Financial statements of foreign operations

Assets and liabilities in foreign currencies are translated to NOK using the exchange rate at the balance sheet date. Revenues and expenses for foreign operations are translated to NOK at the approximate rates of exchange at the transaction date.

Financial instruments

Non-derivative financial instruments

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

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

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

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

Financial assets at fair value through other comprehensive income

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

Financial assets classified as held for trading

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

Other

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

Derivatives and hedging activities

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

Cash flow hedge

When a derivative is designated as a hedging instrument on variability in cash flows for a recorded asset or liability, or for a highly probable forecast transaction, the effective portion of a change in fair value is recognised in other comprehensive income. The Group performs a qualitative assessment of hedging effectiveness. A hedging instrument is derecognised when it no longer satisfies hedge accounting criteria, sold, terminated or matures. The accumulated change in fair value recognised in other comprehensive income remains until the forecast transaction occurs. If the hedged item is a financial asset, the amount recognised in other comprehensive income is transferred to the income statement in the same period as the hedged item affects the income statement. If the hedged transaction is no longer expected to occur, the accumulated unrealized gains or losses are immediately recognised in the income statement.

Fair value hedging

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

Property, plant and equipment

The depreciation methods and periods used by the Group are disclosed in [note 11](#). The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

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

Intangible assets**Goodwill**

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

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

Other intangible assets and research and development

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the product so that it will be available for use
- management intends to complete the product and use or sell it
- there is an ability to use or sell the product
- it can be demonstrated how the product will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the product are available, and
- the expenditure attributable to the product during its development can be reliably measured.

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

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

Amortisation methods and periods

Refer to [note 12](#) for details about amortisation methods and periods used by the Group for intangible assets.

Trade and other payables

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

Borrowings

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

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

Employee benefits

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are recognised as a deduction, net of tax, from the proceeds. On the repurchase of treasury shares, the purchase amount including directly attributable costs are recognised as a change in equity. Purchased shares are classified as treasury shares and reduce total equity. When treasury shares are sold, the received amount is recorded as an increase in equity, and the subsequent gain on the transaction is recognised in share premium.

Dividends

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

Earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares ([note 20](#)).

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Rounding of amounts

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

Note 2 Key sources of estimation uncertainty, judgments and assumptions

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

The areas involving significant estimates or judgements are:

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

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

Note 3 Segments

Segment information

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

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

Note 3 continues on next page

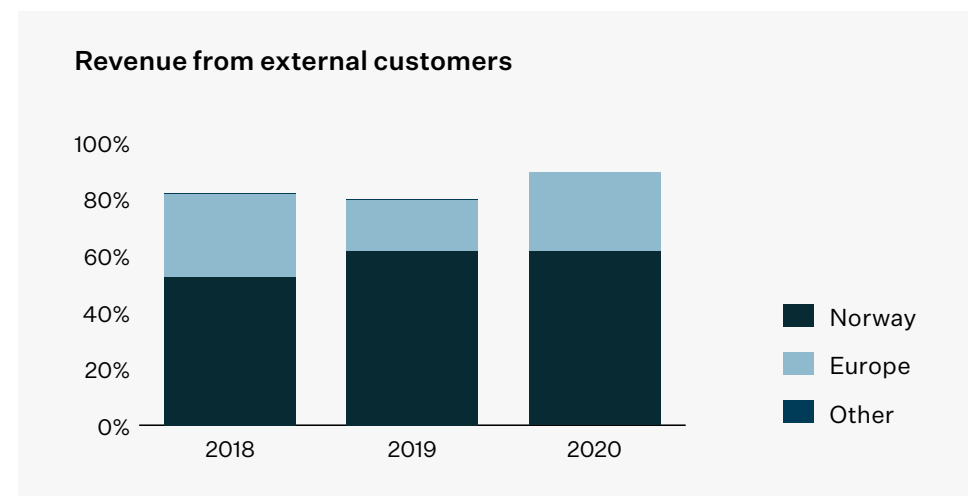
Note 3 Segments cont.

The other segments and eliminations section includes the elimination of inter-segment sales. Segment data for the years ended 31 December 2020, 2019 and 2018 are presented below. The measurement basis of segment profit is net operating income.

<i>Amounts in NOK 1000</i>	Energy	Power grid	Infra-structure	Other segments and eliminations	Total
Full year 2020					
Revenues third party and other income	459 530	236 028	201 511	-5 203	891 866
Total revenues and other income	459 530	236 028	201 511	-5 203	891 866
Materials and consumables used	82 280	50 319	25 186	-4	157 782
Employee benefit expenses	218 910	87 672	103 555	12 300	422 437
Other operating expenses	61 292	40 596	19 797	-6 369	115 317
Adjusted EBITDA	97 047	57 441	52 972	-11 130	196 330
Non-recurring items	12 000	36 350			48 350
EBITDA	85 047	21 091	52 972	-11 130	147 980
Depreciation and amortization	35 133	14 923	14 961	0	65 017
Impairment	1 004				1 004
Net operating income/(loss)	48 911	6 168	38 011	-11 130	81 960
Full year 2019					
Revenues third party and other income	393 154	225 333	175 542	3 833	797 862
Total revenues and other income	393 154	225 333	175 542	3 833	797 862
Materials and consumables used	47 154	38 063	19 414	2 081	106 712
Employee benefit expenses	242 061	101 652	92 769	-793	435 689
Other operating expenses	72 029	37 963	26 452	-14 581	121 863
Adjusted EBITDA	31 910	47 656	36 906	17 126	133 598
Non-recurring items	4 900	28 600			33 500
EBITDA	27 010	19 056	36 906	17 126	100 098
Depreciation and amortization	23 389	8 312	12 001	16 343	60 045
Impairment					
Net operating income/(loss)	3 621	10 744	24 905	783	40 053

<i>Amounts in NOK 1000</i>	Energy	Power grid	Infra-structure	Other segments and eliminations	Total
Full year 2018					
Revenues third party and other income	358 553	243 917	153 525	62 474	818 468
Total revenues and other income	358 553	243 917	153 525	62 474	818 468
Materials and consumables used	29 794	33 890	13 612	8 449	85 745
Employee benefit expenses	238 366	145 576	105 965	43 511	533 418
Other operating expenses	78 562	34 414	26 139	24 171	163 286
Adjusted EBITDA	11 831	30 036	7 810	-13 656	36 020
Non-recurring items					
EBITDA	11 831	30 036	7 810	-13 656	36 020
Depreciation and amortization	17 832	13 773	9 590	7 039	48 233
Net operating income/(loss)	-6 002	16 263	-1 780	-20 695	-12 214

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



Note 4 Revenue from contracts with customers

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

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product and service lines:

<i>Amounts in NOK 1000</i>	Energy	Power grid	Infra-structure	Other segments and eliminations	Total
2020					
Segment revenue	459 530	236 028	201 511	-5 203	891 866
Revenue from external customers	459 530	236 028	201 511	-5 203	891 866
Timing of revenue recognition					
At a point in time	147 651				147 651
Over time	311 879	236 028	201 511	-5 203	744 215
Total	459 530	236 028	201 511	-5 203	891 866
2019					
Segment revenue	393 154	225 333	175 542	3 833	797 862
Revenue from external customers	393 154	225 333	175 542	3 833	797 862
Timing of revenue recognition					
At a point in time	228 508				228 508
Over time	164 646	225 333	175 542	3 833	569 354
Total	393 154	225 333	175 542	3 833	797 862
2018					
Segment revenue	358 553	243 917	153 525	62 474	818 468
Revenue from external customers	358 553	243 917	153 525	62 474	818 468
Timing of revenue recognition					
At a point in time	136 071				136 071
Over time	222 482	243 917	153 525	62 474	682 397
Total	358 553	243 917	153 525	62 474	818 468

Assets and liabilities related to contracts with customers

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

<i>Amounts in NOK 1000</i>	2020	2019	2018
Trade receivables	213 956	168 175	151 062
Contract assets	39 335	36 444	87 605
Contract liabilities	55 917	34 813	84 379

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

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

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

<i>Amounts in NOK 1000</i>	2020	2019	2018
Balance at 1 January	2 500	7 761	0
Changes in expected losses (loss rates) and outstanding receivables (volume)	11 168	-5 261	7 761
Realized losses during the period (-)	-3 000		
Balance at 31 December	10 668	2 500	7 761

Note 5 Remuneration and employee benefit

<i>Amounts in NOK 1000</i>	2020	2019	2018
Salaries	399 511	349 098	383 652
Social security contributions	53 121	56 043	78 918
Pension costs	24 333	29 375	38 530
Other benefits	-6 179	34 674	32 317
Total employee benefit expenses	470 787	469 189	533 418
Average number of employees	594	535	551

<i>Amounts in NOK 1000</i>	2020	2019	2018
Present value of funded liabilities	23 083	22 837	22 876
Fair value of pension assets	-37 705	-41 613	-44 264
Present value of net liabilities	-14 622	-18 776	-21 388
Of which presented as pension assets	14 622	18 776	21 388
Change in recognised net liability for defined-benefit pensions			
Net funded defined-benefit pension liability as at 1 January	-18 776	-21 388	-20 339
Paid-in contributions	-1 204	-2 559	-1 583
Paid out from the scheme	5 450	2 879	721
Actuarial (gains) losses from other comprehensive income	-805	1 607	-972
Costs of defined-benefit schemes	712	685	784
Net liability for defined-benefit schemes as at 31 December	-14 622	-18 776	-21 388
Costs recognised in the income statement			
Costs relating to this period's pension entitlements	806	648	722
Interest on the liabilities	511	581	532
Expected return on pension plan assets	-605	-712	-622
Recognised employers' contributions		169	153
Effect of partial discontinuation of Board pensions			
Expenses from defined benefit plans	712	685	784
Costs of defined-contribution pension schemes	23 714	28 690	37 746
Net interest on pension liabilities transferred to finance	-93		
Total pension costs	24 333	29 375	38 530

Note 6 Other operating expenses

<i>Amounts in NOK 1000</i>	2020	2019	2018
Maintenance property, plant and equipment	298	116	370
Premises, service and office costs	32 593	18 259	34 599
Audit and other fees	6 059	22 496	26 764
Travelling costs, indirect	6 286	22 123	27 803
Sales and marketing costs	3 508	7 259	6 799
Insurances	1 360	3 183	2 854
ICT costs	28 606	20 435	30 109
Realized bad debts	455	0	32
Other direct costs	36 152	27 990	33 955
Total operating expenses	115 317	121 862	163 286
Remuneration to auditor			
Statutory audit	2 390	1 934	1 885
Other assurance services	92	247	182
Tax advicsory	106	144	240
Other non-audit services	414	228	722
Total remuneration to auditor	3 002	2 553	3 029

Remuneration to auditor also include services related to equity transactions.

Note 7 Income tax

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

<i>Amounts in NOK 1000</i>	2020	2019	2018
Tax payable on ordinary income	22 102	11 754	6 880
Adjustment for previous years	-3 136	-2 514	
Current tax expense	18 966	9 240	6 880
Effect of change in temprary differences	-3 891	119	-11 297
Total deferred tax expense	-3 891	119	-11 297
Total tax expense in the income statement	15 075	9 359	-4 417
Reconciliation of effective tax rate			
Profit / (loss) before income tax	75 333	34 444	-16 076
Tax based on current ordinary tax rate	15 999	7 578	-3 698
Effect of different tax rates abroad	-2 421	150	-108
Effect of non-deductible expenses	1 894	625	2 424
Effect of non-taxable income	-2 110	-983	-2 807
Effect of unrecognised tax loss carryforward	1 845	3 594	0
Effect of changed tax rates			-568
Effect of changed tax assessments for previous years	-133	-1 605	339
Total tax expense	15 075	9 359	-4 417
Effective tax rate	20.01%	27.17%	27.48%

Note 7 continues on next page

Note 7 Income tax cont.

<i>Amounts in NOK 1000</i>	Assets	Liabilities	Net assets
2020			
Property, plant and equipment	1 008	-4 004	-2 995
Goodwill, intangible assets	-298	-18 619	-18 918
Construction contracts	0	-2 427	-2 427
Inventories	182	0	182
Overdue receivables	616	0	616
Leases	357	0	357
Gains and losses account	0	0	0
Provisions	0	-187	-187
Other items	0	-1 942	-1 942
Employee benefits	439	-1 063	-624
Tax loss carryforward	12 684	260	12 944
Unrecognised tax loss carryforward	-5 440	0	-5 440
Recognised tax loss carryforward	7 244	260	7 504
Deferred tax asset/liability	9 548	-27 983	-18 435
Offsetting of assets and liabilities	-1 598	1 598	
Net deferred tax asset/liability	7 950	-26 385	-18 435
2019			
Property, plant and equipment	1 884	0	1 884
Goodwill, intangible assets	0	-12 377	-12 377
Construction contracts	0	-697	-697
Inventories	0	0	0
Overdue receivables	471	-99	372
Leases	0	0	0
Gains and losses account		0	0
Provisions	66	0	66
Other items	7 457	0	7 457
Employee benefits	0	-1 498	-1 498
Tax loss carryforward	8 377	0	8 377
Unrecognised tax loss carryforward	-3 594	0	-3 594
Recognised tax loss carryforward	4 783	0	4 783
Deferred tax asset/liability	14 661	-14 671	-10
Offsetting of assets and liabilities	-9 961	9 961	
Net deferred tax asset/liability	4 700	-4 710	-10

<i>Amounts in NOK 1000</i>	Assets	Liabilities	Net assets
2018			
Property, plant and equipment	974	693	1 667
Goodwill, intangible assets	505	-4 680	-4 175
Construction contracts	0	-1 764	-1 764
Inventories	0	0	0
Overdue receivables	154	-11	143
Leases	0	0	0
Gains and losses account	0	0	0
Provisions	66	0	66
Other items	2 050	0	2 050
Employee benefits	0	-1 853	-1 853
Tax loss carryforward	6 178	0	6 178
Unrecognised tax loss carryforward	0	0	0
Recognised tax loss carryforward	6 178	0	6 178
Deferred tax asset/liability	9 927	-7 616	2 311
Offsetting of assets and liabilities	-2 277	2 277	
Net deferred tax asset/liability	7 650	-5 339	2 311

Note 8 Inventories

Inventory stock

<i>Amounts in NOK 1000</i>	2020	2019	2018
Raw materials	12 781	8 883	12 378
Work in progress	356		
Total inventories	13 137	8 883	12 378

Write-down

There have been no write-downs in the period.

Note 9 Trade and other receivables

Trade receivables

<i>Amounts in NOK 1000</i>	2020	2019	2018
Trade receivables from contracts with customers	215 761	170 075	152 065
Loss allowance	-1 805	-1 900	-1 003
Total	213 956	168 175	151 062

Write-down

<i>Amounts in NOK 1000</i>	2020	2019	2018
Balance at 1 January	-1 900	-1 003	-1 035
New write-downs recognised during the year	-360	-897	0
Write-downs reversed	0	0	0
Realised loss during the period	455	0	32
Balance at 31 December	-1 805	-1 900	-1 003

For more information about credit risk and write-downs, see [note 16](#).

Other receivables

<i>Amounts in NOK 1000</i>	2020	2019	2018
Other receivables	48 014	69 116	48 531
Prepayments	34 342	24 405	19 788
Total	82 356	93 521	68 319
Total trade and other receivables	296 311	261 696	219 381

Note 10 Cash and cash equivalents

<i>Amounts in NOK 1000</i>	2020	2019	2018
Total cash and cash equivalents	433 527	233 117	185 422
Restricted cash	35 063	61 940	56 039

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

Note 11 Property, plant and equipment

<i>Amounts in NOK 1000</i>	Vehicles, machinery and equipment	Buildings and land	RoU assets	Total
Year ended 31 December 2018				
Cost at 1 January 2018	118 015	3 312		121 328
Additions	8 407			8 407
Disposals	-9 039			-9 039
Exchange differences	381			381
Cost at 31 January 2018	117 765	3 312		121 077
Accumulated depreciation at 1 January 2018	92 496			92 496
Depreciation	10 957			10 957
Disposal	-5 095			-5 095
Exchange differences cost	82			82
Accumulated depreciation at 31 December 2018	98 440			98 440
Carrying amount at 31 December 2018	19 324	3 312		22 637
Year ended 31 December 2019				
Cost at 1 January 2019	117 765	3 312		121 077
Implementation IFRS 16	7 864		159 337	167 201
Additions			701	701
Disposals	-433		-448	-881
Exchange differences	99			99
Cost at 31 January 2019	125 294	3 312	159 590	288 196
Accumulated depreciation at 1 January 2019	98 440			98 440
Depreciation	8 051		23 834	31 885
Disposal	-205			-205
Exchange differences cost	47			47
Accumulated depreciation at 31 December 2019	106 334		23 834	130 167
Carrying amount at 31 December 2019	18 961	3 312	135 756	158 029

<i>Amounts in NOK 1000</i>	Vehicles, machinery and equipment	Buildings and land	RoU assets	Total
Year ended 31 December 2020				
Cost at 1 January 2020	125 294	3 312	159 590	288 196
Additions	12 647		30 075	42 722
Aquisitions through business combinations	6 813			6 813
Disposals	-586			-586
Disposal of companies and businesses	-8 727		-2 011	-10 738
Exchange differences	97			97
Cost at 31 January 2020	135 538	3 312	187 654	326 504
Accumulated depreciation at 1 January 2020	106 334		23 834	130 167
Depreciation	7 866		25 401	33 267
Impairment	1 004			1 004
Aquisitions through business combinations	5 881			5 881
Disposal of companies and businesses	-8 727		1 816	-6 911
Exchange differences cost	602			602
Accumulated depreciation at 31 December 2020	112 960		51 051	164 010
Carrying amount at 31 December 2020	22 578	3 312	136 603	162 494

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

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

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

Right of use assets is mainly related to property.

Note 12 Intangible assets

<i>Amounts in NOK 1000</i>	Goodwill	Other intangible assets	R & D	Total
Year ended 31 December 2018				
Cost at 1 January 2018	150 341	220 347	215 650	586 338
Additions	2 931	19 214	20 298	42 443
Disposals	-742	-29 572	-21 676	-51 990
Exchange differences		2 249	0	2 249
Cost at 31 January 2018	152 531	212 237	214 272	579 040
Accumulated amortization and impairment at 1 January 2018	7 609	163 754	164 746	336 109
Amortization		25 766	14 621	40 387
Disposal		-27 204	-7 454	-34 658
Exchange differences cost		2 429		2 429
Accumulated amortization and impairment at 31.12.2018	7 609	164 744	171 913	344 267
Carrying amount at 31 December 2018	144 922	47 493	42 359	234 773
Year ended 31 December 2019				
Cost at 1 January 2019	152 531	212 237	214 272	579 040
Additions	2 272	1 908	33 500	37 680
Disposals	-2 342			-2 342
Exchange differences	-56	26		-30
Cost at 31 January 2019	152 405	214 171	247 772	614 348
Accumulated amortization and impairment at 1 January 2019	7 609	164 744	171 913	344 267
Amortization		16 311	16 079	32 390
Accumulated amortization and impairment at 31.12.2019	7 609	181 056	187 992	376 657
Carrying amount at 31 December 2019	144 796	33 115	59 780	237 691

<i>Amounts in NOK 1000</i>	Goodwill	Other intangible assets	R & D	Total
Year ended 31 December 2020				
Cost at 1 January 2020	152 405	214 171	247 772	614 348
Additions	2 502	4 094	85 844	92 440
Aquisitions through business combinations	103 911	63 150		167 061
Exchange differences	-657	-452		-1 109
Cost at 31 January 2020	258 161	280 964	333 616	872 741
Accumulated amortization at 1 January 2020	7 609	181 056	187 992	376 657
Amortization		4 138	28 993	33 131
Exchange differences cost		-20		-20
Accumulated amortization and impairment at 31.12.2020	7 609	185 173	216 985	409 767
Carrying amount at 31 December 2020	250 552	95 791	116 631	462 974

Impairment test for goodwill and other intangible assets

Goodwill is monitored by management at the level of the three operating segments identified in [note 3](#). A segment-level summary of the goodwill allocation is presented below:

<i>Amounts in NOK 1000</i>	Energy	Power grid	Infrastructure	Total
Goodwill at year end 2020	164 970	61 861	23 721	250 552
Goodwill at year end 2019	59 214	61 861	23 721	144 796
Goodwill at year end 2018	59 340	61 861	23 721	144 922

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

Note 12 continues on next page

Note 12 Intangible assets cont.

The Group tests whether goodwill and other intangible assets with indefinite useful life has suffered any impairment on an annual basis. For the 2020, 2019 and 2018 reporting periods, the recoverable amount of the Group's cash-generating units (CGUs) was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management.

If there are indications of impairment for the intangible assets with defined useful life, an impairment test is performed. For 2020, there are no such indications.

Value Technology AS

The return requirement for total capital (WACC before tax) is set at 10.5 per cent. When calculating the return requirement, it is taken into account that the Group's earnings are in EUR and USD and that the business is cyclical. Risk-free interest is set at 1.5 per cent and terminal growth is set at 2 per cent. A sensitivity analysis based on unilateral change in estimated future EBITDA shows that a reduction of 60 per cent may result in impairments.

Value Insight AS

The return requirement for total capital (WACC before tax) is set at 9.5 per cent. Risk-free interest is set at 1.5 per cent and terminal growth is set at 2 per cent. A sensitivity analysis based on unilateral change in estimated future EBITDA shows that a reduction of 82 per cent may result in impairments.

Value Market Services AS

The return requirement for total capital (WACC before tax) is set at 10 per cent. Risk-free interest is set at 1.5 per cent and terminal growth is set at 2 per cent. A sensitivity analysis based on unilateral change in estimated future EBITDA shows that a reduction of 39 per cent may result in impairments.

Value Industrial IOT AS

The return requirement for total capital (WACC before tax) is set at 10 per cent. Risk-free interest is set at 1.5 per cent and terminal growth is set at 2 per cent. A sensitivity analysis based on unilateral change in estimated future EBITDA shows that a reduction of 50 per cent may result in impairments.

Note 13 Non-current receivables and investments

<i>Amounts in NOK 1000</i>	2020	2019	2018
Loan to employees	31 086	594	458
Other investments	688	24	649
Total non current receivables and investments	31 774	618	1 107

The loans to key management personnel are related to purchase of shares in Volue AS and the shares are used as collateral according to the loan agreements. Interest rate for the loans is not below the threshold for making the loan a taxable benefit. At year end the interest rate was 1.5 per cent.



Note 14 Leases

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

Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

<i>Amounts in NOK 1000</i>	2020	2019	2018
Total right-of-use assets	136 603	135 756	
Current lease liabilities	21 356	25 154	
Non-current lease liabilities	117 475	109 304	
Total lease liabilities	138 831	134 458	

Amounts recognised in the statement of income

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

<i>Amounts in NOK 1000</i>	2020	2019	2018
Total depreciation charge right-of-use assets	25 401	23 834	
Interest expense	4 724	1 305	

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

Note 15 Trade payables and other current liabilities

<i>Amounts in NOK 1000</i>	2020	2019	2018
Trade payables	146 633	101 977	101 620
Other current liabilities	304 930	279 282	186 743
Total	451 563	381 259	288 363

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

Specification of other current liabilities

<i>Amounts in NOK 1000</i>	2020	2019	2018
Publix taxes	61 960	47 721	86 426
Loans to related parties	36 489	59 783	42 634
Accrued expenses	107 861	97 500	27 525
Paid in collatorals from customers	62 585	73 227	25 858
Earn-out 2020 (see note 21)	32 200	0	0
Other current liabilities	3 835	1 051	4 300
Total	304 930	279 282	186 743

Note 16 Financial risk and financial instruments

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

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

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

Market Risk

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

demands. Increased competition in the energy market could result in price reductions, loss of market share, reduced margins and fewer customer orders.

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

Price risk

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

Currency risk

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

Note 16 continues on next page

Note 16 Financial risk and financial instruments cont.**Fair value hierarchy**

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

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

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

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

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

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

<i>Amounts in NOK 1000</i>	Level 1	Level 2	Level 3	Total
2019				
Financial Assets				
Financial assets at fair value through profit or loss (FVPL)		10 150		10 150
Total financial assets at fair value	-	10 150	-	10 150

The financial assets are investments in interest fund.

The Group had no such financial assets or liabilities at year end 2018.

Liquidity risk

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

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

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

<i>Amounts in NOK 1000</i>	Carrying amount	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
2020							
Obligations from leases	138 831	175 797	12 130	12 139	29 357	46 753	75 418
Bank overdraft	3 695	3 695	3 695	0	0	0	0
Trade and other payables	146 633	146 633	143 198	3 436	0	0	0
Other curr. liabilities	135 109	135 109	135 109	0	0	0	0
Other non-current liabilities	28 500	28 500			28 500		

Note 16 continues on next page

Note 16 Financial risk and financial instruments cont.**Credit risk**

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

Provision for losses

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

<i>Amounts in NOK 1000</i>	2020	2019	2018
Balance at 1 January	-1 900	-1 003	-1 035
Changes in expected losses (loss rates) and outstanding receivables (volume)	-360	-897	
Realized losses during the period (-)	455		32
Balance at 31 December	-1 805	-1 900	-1 003

Trade receivables*Amounts in NOK 1000*

	External customer rec not due	External customer rec 1-30 days past due	External customer rec 31-60 days past due	External customer rec 61-90 days past due	External customer rec > 90 days past due	Trade accounts receivable
2020						
Outstanding trade receivables	177 525	30 566	3 563	1 395	0	215 762
Provision for losses			-700	-1 105		-1 805
2019						
Outstanding trade receivables	138 187	25 856	1 605	2 737	1 691	170 075
Provision for losses			-56		-1 844	-1 900
2018						
Outstanding trade receivables	123 589	23 118	1 426	2 431	1 502	152 065
Provision for losses					-1 003	-1 003

Note 17 Borrowings

This note provides information on the contractual terms of the Group's interest-bearing loans and borrowings. For more information on the Group's interest rate risk and foreign exchange risk see [Note 16](#).

<i>Amounts in NOK 1000</i>	2020	2019	2018
Loans secured by pledged assets			
Bank overdraft	3 695	64 346	99 481
Total borrowings	3 695	64 346	99 481
Loans secured by pledged assets			
Moveable property	3 000	17 899	13 012
Inventories	44 989	5 492	0
Trade receivables	116 224	168 175	67 649
Total non-current borrowings	164 213	191 567	80 661

Volue AS has complied with the financial covenants of its borrowing facilities at year end 2020. Total credit limit on the bank overdraft is NOK 159 million.



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

<i>Amounts in NOK 1000</i>	Borrowings			Lease liabilities			Total financial liabilities		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Balance at 1 January	64 345	99 480	111 194	134 458	0	0	198 803	99 480	111 194
Cash Flow	-60 651	-35 135	-11 714	-25 506	-25 133	0	-85 784	-60 268	-11 714
Non cash changes									
New lease liabilities recognised/implementation of IFRS 16	0	0		30 075	160 038	0	30 075	160 038	0
Other non-cash changes	0	0		-195	-447	0	-447	-447	0
Balance at 31 December	3 694	64 345	99 480	138 832	134 458	0	142 647	198 803	99 480

Note 18 Finance items

<i>Amounts in NOK 1000</i>	2020	2019	2018
Interest income	6 800	2 353	124
Currency exchange income	5 803	1 813	3 913
Other finance income	4 567	4 273	2 581
Total Finance income	17 169	8 439	6 618
Interest expense	10 091	1 888	3 110
IFRS 16 interest	4 724	1 305	0
Currency exchange expense	7 209	2 960	3 730
Other finance cost	1 561	7 446	3 641
Interest expense	213	449	
Total finance cost	23 797	14 048	10 480
Net finance items	-6 627	-5 609	-3 862



Note 19 Share information

<i>Amounts in NOK 1000</i>	2020	2019	2018
Ordinary shares	143 578		
Share capital	57 431		
Share premium	4 434 900		

At 31 December 2020 there were 143 577 626 ordinary shares each with a par value of NOK 0.40. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Changes in share capital	Date	Share capital	Share premium
Establishment of Volue	19/11/2019	100	
Share capital increase	22/04/2020	27 000	
Share capital increase	15/09/2020	22 900	3 881 833
Share capital increase	13/10/2020	729	40 071
Share capital increase	19/10/2020	6 250	475 915
Share capital increase	29/10/2020	115	8 825
Share capital increase	11/11/2020	337	28 256
Share capital at year end 2020		57 431	4 434 900

Dividends

There are no paid out dividends

Major shareholders

Investor	Number of shares	% of major shareholders	% of total	Country
ARENDALS FOSSEKOMPANI ASA	108 733 509	94.44%	75.73%	NOR
Morgan Stanley & Co. LLC	2 464 270	2.14%	1.72%	USA
Goldman Sachs & Co. LLC	2 244 848	1.95%	1.56%	USA
OBLIGASJON 2 AS	1 687 500	1.47%	1.18%	NOR

Note 20 Earnings per share

Basic earnings per share are based on profit attributable to the equity holders of the parent and the weighted average number of outstanding ordinary shares.

<i>Amounts in NOK 1000</i>	2020	2019	2018
Net profit for the year	99 061	-19 813	12 097
Attributable to non-controlling interests	16 829	-27 058	11 345
Attributable to ordinary shares	82 232	7 245	752
Profit from continuing operations	68 035	25 085	-11 659
Attributable to non-controlling interests	14 936	-13 140	3 952
Attributable to ordinary shares	53 100	38 224	-15 611
Profit from discontinued operation	38 803	-44 898	23 756
Attributable to non-controlling interests	1 894	-13 918	7 393
Attributable to ordinary shares	36 910	-30 980	16 363
Weighted number of ordinary shares, basic and diluted	107 596 403	57 250 000	57 250 000
Number of shares end of period	143 577 626		
Basic and diluted earnings per share	0.76	0.13	0.01
Basic and diluted earnings per share from continuing operations	0.49	0.67	-0.27
Basic and diluted earnings per share from discontinued operations	0.34	-0.54	0.29

Note 21 Business combinations and transactions with non-controlling interests

Transactions in 2020

The current legal structure of the Group was created on 15 September 2020 when AFK transferred its shareholdings in four subsidiaries through contributions in kind to Volue. Reference is made to Basis of preparation in [note 1](#) for more information about the transaction, and to [note 27](#) for information about the opening balance effect for the transaction.

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

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

Company	Carrying value acquired non-controlling interest derecognised	Effect on equity attributable to controlling shareholders	Cash paid / total effect on consolidated equity
Volue Technology AS	-4 909	-104 225	109 134
Volue Market Service AS	-1 707	-2 101	3 808
Volue Industrial IoT AS	-16 058	-28 704	44 762
Volue Insight AS	-2 846	-78 321	81 167
Total	-25 520	-213 351	238 871

Likron Gmbh

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

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

Purchase consideration

Amounts in NOK 1000

Cash paid	66 618
Ordinary shares issued	28 593
Earn out 2020	32 200
Earn out 2021	28 500
Total purchase consideration	155 911

There was used a seller credit related to the share issue. Earn-out 2020 and 2021 are based on Likron reaching threshold revenue targets indicating ARR growth. Payment based on 60 per cent cash and 40 per cent shares based on full earn-out. Maximum earn-out 2021 is NOK 45.6 million. In addition to the consideration disclosed above, the seller is entitled to a deferred consideration that will be paid if the current management will stay in their position until the end of 2022. Deferred consideration will be recognised as employee expenses. The maximum deferred consideration is NOK 21.2 million (EUR 2.0 million).

Amounts in NOK 1000

Consideration paid in cash	-66 618
Cash in acquired company	4 600
Cash flow effect of the transactions	-62 018

Note 16 Business combinations and transactions with non-controlling interests cont.

Note 21 continues on next page

Assets and liabilities recognised as a result of the acquisition*Amounts in NOK 1000*

Intangible assets	64 100
Trade receivables	9 600
Other receivables	2 900
Cash and cash equivalents	4 600
Trade payables	-1 600
Other current liabilities	-8 300
Deferred tax liability	-19 300
Net assets acquired	52 000
Purchase price shares in Likron	155 911
Goodwill	103 911

The PPA is final and there has not been any changes in fair value of the earn-out liability. Likron had a loss of 15 TNOK in 2020 and if the company had been a part of the Group for the full year the loss would have been 185 TNOK. Revenue in Likron was 3 925 TNOK in 2020 and if the company had been a part of the Group for the full year the revenue would have been 47 100 TNOK.

Transactions in 2018 and 2019

The combined entities did not acquire any businesses in 2018 and 2019.

In 2018 Volue Technology AS sold the subsidiary Metering AS. The transaction did not represent a discontinued operation. Net proceeds from the transaction was NOK 20 million, and the transaction resulted in a gain of NOK 3 million. Volue Technology AS also sold 51 per cent of its shares in Metertech AS. Net proceeds from the transaction was NOK 2.5 million, and the transaction resulted in a gain of NOK 0.9 million.

Note 22 Subsidiaries

Investor	Ownership held by the group	Ownership held by the non-controlling interests	Domicile
Volue Technology AS	99.82%	0.18%	Norway
Volue Technology Danmark A/S	99.82%	0.18%	Denmark
Volue AB	99.82%	0.18%	Sweden
Volue AG	99.82%	0.18%	Switzerland
Volue Enerji cozumleri	99.82%	0.18%	Turkey
Volue Sp. Z.o.o	99.82%	0.18%	Poland
Volue Construction AS	99.82%	0.18%	Norway
Volue Environment AS	99.82%	0.18%	Norway
Volue Gmbh	99.82%	0.18%	Germany
Volue Market Service AS	99.98%	0.02%	Norway
Volue Industrial IoT AS	94.76%	5.24%	Norway
Volue Denmark ApS	94.76%	5.24%	Denmark
Volue In Situ AB	94.76%	5.24%	Sweden
Volue Instrument Technology AS	94.76%	5.24%	Norway
Volue Insight AS	100.00%	0.00%	Norway
Volue Insight Gmbh	100.00%	0.00%	Germany
Likron GmbH	100.00%	0.00%	Germany

Note 23 Discontinued operations

On 11 August 2020, Volue Industrial IoT AS (former name Scanmatic AS) sold the 51 per cent owned company Scanmatic Electro AS. This company deliver services related to infrastructure and represent a separate line of business compared to the rest of the Group. Since this line of business has a significant contribution to the Group's revenue, this is presented as a discontinued operation. Because Volue has not previously presented consolidated financial statements for 2018 and 2019, management has chosen to present assets and liabilities related to the discontinued operations separately in the balance sheet for 2018 and 2019 although not required by IFRS 5. Management consider this presentation to provide more relevant information about asset and liabilities in the comparable periods for both continuing and discontinued operations.

Summarised information about profit from continued operations

<i>Amounts in NOK 1000</i>	2020	2019	2018
Revenue	181 092	310 135	552 466
Expenses	-171 679	-367 660	-522 595
Income tax	-2 076	12 627	-6 114
Profit/(loss) from discontinued operations before gain on disposal	7 337	-44 898	23 756
Gain on disposal	31 466		
Profit/(loss) from discontinued operations	38 803	-44 898	23 756
Attributable to equity holders of the company	27 934	-38 078	20 148
Attributable to non-controlling interests	10 869	-6 820	3 609

Summarised cash flow information

<i>Amounts in NOK 1000</i>	2020	2019	2018
Net cash flow from operating activities	-20 290	-1 637	98
Net cash flow from investing activities	61 109	-427	-1 221
Net cash flow from financing activities	-26 170	697	1 952
Specification of cash flow from investing activities			
Investing cash flow in Scanmatic Electro	0	-427	-1 221
Proceeds from sale of shares in Scanmatic Electro	61 109	0	0
Net cash flow from investing activities	61 109	-427	-1 221

Summarised balance sheet information

<i>Amounts in NOK 1000</i>	2020	2019	2018
Intangible assets		2 978	4 186
Property plant and equipment		1 607	3 183
Trade and other receivables		148 434	271 478
Cash and cash equivalents		3 024	4 391
Total assets discontinued operations		156 042	283 238
Deferred tax liability		-4 617	-17 192
Trade and other payables		-45 536	-96 697
Other current liabilities		-76 674	-97 846
Total liabilities discontinued operations		-126 827	-211 734
Total net assets		29 215	71 504
Attributable to the share holders of the company		10 281	25 162
Attributable to non-controlling interest		18 934	46 342

Volue Industrial IOT owned 51 per cent of Scanmatic Electro. Arendal Fossekompagni ASA owned 69 per cent of Volue Industrial IOT during all periods presented. The non-controlling interests share of profit/(loss) and share of net assets reflects the combined non-controlling interests.

The direct non-controlling interests in Scanmatic Electro (49 per cent) was derecognised when the company was sold. This reduced the consolidated equity by NOK 16,3 million.

<i>Amounts in NOK 1000</i>	2020	2019	2018
Revenues	4 200	23 500	52 600
expenses	4 150	23 100	52 600
Net finance income	0	0	2 600
Income tax	0	0	0
Profit/(loss)	50	400	2 600

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

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

Note 24 Related parties

At year end Arendal Fossekompagni (AFK) owned 108,733,509 shares, representing 76 per cent of the total number of shares in Volue.

Board of Directors compensation 2020 and number of shares owned 31 December 2020

Name	Title	Board of Directors remunerated	Number of shares in Volue
Ørjan Svanevik	Chairman	138	-
Henning Hansen	Member of Board	260	42 857
Lars Peder Fosse Fensli	Member of Board	-	15 000
Ingunn Ettestøl	Member of Board	-	4 687
Knut Ove Blichner Stenhagen	Employee - Elected Board member	40	6 250
Bård Mageli	Employee - Elected Board member	40	5 000
Kjetil Kvamme	Employee - Elected Board member	40	-

Name	Title	Fixed salary	Paid bonus	Pension	Other benefit's	Number of shares in Volue	Loan from Volue
Trond Straume	CEO	3 114	1 275	76	211	535 714	9 000
Arnstein Kjesbu	CFO	1 884	579	76	25	326 704	5 400
Other management		14 407	2 501	745	1 041	867 857	16 282

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

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

Guidelines for pay and other remuneration of the executive management

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

- Fixed elements
- Variable elements – annual bonus

Executives in Volue participate in the Group's central annual bonus program. The program has a maximum ceiling of 25 per cent of the executive's fixed salary and 50% for CEO. The basis for bonus payments is based on financial targets and performance strategic KPI's. A "good performance" has been defined as the achievement of results in line with externally communicated financial targets.

In addition, the Group has share-based incentive programs described in (c) below.

c. Shared incentive program

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

Note 25 Contingent liabilities

The group had no contingent liabilities at 31 December 2020.

Note 26 Subsequent events

The adverse market conditions brought by the Covid-19 pandemic still have limited impact on the business. All business units has delivered solid operational performance and continue to do so. The order intake is good and the company continues to build-up a highly sticky customer base.

As part of the preparation for listing Volue on Oslo Stock exchange (main list) the general assembly of Volue on 17 March 2021 decided to convert Volue AS into a public limited company (ASA).

Arendal Fossekompni ASA ("AFK") has on the 17 of February sold 16,940,200 shares in Volue AS representing 11.80 per cent of the share capital in the Company. After the transaction, AFK owns 91,793,309 shares in Volue, representing 63.93 per cent of the share capital in the Company.

Note 27 First time adoption of IFRS

Volue AS was established in 2020 and The financial statement for the year ended 31 December 2020, are the first the group has prepared in accordance with IFRS. The Volue Group did not prepare any financial statements in the previous periods 2019 and 2018, but the subsidiaries in the Group was a part of the Financial statements of Arendal Fossekompni (AFK), which has prepared in accordance with IFRS.

The Group consists of Volue Insight AS, Volue Industrial IOT, Volue Market Services AS and Volue Technology AS.

Exemptions applied

IFRS 1 allows first-time adopters certain exemptions from the restrospective application of certain requirements under IFRS. The group has applied the following exemptions:

The Group has applied the exemption from full retrospective application in IFRS 1.D16a, which means that all assets and liabilities in the opening balance are measured at the carrying amounts that was included in AFK's financial statement.

Note 27 continues on next page

Note 27 First time adoption of IFRS cont.**Opening balance 1 January 2018**

Below is table showing the opening balance for each subsidiary based on the NGAAP financial statements and IFRS adjustments. Volue Insight was not established at 1 January 2018.

<i>Amounts in NOK 1000</i>	Volue Insight AS	Volue Industrial IOT AS	Volue Market Services AS	Volue Technology AS	Goodwill adjustment ¹⁾	Share capital adjustment ²⁾	IFRS adjustments ³⁾	Total opening balance Volue Group
Assets								
Non-current assets								
Property, plant and equipment	5 005	6 559	4 067	13 200				28 831
Intangible assets		5 732	8 624	182 707	53 165			250 229
Pension assets		3 040		17 300				20 339
Non-current receivables and investments	202	831	9	3 211				4 253
Deferred tax assets	638	0	2 714	1 901			-312	4 941
Total non-current assets	5 844	16 162	15 414	218 319	53 165		-312	308 593
Current assets								
Inventories		22 418						22 418
Trade and other receivables	5 273	204 729	67 598	423 926				701 525
Intercompany loans	9 285	0	17 022	0				26 307
Cash and cash equivalents	5 025	27 096	142 450	5 996				180 567
Total Current assets	19 583	254 242	227 070	429 922				930 818
Total assets	25 427	270 404	242 484	648 241	53 165		-312	1 239 411

1) These are goodwill values which was previously recognised in the AFK Group. After the transaction these values was regocized in the Volue Group.

2) Adjustment made because there are no share capital in the Group in 2019 and 2018.

3) IFRS adjustments related to dividends recognised in the NGAAP financial statements at year end 2017, that cannot be recognised according to IFRS.

Note 27 First time adoption of IFRS cont.

Amounts in NOK 1000

	Volue Insight AS	Volue Industrial IOT AS	Volue Market Services AS	Volue Technology AS	Goodwill adjustment ¹⁾	Share capital adjustment ²⁾	IFRS adjustments ³⁾	Total opening balance Volue Group
Equity and liabilities								
Equity								
Share capital and share premium	18 377	3 712	19 909	19 173		-61 172		
Other reserves	0	-410	-2 100	-20 828				-23 337
Retained earnings	-5 963	47 912	20 731	147 431	53 165	61 172	9 418	333 866
Capital and reserves attributable to holders of the company	12 415	51 214	38 541	145 776	53 165		9 418	310 529
Non-controlling interests	4 834	36 065	15 414	6 872			4 900	68 085
Total equity	17 249	87 279	53 955	152 648	53 165		14 318	378 614
Non-current liabilities								
Employee benefits				10 182				10 182
Provisions		300		285				585
Deferred tax liabilities		10 872		4 817				15 689
Total non-current liabilities		11 172		15 284				26 457
Current liabilities								
Borrowings		8 365		102 830				111 195
Trade and other payables	1 240	63 227	58 747	16 885				140 099
Current tax liabilities		11 687	418	7 076				19 181
Other current liabilities	6 939	88 674	129 365	353 518			-14 630	563 866
Total current liabilities	8 179	171 953	188 529	480 309			-14 630	834 340
Total liabilities and equity	25 427	270 404	242 484	648 242	53 165		-312	1 239 411

1) These are goodwill values which was previously recognised in the AFK Group. After the transaction these values was regocnized in the Volue Group.

2) Adjustment made because there are no share capital in the Group in 2019 and 2018.

3) IFRS adjustments related to dividends recognised in the NGAAP financial statements at year end 2017, that cannot be recognised according to IFRS.

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Statement of income

For the year ended 31 December

<i>Amounts in NOK 1000</i>	Note	2020
Continuing operations		
Revenues	2	25 093
Employee benefit expenses	3	12 626
Other operating expenses	4	23 923
EBITDA		-11 456
Depreciation and amortisation	8, 10	469
Net operating income/(loss)		-11 926
Finance income	12	215
Finance costs	12	2 451
Profit/(loss) before income tax		-14 162
Income tax expense	5	-2 137
Profit/(loss) for the period		-12 025

Statement of other comprehensive income

For the year ended 31 December

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

Balance sheet


For the year ended 31 December

Amounts in NOK 1000	Note	2020
Assets		
Non-current assets		
Property, plant and equipment	8, 10	11 827
Investment in subsidiaries	14	4 307 745
Intra-group loans	15	5 000
Non-current receivables and investments	9	30 682
Deferred tax assets	5	7 084
Total non-current assets		4 362 338
Current assets		
Trade and other receivables	6	31 466
Cash and cash equivalents	7	177 675
Total Current assets		209 141
Total assets		4 571 479

Amounts in NOK 1000	Note	2020
Equity and liabilities		
Equity		
Share capital and share premium		4 492 332
Retained earnings		-12 025
Total equity	13	4 480 306
Non-current liabilities		
Other non-current liabilities	14	28 500
Lease liabilities	10	9 072
Total non-current liabilities		37 572
Current liabilities		
Trade and other payables	11	21 400
Other current liabilities	14	32 200
Total current liabilities		53 600
Total liabilities and equity		4 571 479

Oslo, Norway, 26 March 2021

The Board of Directors and CEO Volue AS



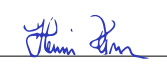
Ørjan Svanvik
Chairman of the Board



Lars Peder Fensli
Board Member



Ingunn Ettestøl
Board Member



Henning Hansen
Board Member



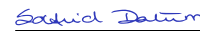
Christine Grabmair
Board Member



Bård Mageli
Board Member



Knut Ove Stenhagen
Board Member



Solfrid Dalum
Board Member



Trond Straume
Chief Executive Officer

Statement of changes in equity

For the year ended 31 December

<i>Amounts in NOK 1000</i>	Share capital and share premium	Retained earnings	Total equity
Balance at 1 January 2020	-	-	-
Profit/(loss) for the period	-	-12 025	-12 025
Contributions of equity by contribution in kind	3 942 267	-	3 942 267
Contributions of equity by cash	567 604	-	567 604
Transaction cost share issue, net of tax	-17 539	-	-17 539
Balance at 31 December 2020	4 492 332	-12 025	4 480 306

Statement of cash flows

For the year ended 31 December

<i>Amounts in NOK 1000</i>	Note	2020
Cash flow from operating activities		
Profit/(loss) before income tax		-14 162
adjustments for:		
Depreciation, amortization and impairment		469
Net financial items		2 236
Tax on transaction costs related to share issue		-4 947
Total after adjustments to profit before income tax		-16 403
Change in trade and other receivables		-100
Change in trade and other payables		-9 967
Total after adjustments to net assets		-26 470
Change in tax paid		-
Net cash flow from operating activities		-26 470
Cash flow from investing activities		
Interest received		215
Purchase of PPE and intangible assets		-3 224
Loans to employees		-30 682
Loan to subsidiary		-5 000
Purchase of shares in subsidiaries		-304 778
Net cash flow from investing activities		-343 469
Cash flow from financing activities		
Proceeds from issue of shares		550 065
Interest paid etc.		-2 451
Net cash flow from financing activities		547 614
Net increase in cash and cash equivalents		177 674
Cash and cash equivalents at the beginning of the financial year		-
Effects of exchange rate changes on cash and cash equivalents		-
Cash and cash equivalents at end of year		177 674

Notes to the parent company financial statements

For the year ended 31 December

Note 1 Accounting principles

Basis for preparation

The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union and associated interpretations, as well as Norwegian disclosure requirements pursuant to the Norwegian Accounting Act applicable as of 31 December 2020. The annual financial statements were approved by the board of directors on 26 March 2021.

The financial statements are presented in Norwegian kroner (NOK), which is the functional currency of the parent company. All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand NOK units unless otherwise stated. The financial statements have been prepared using the historical cost principle. The company recognises changes in equity arising from transactions with owners in the statement of changes in equity. Other changes in equity are presented in the statement of comprehensive income (total return).

The period in the financial statements is from 26 November 2019, which is the date of establishment of Volue AS, and until year end 2020.

Shares in subsidiaries

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

Foreign currency

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

Revenue recognition

Under IFRS 15, Volue ASA recognises as revenue the agreed transaction price in a contract with a customer at the time when the company transfers the control of a distinct product or service to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods and services. In 2020 Volue AS had no revenues from external customers. All revenues are related to billing of overhead costs in the company to subsidiaries, which is classified as other income.

Income tax

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

Leases

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

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

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

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

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

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

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or

less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Receivables and loans

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

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

Property, plant and equipment

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

Trade and other payables

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

Note 2 Revenue from contracts with customers

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

<i>Amounts in NOK 1000</i>	2020
Other operating income	25 093

Note 3 Remuneration and employee benefit

<i>Amounts in NOK 1000</i>	2020
Salaries	11 066
Social security contributions	1 560
Pension costs	-
Other benefits	-
Total employee benefit expenses	12 626
Average number of employees	8

Employees are employed in subsidiaries but are a part of the Group management, hence salary cost but no pension cost in Volue AS.

Note 4 Other operating expenses

<i>Amounts in NOK 1000</i>	2020
Premises, service and office costs	1 224
Audit and other fees	1 209
Travelling costs, indirect	150
Sales and marketing costs	195
ICT costs	152
Operating costs, IC	2 389
Other direct costs	18 604
Total employee benefit expenses	23 923
Remuneration to auditor	
Statutory audit	350
Other assurance services	209
Tax advice	-
Other non-audit services	650
Total remuneration to auditor	1 209

Remuneration to auditor also include services related to equity transactions.

Note 5 Income tax

<i>Amounts in NOK 1000</i>	2020
Current tax expense	0
Effect of change in temporary differences	7 084
Total deferred tax asset	7 084
Reconciliation of effective tax rate	
Total pre tax income	-14 162
Tax based on current ordinary tax rate	-3 116
Effect of non deductible expenses	-3 968
Tax on transaction costs related to share issue	4 947
Total tax expense	-2 137
Effective tax rate	15.09%

Note 6 Trade and other receivables

Trade receivables

<i>Amounts in NOK 1000</i>	2020
Trade receivables from contracts with customers	31 367
Loss allowance	0
Total	31 367

Other receivables

<i>Amounts in NOK 1000</i>	2020
Other receivables	100
Total	100
Total trade and other receivables	31 466

Note 7 Cash and cash equivalents

<i>Amounts in NOK 1000</i>	2020
Total cash and cash equivalents	177 675

Note 8 Property, plant and equipment

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

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

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

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

Note 9 Non-current receivables and investments

<i>Amounts in NOK 1000</i>	2020
Loans to employees	30 682
Total non-current receivables and investments	30 682

The loans to key management personnel are related to purchase of shares in Volue AS and the shares are used as collateral according to the loan agreements. Interest rate for the loans is not below the threshold for making the loan a taxable benefit. At year end the interest rate was 1.5 per cent.

Note 10 Leases

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

Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

<i>Amounts in NOK 1000</i>	2020
RoU buildings and land	9 072
Total right-of-use assets	9 072
Current lease liabilities	-
Non-current lease liabilities	9 072
Total lease liabilities	9 072

Amounts recognised in the statement of income

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

<i>Amounts in NOK 1000</i>	2020
Depreciation RoU buildings and land	-
Total depreciation charge right-of-use assets	-
Interest expense	-

Note 11 Trade and other payables

<i>Amounts in NOK 1000</i>	2020
Trade payables	21 400
Total	21 400

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

Note 12 Finance items

<i>Amounts in NOK 1000</i>	2020
Interest income	215
Total Finance income	215
Interest expense	2 451
IFRS 16 interest	0
Total finance cost	2 451
Net finance items	-2 236

Note 13 Share information

<i>Amounts in NOK 1000</i>	2020
Ordinary shares	143 577 626
Share capital	57 431
Share premium	4 434 900

At 31 December 2020 there were 143 577 626 ordinary shares and have a par value of NOK 0.40. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Major share holders

<i>Amounts in NOK 1000</i>	Number of shares	% of major shareholders	% of total	Country
Arendals Fossekompagni ASA	108 733 509	84.06%	75.73%	NOR
Morgan Stanley & Co. LLC	2 464 270	1.91%	1.72%	USA
Goldman Sachs & Co. LLC	2 244 848	1.74%	1.56%	USA
Obligasjon 2 AS	1 687 500	1.30%	1.18%	NOR

No other shareholders control more than 1 per cent of the shares.

Note 14 Subsidiaries

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

In september 2020 AFK transferred its shareholdings in four subsidiaries through contributions in kind to Volue. AFK transferred the following shareholdings to Volue:

- 18 410 292 shares (96.0 per cent ownership interest) in Volue Technology AS (former name Powel AS)
- 25 733 759 shares (90.5 per cent ownership interest) in Volue Insight AS (former name Wattsight AS)
- 36 001 460 shares (96.7 per cent ownership interest) in Volue Market Services AS (former name Markedskraft AS),
- 28 824 shares (69.0 per cent ownership interest) in Volue Industrial IoT (former name Scanmatic AS)

As a consideration for the acquisition of the shareholdings in the Subsidiaries, the Company immediately carried out a share capital increase by issuing 22,900 new shares to AFK. Total value of the contribution in kind was NOK 3 904 million.

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

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

Note 14 continues on next page

Note 14 Subsidiaries cont.

On 19 November 2020 Volue AS acquired 100 per cent of the issued share capital of Likron GmbH, the leading algorithmic power trading software provider in Germany.

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

Purchase consideration*Amounts in NOK 1000*

Cash paid	66 618
Ordinary shares issued	28 593
Earn out 2020	32 200
Earn out 2021	28 500
Total purchase consideration	155 911

There was used a seller credit related to the share issue. Earn-out 2020 and 2021 are based on Likron reaching threshold revenue targets indicating ARR growth. Payment based on 60 per cent cash and 40 per cent shares based on full earn-out. Maximum earn-out 2021 is NOK 45.6 million. In addition to the consideration disclosed above, the seller is entitled to a deferred consideration that will be paid if the current management will stay in their position until the end of 2022. Deferred consideration will be recognised as employee expenses. The maximum deferred consideration is NOK 21.2 million (EUR 2.0 million) .

Amounts in NOK 1000

Consideration paid in cash	-66 618
Cash in acquired company	4 600
Cash flow effect of the transactions	-62 018

Company	Ownership held by the group	Domicile	Headquarters	Book value
Volue Technology AS	99.82%	Norway	Trondheim	2 986 465
Volue Market Service AS	99.98%	Norway	Arendal	122 060
Volue IoT AS	94.76%	Norway	Arendal	170 012
Volue Insight AS	100.00%	Norway	Arendal	873 197
Likron GmbH	100.00%	Germany	München	156 012
Total book value				4 307 745

Note 15 Related parties

At year end Arendal Fossekompagni (AFK) owned 108,733,509 shares, representing 76 per cent of the total number of shares issued.

Board of Directors compensation 2020 and number of shares owned 31 December 2020

Amounts in NOK 1000

Name	Title	Board of Directors remunerated	Number of shares
Ørjan Svanevik	Chairman	138	-
Henning Hansen	Member of Board	260	42 857
Lars Peder Fosse Fensli	Member of Board	-	15 000
Ingunn Ettestøl	Member of Board	-	4 687
Knut Ove Blichner Stenhagen	Employee - Elected Board member	40	6 250
Bård Mageli	Employee - Elected Board member	40	5 000
Kjetil Kvamme	Employee - Elected Board member	40	-

Name	Title	Fixed salary	Paid bonus	Pension	Other benefit's	Number of shares in Volue	Loan from Volue
Trond Straume	CEO	3 114	1 275	76	211	535 714	9 000
Arnstein Kjesbu	CFO	1 884	579	76	25	326 704	5 400
Other management		14 407	2 501	745	1 041	867 857	16 282

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

Guidelines for pay and other remuneration of the executive management

The purpose of Volue's compensation and benefits policy is to attract personnel with the competence that the Group requires, develop and retain employees with key expertise and promote a long-term perspective and continuous improvement

supporting achievement of Volue's business goals. The general approach adopted in Volue's policy is to pay fixed salaries and pensions in line market prices, while offering variable pay linked to results for bonus and long term incentive plan for share incentive program. (LTIP)

- Fixed elements
- Variable elements – annual bonus

Executives in Volue participate in the Group's central annual bonus program. The program has a maximum ceiling of 25 per cent of the executive's fixed salary and 50 per cent for CEO. The basis for bonus payments is based on financial targets and performance strategic KPI's. A "good performance" has been defined as the achievement of results in line with externally communicated financial targets.

In addition, the Group has share-based incentive programs described in (c) below.

c. Shared incentive program

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

Intragroup Loans	2020
Loan from Volue AS to Volue Market services AS	5 000

The loan has five years maturity and the loan may be converted to equity. There are no collatorals related to the loan.

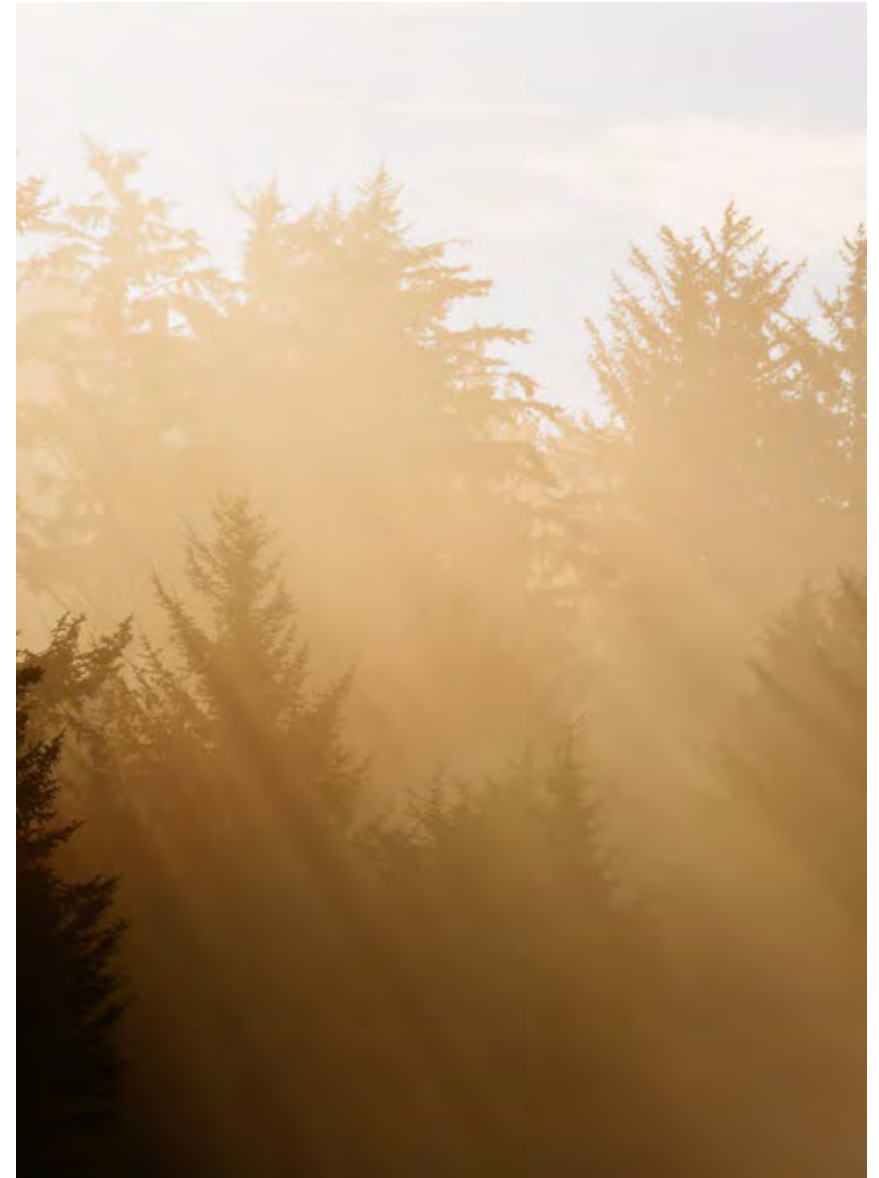
Note 16 Contingent liabilities

The company had no contingent liabilities at 31 December 2020.

Note 17 Subsequent events

As part of the preparation for listing Volue on Oslo Stock exchange (main list) the general assembly of Volue on 17 March 2021 decided to convert Volue AS into a public limited liability company (ASA).

Arendal Fossekompagni ASA ("AFK") has on 17 February 2021 sold 16,940,200 shares in Volue AS representing 11.80 per cent of the share capital in the Company. After the transaction, AFK owns 91,793,309 shares in Volue, representing 63.93 per cent of the share capital in the Company.



Independent auditor's report



To the General Meeting of Volue AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

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

- The financial statements of the parent company Volue AS (the Company), which comprise the balance sheet as at 31 December 2020, the statement of income, statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Volue AS and its subsidiaries (the Group), which comprise the balance sheets as at 31 December 2020, 2019 and 2018, and the statements of income, statements of other comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.
- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2020, 2019 and 2018 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations, and we have fulfilled our other ethical responsibilities in

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Independent Auditor's Report - Volue AS

accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (Management) are responsible for the preparation in accordance with law and regulations, including a true and fair view of the financial statements in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements


Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

(2)

Independent auditor's report cont.

Independent Auditor's Report - Value AS



- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's or the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements and the going concern assumption is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements

(3)

Independent Auditor's Report - Value AS



(ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Arendal, 26 March 2021
PricewaterhouseCoopers AS



Lars Ole Lindal
 State Authorised Public Accountant

(4)

Corporate governance report

Volue aims to maintain high standards for corporate governance. In the Company's opinion, good corporate governance is an important condition for value creation.

Volue's (the "Company") corporate governance defines the business framework within which all activities in the Company should operate and clarifies the roles and responsibilities between governing bodies in the Company.

The following main principles apply to corporate governance in the Company:

- The Company shall at all times comply with all acts and regulations that apply to the Company.
- The Company shall ensure that the Company has good corporate governance.
- The Company shall at all times try to act in accordance with the recommendations in the Norwegian Code of Practice for Corporate Governance. If, in the Board of Directors' opinion, there are special interests indicating that the Company should depart from any of these

recommendations, this must be specifically substantiated. In each annual report, the Board of Directors will make a statement on the Company's corporate governance.

- The Company's business must be operated on the basis of high ethical standards. The Company shall take active social responsibility.
- The Board of Directors shall ensure that the Company has clear goals and strategies for its business.
- The Company's equity should be in accordance with the Company's goal, strategy and risk profile.
- The Board of Directors shall ensure that the Company has a clear and predictable dividend policy.
- The Company shall avoid any unfair discrimination of the shareholders.
- The Company's transactions with closely related parties must be based on ordinary commercial terms and principles.

- The Company's shares can be sold freely.
- The Board of Directors should allow for as many shareholders as possible being able to exercise their rights by attending the Company's General Meeting.
- The Board of Directors shall ensure that the Company has good internal control and appropriate systems for risk management given the scope and nature of the Company's business.



1. Corporate governance framework and reporting

The Board of Directors (the “Board”) of Volue (the Company) has the overall responsibility for ensuring that the Company has a high standard of corporate governance. The Board has prepared a corporate governance policy document (the “Policy”). This Policy describes the Company’s main principles for corporate governance and addresses the framework of guidelines and principles regulating the interaction between the Company’s shareholders, the Board of Directors, the Chief Executive Officer (the “CEO”) and the Company’s senior management (the “Executive Management”). The policy is based on the Norwegian Code of Practice (the Code) for Corporate Governance issued by the Norwegian Corporate Governance Board. The objective of the Code is that companies listed on regulated markets in Norway will practice corporate governance that regulates the division of roles between shareholders, the Board and Executive Management more comprehensively than is required by legislation. The Board and Executive Management perform an annual assessment of its principles for corporate governance.

Volue is a publicly-listed company traded on the Oslo Stock Exchange with a governance structure based on Norwegian law. The Company is subject to corporate governance reporting requirements as

defined in the Norwegian Accounting Act, section 3-3b and the Norwegian Code of Practice for Corporate Governance (the “Code”) available at www.nues.no. The Board of Directors’ Statement of Corporate Governance follows the structure of the Code.

The Board of Directors has reviewed and approved the Company’s policy and structure for corporate governance stating that the Company will comply with the Code. The Company’s goal is to act in accordance with every recommendation in the Code.

2. The business

Volue’s core business is to supply software and technology solutions for the energy, power grid and infrastructure markets. With 50 years of green technology expertise, Volue offers software solutions, systems and market insight that optimise production, trading, distribution and consumption of energy, as well as infrastructure and construction projects. Volue has coverage along the clean-energy valuechain, from monitoring using sensors to realising cash in trading. Volue’s technology secures availability of the core services society relies on – energy, water and infrastructure.

The Company’s operations comply with Article 3 of the Company’s Articles of Association: “The company’s business is to invest in, own and manage companies,

and to carry out own business activities within IT and other software services.”

The Board has prepared clear goals, strategies and a risk profile for the Company. The Company has guidelines for how it integrates the interests of the society at large into its value creation. An ESG – Environmental, Social, Governance report is included in the annual report and is available on the Company’s website. The Board evaluates targets, strategies and a risk profile on an annual basis, at a minimum.



3. Share capital

As of 31 December 2021, Volue's total equity attributable to shareholders of the parent company amounted to NOK 805 million.

Total equity for the group at 31 December 2020 was NOK 743 million, corresponding to an equity ratio of 50 per cent. Considering the nature and scope of Volue's business, the Board considers that the Company has adequate equity and capital structure.

Existing mandates granted to the Board, to issue shares and to purchase its own shares, are presented in the shareholder information section of the annual report. The mandates are restricted to defined purposes and limited in time to no later than the date of the next Annual General Meeting.

4. Equal treatment of shareholders and transactions with close associates

There is only one class of shares and all shares have equal voting rights. At 31 December 2020 there were 143 577 626 ordinary shares each with a par value of NOK 0.40. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held. The articles of association place no restriction on voting rights.

All transactions with close associates are disclosed in the notes to the annual accounts. All business activities are based

on arm's length terms. In the event of transactions with insiders or close associates, the following procedures shall be followed:

- Members of the Board and the Executive Management shall notify the Board c/o the chairman in writing if they have any material direct or indirect interest in any transaction entered into by the Company.
- Members of the Board and the Executive Management who have an interest in any transaction entered into by the Company shall refrain from participating in considering such transaction in accordance with applicable provisions under the Norwegian Public Limited Companies Act.
- The Board shall consider the need for shareholder approval of any related party transaction in accordance with § 3-8 of the Norwegian Public Limited Companies Act.
- To the extent shareholder approval in accordance with § 3-8 of the Norwegian Public Limited Companies Act shall not be required, the Board shall nonetheless consider whether it is appropriate to obtain independent third party valuations of any material related party transaction.
- The person responsible for investor relations in the Company shall immediately publicly disclose not immaterial transaction entered into with related parties cf. Section 3.3 of Oslo Børs' continuing obligations of stock exchange listed companies.

5. Shares and negotiability

There are no provisions in the Company's Articles of Association that limit the right to own, trade or vote for shares in the Company.

6. General meetings

Through the General Meeting, the shareholders exercise the highest authority in the Company. All shareholders have a right to attend, make a statement and vote at the General Meeting as long as they are recorded in the Company's share register no later than the fifth business day before the date of the general meeting. The Annual General Meeting for 2021 takes place on 6 May 2021.

The General Meeting's responsibilities include electing the members of the Board and the auditor, determining the fees for the Board and the auditor, approving amendments of the articles of association, approving the annual accounts and the annual statement, and making decisions regarding dividend.

The notice of the meeting, the agenda and detailed and comprehensive supporting information, are made available on Volue's website at least 21 days before a general meeting takes place. At the same time the notice and agenda are distributed to all shareholders.

The General Meeting deals with such matters as required by Norwegian law.

Shareholders who cannot attend the meeting in person can vote by proxy and voting instructions can be given on each item on the agenda. In addition, shareholders may vote in advance, either in writing or by electronic means.

The General Meetings are opened by the chair of the Board. Normally, the Board proposes that the chair of the Board shall also chair the General Meetings. The Board will propose an independent chair for the General Meeting if any of the matters to be considered calls for such arrangement. The notices and minutes of the General Meetings are published in Oslo Børs' information system (www.newsweb.oslobors.no, ticker: VOLUE) and on Volue's [website](#).

7. Board of directors: composition and independence

According to the articles of association, the Board shall consist of minimum three and maximum nine members. At 31 March 2021, the board consisted of five shareholder-elected members and three members elected by and among the employees. Three of the members are women. The Public Limited Companies Act states that there should be at least three women on the board of directors when the board has between six and eight members.

Board members are elected for a period of up to two years. The chairman of the Board

is elected by the general meeting. There is no corporate assembly in Volue.

Pursuant to § 6-12 of the Public Limited Liability Companies Act, the Board is responsible for the management of the Company.

The responsibilities of the Board include the following:

- The Board shall ensure that the Company's business is properly organised.
- The Board shall draw up plans and budgets for the Company's activities.
- The Board shall keep itself informed of the financial position of the Company, and shall be responsible for ensuring that the Company's activities, accounts and asset management are subject to adequate control.
- The Board shall supervise the Company's day-to-day management.
- The Board shall initiate such examinations as it finds necessary for the performance of its duties. The board of directors must initiate such examinations if so demanded by one of its members.
- The Board shall appoint the Company's CEO and approve his/her terms of employment.
- The Board shall review the CEO's reports on the Company's activities, positions and profit/loss development.
- The Board shall review and approve the Company's annual accounts, and

issue an annual directors' report in accordance with the requirements of the Accounting Act.

- The Board shall monitor the level of the Company's equity. The Company shall at all times have an equity and liquidity which is adequate in terms of the risk and scope of the Company's business, cf section 3-4 of the Public Limited Liability Companies Act. If the equity is lower than can be deemed sound or than less than half of the share capital, the Board of Directors shall promptly consider the situation, cf section 3-5 of the Public Limited Liability Companies Act.
- The Board shall consider all matters of an extraordinary nature or of major importance to the Company, and make decisions on behalf of the Company in all matters which under the Public Limited Liability Companies Act are required to be decided by the Board.

The Board of Directors currently has the following composition:

- Ørjan Svanevik, Chairman of the Board (Chairman), elected until the Annual General Meeting in 2021
- Ingunn Ettestøl, elected until the Annual General Meeting in 2021
- Lars Peder Fosse Fensli, elected until the Annual General Meeting in 2021
- Christine Grabmair, elected until the Annual General Meeting in 2022

- Henning Hansen, elected until the Annual General Meeting in 2021
- Solfrid Dalum, elected by and among employees until the ordinary general meeting in 2021
- Bård Mageli, elected by and among employees until the ordinary general meeting in 2021
- Knut Ove Blichner Stenhagen, elected by and among employees until the ordinary general meeting in 2021

See presentation of Board members in the annual report for details.

Independence of the Board of Directors

The composition of the Board ensures that it can operate independently of any special interest. The current Board meets the requirement set forth in the Code that the majority of shareholder-elected board members be independent of the Group's executive personnel and material business contacts, and that at least two of the shareholder-elected board members be independent of the main shareholders. Ørjan Svanevik, Ingunn Ettestøl and Lars Peder Fosse Fensli are not considered to be independent of the main shareholders due their respective positions as CEO, CFO and Head of Sustainability in Arendals Fossekompani ASA. All other shareholder-elected Board members are considered to be independent.

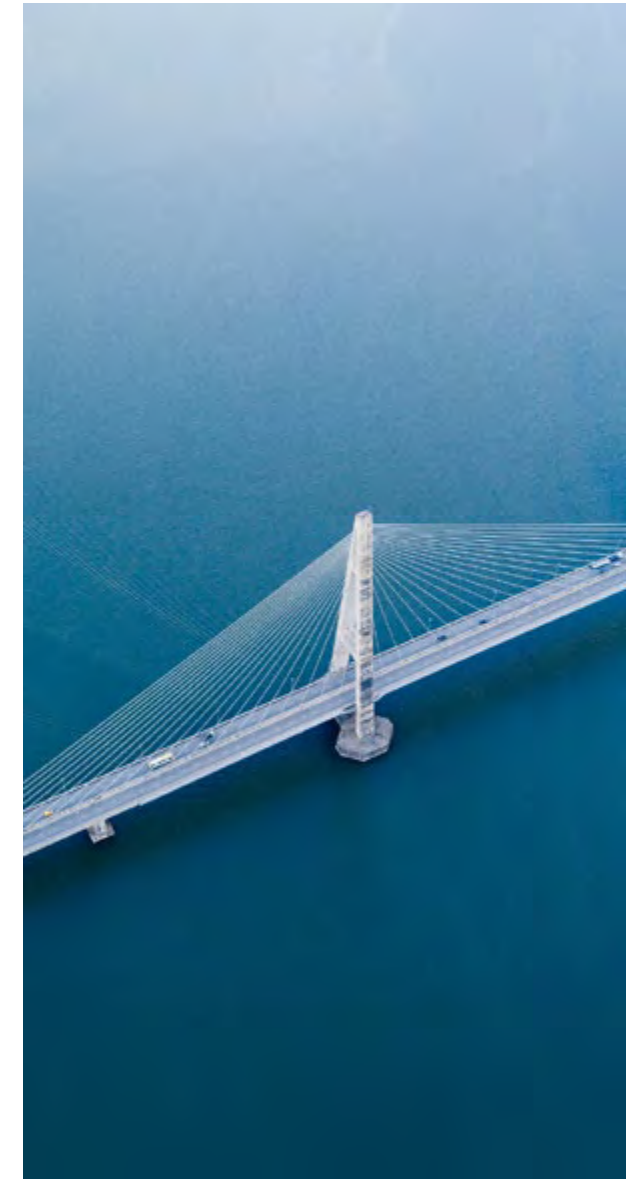
A member of the Board may not participate in the discussion or decision of issues which are of such special importance to such Board member or to any related person (as defined in § 1-5 of the Public Limited Liability Companies Act) of the Board member that he/she must be regarded as having a major personal or financial special interest in the matter.

A member of the Board may not participate in the discussion of a matter concerning a loan or other credit to himself/herself or on the furnishing of security for his/her debt.

A member of the Board shall notify the Board if he or she has any material direct or indirect interest in any transaction entered into by the Company. The Rules of Procedure specifically mention board members' involvement in competing businesses.

Board members' shareholdings

The Code states that members of the Board should be encouraged to own shares in the Company. Encouraging share ownership is not part of the Board's current Rules of Procedures. However, the Board members' shareholdings in the Company are disclosed in Note 24 Related Parties of Volve's consolidated financial statements.



8. Work of the Board of Directors

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

The Executive Management is responsible for the day-to-day management of the Company's operations in accordance with Norwegian law and instructions prepared by the Board of Directors. Among other responsibilities, the CEO is responsible for the day-to-day management of the Company's business and shall comply with the guidelines and instructions issued by the Board. The day-to-day management does not comprise matters which are of an unusual kind or major importance.

The CEO may decide matters which are of an unusual kind or major importance if the Board's decision cannot be awaited without major inconvenience to the Company. The Board shall be notified as soon as possible of the decision.

The CEO shall ensure that the Company's accounts are in accordance with statutory

law and regulations, and that the capital management of the Company is properly organised.

The CEO shall prepare matters that are to be dealt with by the Board in consultation with the chairman of the Board. A matter shall be prepared so that the Board has an adequate basis for dealing with it. The CEO shall at least every month furnish the Board with information on the Company's business, position and profit/loss development.

The CEO has the right and obligation to participate in Board meetings unless the Board decides otherwise. The Board may at any time require the CEO to furnish the Board with a detailed report on specific matters.

The Board meets as often as necessary to perform its duties. The Board had 16 meetings during 2020 with 100 per cent participation.

The Board's Audit Committee

Pursuant to the Norwegian Public Limited Liability Companies Act and the listing rules of the Oslo Stock Exchange, the Company shall have an Audit Committee. The Audit Committee (the "Audit Committee") of Volue is a subcommittee of the Board and shall act as a preparatory and advisory body for the Board and support the Board in the exercise of its responsibility for financial reporting, internal control and risk management.

The Audit Committee shall:

- assist the Board in its work in relation to the Company's financial reporting and act as a preparatory body for the Board in relation to such reporting;
- review and discuss with management and the Company's statutory auditor the Company's annual and quarterly financial statements;
- have an ongoing dialogue with the Company's statutory auditor as to the auditing of the Company's annual financial statements;
- review and discuss with management and the Company's statutory auditor significant accounting and auditing issues, including issues where the statutory auditor disagrees with management or has expressed significant uncertainty;
- review the statutory auditor's reports to management or the Board;
- assess and monitor the independence of the Company's statutory auditor, including the nature and extent of non-audit and consultancy services and compliance with the requirements of chapters 4 and 5A of the Norwegian Auditors Act;
- evaluate the qualification and performance of the Company's statutory auditor;
- make recommendations to the Board with regard to the appointment or removal of the Company's statutory auditor and the statutory auditor's

- remuneration and other terms of engagement;
- monitor and evaluate the Company's internal control, internal audit and risk management systems;
 - advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Conduct and Ethics;
 - review processes for dealing with complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters ('whistleblowing' procedures), ensuring arrangements are in place for the proportionate and independent investigation and appropriate follow up action; and
 - perform such other duties and responsibilities as may be assigned to the Audit Committee from time to time by the Board or that the Audit Committee may deem appropriate and consistent with its authority.

The Audit Committee shall consist of not less than two members, each of whom shall be a member of the Board. The members of the Audit Committee shall be appointed by the Board. The Board shall also designate a chairman of the Audit Committee.

The composition of the Audit Committee shall satisfy the requirements of the Norwegian Public Limited Companies Act section 6-42. Each member of the Audit Committee shall be independent of the Company's management. The members of the Audit Committee shall collectively have the expertise required for the performance of the tasks assigned to the Audit Committee. At least one member shall have qualifications within auditing and accounting.

The Audit Committee was established in April 2021.

Members of the Audit Committee:

- Lars Peder Fosse Fensli, voted chair of the Audit committee and elected until the Annual General Meeting in 2022
- Henning Hansen, elected until the Annual General Meeting in 2022
- Ingunn Ettestøl, elected until the Annual General Meeting in 2022



9. Risk Management and Internal Control

The Board shall ensure that Volue has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the company's activities. The internal control and the systems shall also encompass the Company's corporate values and ethical guidelines.

The objective of the risk management and internal control is to manage exposure to risks in order to ensure successful conduct of the Company's business and to support the quality of its financial reporting.

The Board shall carry out an annual review of the Company's most important areas of exposure to risk and its internal control arrangements.

The Board shall provide an account in the annual report of the main features of the Company's internal control and risk management systems as they relate to the Company's financial reporting.

Internal control of financial reporting is conducted through day-to-day follow-up by Executive Management, and supervision by the Company's Audit Committee.

10. Board remuneration

The General Meeting shall determine the Board's remuneration annually. Remuneration of Board members shall be reasonable and based on the Board's responsibilities, work, time invested and the complexity of the enterprise. The remuneration to of the Board members shall not be performance-related nor include share option elements.

The Board shall be informed if individual Board members perform tasks for the Company other than exercising their role as Board members. Work in sub-committees may be compensated in addition to the remuneration received for Board membership.

Additional information on remuneration paid to the individual board members can be found in Note 15 of the parent company financial statements for 2020.

11. Remuneration of executive management

The Board has resolved guidelines to the CEO for remuneration to Executive Management. The terms are determined by the CEO in consultation with the Chairman of the board.

The salary and other remuneration of the CEO shall be decided by the Board.

The Company's senior executive remuneration policy is based primarily on the principle that executive pay should be competitive and motivating, in order to attract and retain key personnel with the necessary competence.

The Board's statement is included in the 2020 annual report and further details relating to the salary and benefits payable to the CEO and other senior executives is available in notes to the financial statements.

12. Information and communication

Investor relations

Communication with shareholders, investors and analysts is a priority for the Company. The Company's objective is to ensure that the financial market and the shareholders have sufficient information about the Company to be certain that pricing reflects underlying values. Care will be taken by the Company to ensure an impartial distribution of information when dealing with shareholders and analysts. All market players shall have access to the same information, and all information is published in English.

All notices sent to the stock exchange are made available on the Company website and at www.newsweb.no.

The Company complies with the Oslo Børs Code of Practice for IR of July 2019.

Financial information

The Company will arrange open investor presentations in connection with the Company's quarterly reports. Presentations made for investors in connection with the quarterly reports will be made public together with the reports. Important events affecting the Company will be reported immediately. The Company will publish an annual financial calendar with an overview of dates for financial reporting and other key events.

Relevant investor information will be made available at the Company's web page: www.volue.com.

Disclosure and reporting to the financial markets and contact with shareholders, investors and analysts shall be based on the following main principles:

- All information which the Company is required to disclose will be given in English. Information required to be given in Norwegian will also be given in English.
- Unless the conditions for delayed disclosure is met and delayed publication is considered necessary, the Company shall immediately disclose inside information, as defined in the Norwegian Securities Trading Act cf. MAR article 7, and comply with the recommendations of the timing of public disclosure as further described in Oslo Børs Circular 1/2017 and Oslo Børs' continuing obligations for stock exchange listed companies.
- The Company will publish interim financial statements on a quarterly basis, no later than 45 days after each quarter has ended.
- The Company shall, as far as possible, avoid meetings and other contact with investors and analysts for a period of 15 days prior to the publication of its quarterly results.
- Any communication with shareholders outside the Company's General

Meeting will take place in accordance with applicable equal treatment requirements and applicable legislation regarding inside information.



13. Take-over situations

In a take-over process, should it occur, the Board will follow the overriding principle of equal treatment for all shareholders, and will seek to ensure that the Company's business activities are not disrupted unnecessarily. The Board will strive to ensure that shareholders are given sufficient information and time to form a view of the offer.

The Board will not seek to prevent any take-over bid unless it believes that the interests of the Company and the shareholders justify such actions. The Board will not exercise mandates or pass any resolutions with the intention of obstructing any take-over bid unless this is approved by the General Meeting following the announcement of the bid.

If a take-over bid is made, the Board will issue a statement in accordance with statutory requirements and the recommendations in the Code, and obtain a valuation from an independent expert. If a major shareholder, any member of the Board or Executive Management, or related parties or close associates of such individuals, or anyone who has recently held such a position, is either the bidder or has a particular personal interest in a take-over bid, the Board will arrange for an independent valuation.

14. Auditor

The Auditor is appointed by the AGM and is independent of Volue. Each year the Board receives written confirmation from the Auditor that the requirements with respect to independence and objectivity have been met.

The primary task of the Auditor is to perform the audit work required by law and professional standards with the level of care, competence and integrity required by law and such standards. Assigning non-auditing work the Auditor or any affiliate of the Auditor may potentially create conflicts of interest and diminish the public confidence in the Auditor's integrity and independence.

Consequently, before assigning any non-audit work to the Auditor or any affiliate of the Auditor, the relevant decision-making body in the Company make a careful assessment that the assignment a) is clearly in the best interest of the Company and b) is not likely to jeopardise the Auditor's integrity and independence in light of the following factors:

- Audit work should have the auditor's top priority and performance of non-audit work must not be prioritised at the expense of audit work
- Management must be comfortable that no conflict of interest will arise as a consequence of the Auditor performing both auditing and non-auditing work for the Company.

References to "affiliates" of the Auditor include any entity controlling, controlled by or under common control with the Auditor and any partner, director or employee of the Auditor or any of the aforesaid.

The Auditor's fee for non-auditing work will normally be agreed in advance. Management must keep the Board of Directors informed of major non-auditing work performed by the Auditor or its affiliates.

The Auditor provides the Board of Directors with an annual written confirmation that it continues to satisfy the requirements for independence.

The Auditor annually provides the Board of Directors with a summary of all services in addition to audit work that have been undertaken for the Company. The fees paid for audit work and fees paid for other specific assignments are specified in the notes to the financial statements. PwC is the Company's Auditor.

In Volue, we are continuously striving for a sustainable world balancing the use of our common resources.

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CEO letter

To operate in a sustainable manner is a given at Volue and a prerequisite for the company's long-term results and value creation. We believe our company has a responsibility to our customers, employees, suppliers, and shareholders, as well as to the society that we operate within. We are committed to delivering value to them all. Sustainability is therefore not just an add-on to our corporate strategy. It resides at the core of our purpose.

2020 was a different year for us all. Our vision when we established Volue in March, was to fast-track the company's contribution to the green energy transition. We were ready to fire on all cylinders when the Covid-19 pandemic brought the world to a screeching halt.

The extraordinary circumstances created by the pandemic led us to reassess our values and priorities on both an individual and an organisational level. Employee safety and wellbeing, and the continuity of customers' operations have been the leading themes for us at Volue.

Fortunately, one of the many benefits of being a corporate start-up is that you're nimble. Not only were we rapidly able to adapt to the new normal where almost our entire global workforce worked from home, we stayed on track with our ambitions to grow the company to provide green technology solutions to a growing client portfolio. Because climate change waits for no one.

We at Volue believe that by providing key services to those that serve the public - from optimising energy trading, to making infrastructure construction more sustainable and ensuring safe power distribution networks, we pave the way for a more equitable and sustainable future.

No matter where we live, climate change has a real impact on the basic services we rely on for our lives. Volue works closely with the providers of these services to make sure access to energy, water and important infrastructure is reliable.

Therefore, I am proud to present our company's first sustainability report, which describes our performance in areas defined of importance to the company. It states our goals and targets going forward, and how we will measure our impact. On the basis of a materiality assessment conducted in September 2020, Volue identified four overarching sustainability topics which we report on:

- Great place to work
- Ethical business conduct
- Environment
- Reliable products and services

The foundation has now been set for Volue to start systematically reporting on ESG issues and to eventually align this reporting with emerging regulatory requirements, including the EU Taxonomy.

This will support our proactive approach to managing ESG risks and opportunities as part of Volue's company strategy. By strengthening our focus on sustainable business operations, we are future-proofing Volue, while giving the company a competitive advantage today.

As one of Norway's largest software companies that has been pioneering green technology for decades and focusing on industry segments that offer critical infrastructure to society, we have a responsibility to support the transition to a net-zero emissions future. This responsibility is what motivated us to establish Volue one year ago. It's what gets us out of bed every morning.

We hope this report will demonstrate our commitment to that future.

Trond Straume,
CEO Volue



About this report

This is Volue's first sustainability report and applies to the reporting period 1 January 2020 to 31 December 2020. The report has been reviewed and approved by Volue's Board of Directors (the Board) but has not been audited by a third party. The information presented in this report excludes Likron, a company purchased by Volue in the autumn of 2020.

Volue initiated a climate risk and opportunities assessment in 2020 and has also conducted a stakeholder and materiality assessment. Volue's

sustainability report is inspired by the Oslo Stock Exchange Euronext Guidelines and GRI Standards for sustainability reporting.

We appreciate feedback from our stakeholders and always work towards continuous improvement. For information about this report and its content, please contact Volue's CEO Trond Straume or Chief Strategy Officer & Director of Organisational Development, Ingeborg Gjærum.

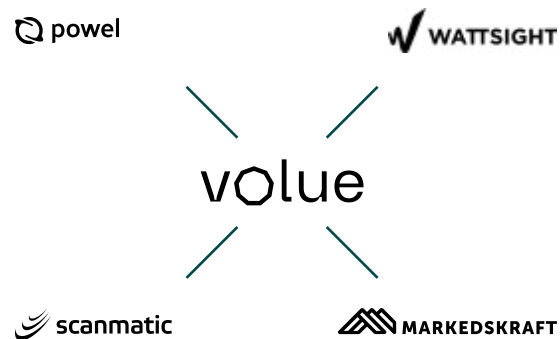


About Value

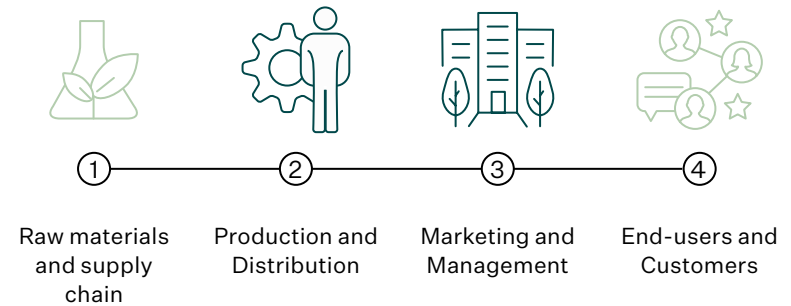
Value was established in March 2020 as the result of the fusion of four companies: Powel, Markedskraft, Scanmatic and Wattsight. The companies were rebranded in January 2021 and are now operating under the Value brand.

Value is a leading supplier of technology and an enabler of the transition to more sustainable societies. Serving more than 2000 customers in 40+ countries, the company is built on 50 years of green technology expertise. Value offers software, systems and insight that optimise production, trading, distribution and consumption of energy, as well as infrastructure and construction projects. Headquartered in Norway but acting globally, Value provides services critical for societies and leads the market's transition to a clean and reliable tomorrow.

NEWLY ESTABLISHED VALUE GROUP



VALUE'S VALUE CHAIN ILLUSTRATED



Employees by location

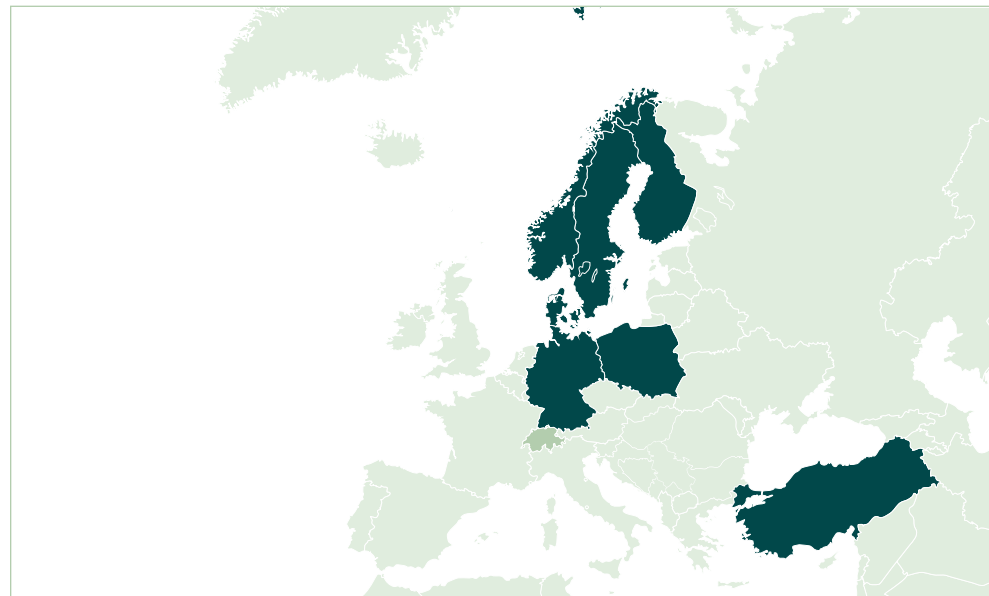
LOCATION	NO. OF EMPLOYEES
Norway	371
Germany	19
Sweden	52
Denmark	55
Poland	72
Turkey	1
Finland	4
Switzerland	20

Locations and sectors served

Volue operates in industry segments that offer critical infrastructure to society, including energy, water supply and infrastructure building. In addition, Volue delivers instrumentation and automation for transport, offshore, maritime and defence purposes. Volue is operating through four Lines of Business, namely Energy, Power Grid,

Infrastructure and Industrial IoT, which delivers seven groups of products:

- Construction software
- Industrial IoT
- Optimisation & trading software
- Market services
- Transmission & distribution software
- Insight
- Water & community software



Key figures

892

REVENUE
MNOK

148

EBITDA
MNOK

50

EQUITY RATIO
PER CENT

Corporate governance

As a company with great potential and ambitions with regards to sustainability, Volue must ensure that our operations live up to high ESG standards. The Board is responsible for approving the company's strategy related to sustainability, carry out necessary control functions and ensure that the company is satisfactorily managed and organised.

The company's Executive Management is responsible for compliance with legislation and regulations as well as for the implementation of appropriate and effective initiatives to ensure that the company reaches its goals, including sustainability efforts. Volue's Chief Strategy Officer & Director of Organisational Development is part of the Executive Management and is responsible for the company's day to day efforts regarding sustainability.

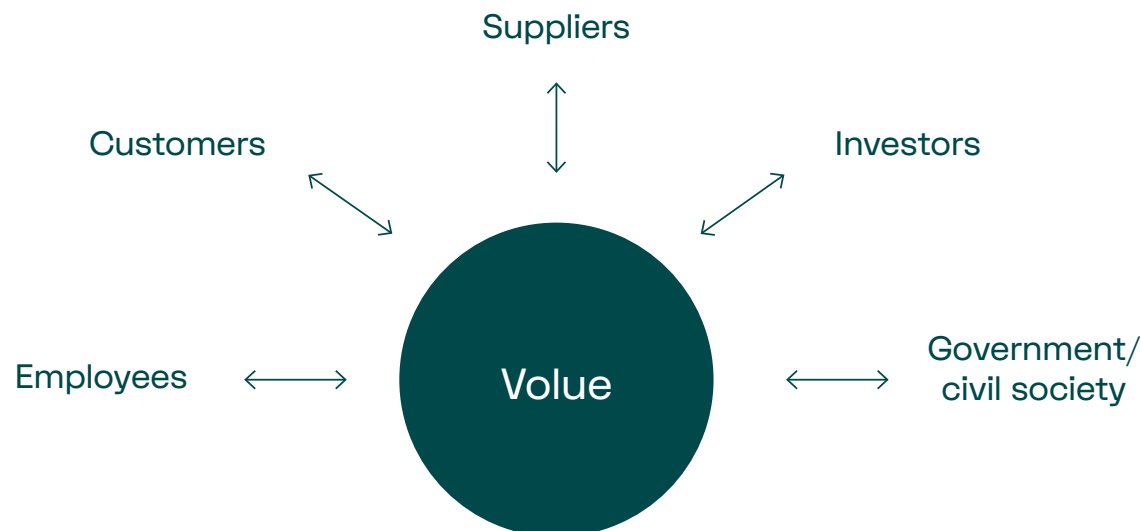
The sustainability report is discussed and approved by both the Executive Management and the Board.

Stakeholders

Having an ongoing dialogue with its most relevant stakeholders strengthens the company's relationship with the society in which it operates.

Below is an overview of Value's most important stakeholders. A stakeholder assessment has been conducted and includes employees, customers, suppliers, investors, and government / civil society. A full overview of Value's main stakeholders can be found in appendix 1.

The company keeps an ongoing dialogue with its main stakeholders but has not conducted external stakeholder dialogue with all relevant stakeholders in 2020. Value will consider carrying out external stakeholder dialogue following GRI Standards Management Approach in 2021.

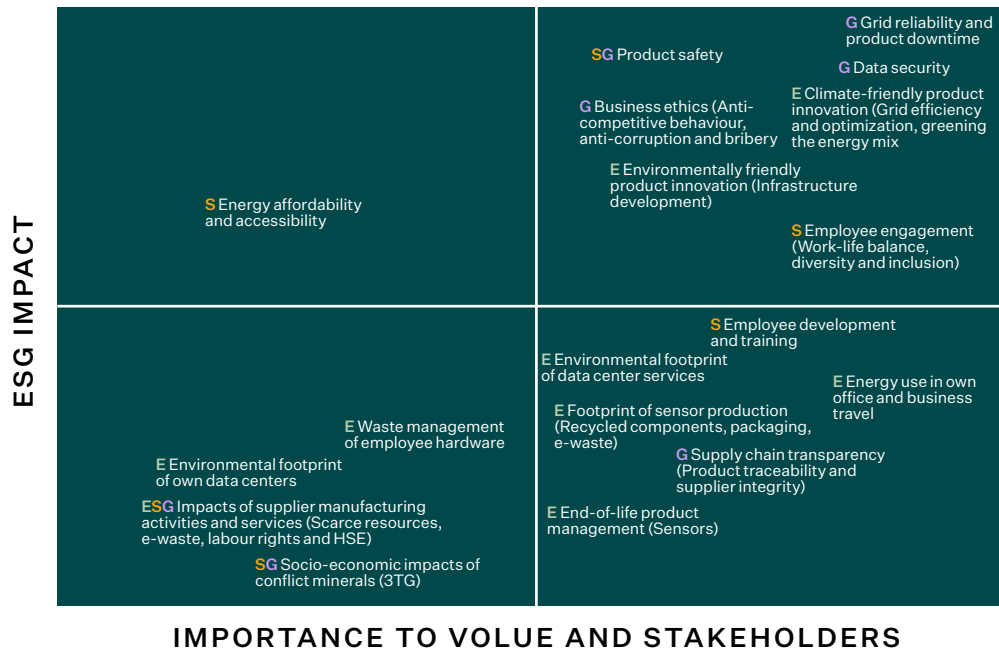


Materiality assessment

An internal Volue ESG team conducted a materiality assessment in September 2020, with assistance from Ernst & Young. The process was inspired by GRI Standards management approach and was carried out in the following steps:

1. defining Volue’s value chain,
2. defining and prioritising stakeholders,
3. identification and prioritisation of ESG topics (inspired by SASB’s research on relevant material topics for the IT and software industry), and
4. defining KPI’s and targets.

The results from the materiality assessment are presented in the below materiality matrix, with topics considered material in the upper right section.



These topics have been summarised into the overall sustainability topics for Volue to report on for 2020:

- **Environment**, including sustainability-focused development, mitigation of emissions from operating practices and recycling
- **Great place to work**, including employee engagement, work-life balance, diversity and inclusion
- **Ethical business conduct**, including anti-competitive behaviour, anti-corruption, supply chain transparency and control
- **Reliable products and services**, including product safety and reliability

UN Sustainable Development Goals

Volue supports the UN Sustainable Development Goals (SDGs) and have chosen to focus on three of the goals that are particularly relevant to the company: Clean water and sanitation (6), Affordable and clean energy (7), and Sustainable cities and communities (11). Right is an explanation of the sustainability topics chosen and Volue's approach.



SDG 6, IN PARTICULAR 6.4

Volue offers system documentation of water infrastructure, detection of leakages and renewal planning. Combined with our competences within instrumentation and automation, we help ensure that water and wastewater are transported safely and prevents flooding and waste.



SDG 7, IN PARTICULAR 7.2 & 7.A

Volue's expertise within energy analysis, production, optimisation, trading and distribution allows energy companies to get the most out of their resources and aspire to play an important role in enabling an energy future with a greener, yet more volatile energy mix and increased electrification of society.



SDG 11, IN PARTICULAR 11.B

Volue takes part in several innovation projects on smart communities and enhanced use of renewable resources locally, which fuel electrification and renewable energy consumption and reduce the need for new grid investments.

Our focus areas

Great place to work

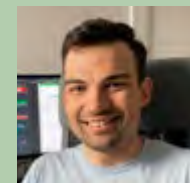
Volue creates value through combining deep domain knowledge with state-of-the-art technology. The people of Volue with their knowledge and capabilities are the company's greatest assets. Recruiting and retaining top talent and ensuring a diverse workforce is a prerequisite for future value creation. Volue employees primarily have experience from the technology and engineering sector, as well as domain expertise from the sectors served by the company. In 2020, Volue hired 98 new employees.

To remain an attractive employer to diverse and talented profiles, Volue is developing and reviewing internal policies, HR-related processes and terms and conditions for all employees across the Group. This is an important step towards creating a shared company culture and operational practice. During its first year, the company has maintained Working Environment

Committees (WECs) within the companies of the Group and has had dialogue with these both on an individual basis and gathered for discussions with the WECs, unions and leadership.

Volue provides benefits to employees in the form of flexible working hours, a flexible policy to work from home, and otherwise promotes a healthy work-life balance. Volue employees have access to support from occupational health services or health insurance to prevent long-term sick absence. Employees are free to organise in unions, and several unions are represented among Volue employees including SACO and Unionen in Sweden, and NITO and Tekna in Norway. In 2020, 26 per cent of the workforce was operating under collective bargaining agreements. The labour turnover rate was 9.86 per cent, with 52 employees leaving the company.

“Working for Volue allows me to apply the latest developments in AI and Cloud to address critical issues that I personally care about, such as climate change and electromobility.”



Boris Tistan,
Group Manager AI,
Slovakia.

Throughout 2020, Volue has placed even greater emphasis on employee satisfaction and welfare, in light of the on-going Covid-19 pandemic. Absence due to illness was 2 per cent in 2020, and Volue's goal is to keep absence at a minimum and to never exceed 3 per cent absence rate.

Before establishing Volue, all companies in the Volue Group regularly conducted development talks and employee surveys. An Employee Satisfaction Index with follow-up measures as well as a company-wide vision, mission and value statements will be developed and implemented in 2021.

Gender distribution at Volue

	TOTAL	WOMEN	MEN
ORGANISATION			
Number of permanent employees as per 31.12.2020	594	130	464
Temporarily hired ¹	5	1	4
Part time employees ¹	4	1	3
NEWLY HIRED			
Total number of newly hired employees in 2020	98	23	75
Newly hired employees in the Nordic countries	79		
Newly hired employees outside of the Nordic countries	19		
EMPLOYEE TURNOVER			
Number of employees who have left the company in 2020	52		
PARENTAL LEAVE			
Number of employees on parental leave in 2020 ¹	7	1 (21W)	6 (11,5W)

1.) Number applies for employees in Norway only.

Gender equality and diversity

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

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

**AMBITIONS AND TARGETS 2021:
GREAT PLACE TO WORK**

- Implement diversity initiatives across the Group focusing on recruiting, retaining and developing women and non-Nordic employees
- Establish training and development programmes for employees
- Carry out development talks and employee surveys for the entire Volue Group
- Establish company-wide vision, mission and value statements
- Further develop internal communication channels to build Volue enthusiasm and a productive and shared company culture

Volue aspires to substantially increase the share of female and non-Nordic employees and is working through the employee life cycle to see where measures could be implemented to enhance diversity across the organisation. To date, Volue’s workforce comprises 25 different nationalities, of which 482 are Nordic and 112 are non-Nordic employees.

The technology industry is known to be male dominated, and so a continuous goal for Volue is to increase the number

of female employees and leaders. The company’s ambition is to establish a 30 per cent gender balance on all levels of the organisation and the company is currently in the process of hiring more females to the Board. In 2020, 78 per cent of Volue’s workforce were men and 22 per cent were women.

There were no confirmed incidents of discrimination in 2020, nor has the company been involved in any legal proceedings regarding worker’s rights or its working environment.

Breakdown of Volue employees and board members by gender as per 31.12.20

	MEN	WOMEN	30-50 YEARS OF AGE	> 50 YEARS OF AGE
Organisation	78%	22%		
Board of Directors	88%	12%	63%	37%
Execute level management	89%	11%	89%	11%
Non-executive level management ¹	70%	30%		

1) Includes management position with employee responsibility

AMBITIONS AND TARGETS 2021: ETHICAL BUSINESS CONDUCT

- Implement a new Code of Conduct to all current and new employees
- Having 100 per cent of Volue's employees sign the latest version of the Code of Conduct
- Conduct awareness campaign/ training when the Code of Conduct has been published
- Implement a screening checklist for suppliers and a process description for Volue based upon existing one for Volue Technology AS
- Establish an external whistle-blowing channel

Ethical business conduct

Ensuring good corporate governance and legal compliance in all countries and markets is important to Volue. Acting ethically and lawfully is not only a moral obligation, but critical if the company is to be perceived as a trustworthy business partner and vendor. Volue aspires to build a strong company culture, where ethical behaviour, transparency and openness are values that employees as well as business partners adheres to.

Volue will always align its conduct with internationally renowned standards for human and worker's rights, such as the Human Rights Act and OECD guidelines for multinational enterprises. The company does not have a Code of Conduct in place to date but inspired by best practice from the four companies in the Volue Group, Volue will establish its own Code of Conduct in Q1 2021. The CEO and Volue's Board of Directors have the overall responsibility to ensure compliance with the company's business ethics policies.

Volue aims for transparency, traceability and integrity across its value chain. Business partners often require Volue to sign the companies' own Code of Conduct. In 2020, Volue has developed a Supplier Code of Conduct and one of our goals for 2021 is that all Volue subsidiaries implement this once approved.

Volue has not carried out any risk assessments in 2020, but risk assessments related to corruption have previously been conducted prior to entering specific markets by the companies now part of the Volue Group. In 2020, new suppliers have been screened using checklists that existed in some of the companies that were merged into the Volue Group.

Volue has established an internal whistle-blowing channel for reporting irregularities. Employees can send reports to HR which takes it up with CSO, CEO or Legal. Confidentiality and personal data protection are always taken care of, and reports may also be sent anonymously. Examples of concerns that may be reported include allegations such as:

- Conflicts of interest
- Criminal activities
- Violations of health, safety or the environment
- Violation of generally accepted rules/ standards

There were no confirmed incidents of corruption in 2020.

Energy use at main Value locations

LOCATION	ELECTRICITY USE (MWH)
Oslo	251.98
Trondheim	961.68
Arendal	351.28
Gdansk	86.86
Group total	1651.798

Environment

As an international software and technology provider, Volue is directly and indirectly impacted by the environment. The company's business operation also has direct and indirect impact on the environment across its value chain.

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

Governance

Volue is committed to ensure that the company's operations live up to high environmental standards. Internal work with regards to minimising the environmental impact is not only important to Volue as the company believes it is a joint responsibility, but also to gain trust from customers and to recruit and retain environmentally conscious employees. Volue aims to increase knowledge and raise awareness of environmental issues among all its employees and comply with applicable legislation and regulations relating to the environment.

Strategy and risk management

Volue started climate accounting in 2020 and is in the process of setting targets for reducing energy consumption and GHG emissions from its business operations. The company has limited emissions from sources that are either owned or controlled (scope 1), and the heating and ventilation of office buildings is the main source of indirect emissions (scope 2).

Metrics and targets

The data left on energy consumption includes the main offices of the company, where about 66 per cent of the total number of employees work. The consumption does not include minor locations with less employees than 20. Energy use is likely to be lower for 2020 due to the ongoing Covid-19 pandemic and most of our employees working from home.

Another source of indirect GHG emissions are employee business travel (scope 3). Although business travel was significantly reduced in 2020 due to Covid-19 this is something that would normally have a significant impact on the company's indirect GHG emissions.

The company has not been able to collect data for the total CO₂ emissions in 2020 but will continue to strengthen its work on climate accounting in 2021.

Climate scenarios



Green revolution: Below 1.5°C global warming

IEA WEO Net Zero Emissions 2050
IPCC RCP 1.9

Delayed transition: 2-2.5°C global warming

IEA WEO Delayed Recovery
IPCC RCP 4.5

Climate crisis: More than 3°C global warming

IEA WEO Stated Policies
IPCC RCP 6.0

The below data on greenhouse gas emissions includes the following sources of CO₂ emissions:

- **Scope 2 indirect emissions:** Emissions from the consumption of purchased electricity at Volue’s main offices. Market based emissions have been calculated using the AIB Residual Mix calculation methodology and location-based emissions have been calculated using the Nordic mix for Norway from the Norwegian Water Resource and Energy Directorate and AIB for Poland.
- **Scope 3 indirect emissions:** Emissions from employee travels as reported by the travelling agencies.

All Volue’s business locations have a waste management system to facilitate recycling according to local regulations. This system ensures that waste is separated by bottles, metals, paper, food and plastics and recycled according to local regulations. All electronic and other hazardous waste is handled separately and disposed of safely by a recognised waste collector. All Volue employees shall actively contribute to reduce paper consumption, for example by limiting printing.

Scope 2 and 3 emissions at main Volue locations

Tonnes CO₂ equivalent

LOCATION	SCOPE 2 market based	SCOPE 2 location based	SCOPE 3
Oslo	99.78	4.28	
Trondheim	380.83	16.35	
Arendal	0	5.97	
Gdansk	70.44	70.44	
Group total	551.05	97.04	112

Climate risk and opportunities

As part of the risk management process, Volue initiated a climate risk and opportunities assessment together with AFK and with assistance from Ernst & Young in 2020, using the TCFD framework as inspiration. This work will continue in 2021. The figure below outlines risks and opportunities across Volue’s value chain.

The company’s business operations are located in areas with relatively high resilience to climate change according to the ND-GIAN Index, although the risk associated with climate change (e.g., extreme temperature and precipitation) are slightly heightened in Southern Europe. Volue is mainly exposed to climate risk and opportunities in relation to customers.

Risks and opportunities across Volue’s value chain



SUPPLY CHAIN

- Increased costs of purchased data centre services due to energy price fluctuations and carbon pricing
- GHG footprint of purchased data centre services



OWN OPERATIONS

- Service disruptions and property damages due to extreme weather events
- Increased cost of running own data centres due to energy price fluctuations and carbon pricing
- Circular economy requirements on hardware and waste management



MARKETING AND MANAGEMENT

- Fluctuating energy prices for energy use in own offices
- Increased competition in green software as a service (SaaS) market, increased competition for talent



CUSTOMERS AND END USERS

- Grid stability during extreme weather events
- Increased pressure on water and sewage systems due to extreme weather
- Average temperature changes shifting energy demand patterns
- Increased demand for grid optimisation and flexibility
- Increased demand for renewable energy
- Transparency requirements regarding energy mix GHG footprint
- Increasing carbon costs on energy production
- Customers contribution to the low-carbon economy

AMBITIONS AND TARGETS 2021: ENVIRONMENT

- Develop and drive company-wide environmental and travelling policies (reduce, choose alternatives, potentially compensate)
- Map current procurements (hardware, other equipment, request supplier environmental declaration)
- Gather the required data and align on targets to reduce energy consumption and emissions from our operations, focusing on office energy consumption and travelling
- Document the sustainability impact of Volue's products, and implement considerations of innovation efforts and business cases for investment decisions
- Review technical screening criteria for the IT and software industry and disclose information according to the EU Taxonomy as soon as this is put into force

Our products

Volue's products, services and operations are part of a green transition. Through delivering software, insight and services, the company enables customers to enhance their efforts on resource efficiency and increased share of renewable energy. The products and services that Volue provides enables the efficient use of society's shared resources.

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

Volue is a front runner in several innovation projects focusing on electrification of society, energy citizens and enabling introduction of locally produced renewable

energy. Examples include "+CityxChange" - funded by EU through Horizon 2020, "Smart Senja" and "Ren Respons". These projects aims to provide market access for all energy assets and releasing more available flexibility which will reduce the need for new grid investments.

The company offers system documentation of water infrastructure, detection of leakages and renewal planning. Combined with our competences within instrumentation and automation, this helps to ensure that water and wastewater are transported safely, preventing flooding and waste.

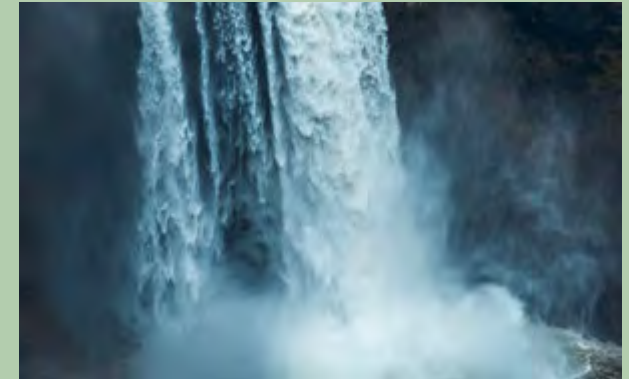
Volue also enables efficient construction of infrastructure, from planning and design to follow-up and work documentation of construction projects. Model-based project implementation ensures that customers are getting it right the first time. The portfolio for contractors contributes to the optimisation of resource use and project implementation, as well as reduced transport needs in the individual development project.

Built on decades of experience, enabling a greener future

By delivering software, insight and services for energy production, trading and distribution, Value is enabling the green transition across Europe.

The main driver for power producers is to maximise the value of their resources. Hydro, thermal, wind, photovoltaic and batteries generate power to always-on markets - 24/7. Efficient planning is crucial to achieve maximum value and minimum costs for each power plant – and complex portfolios of available assets. Using Value’s solutions for optimal planning, energy producers can document increased value but also reduced emissions. In Europe, producers plan and operate a total of more than 150 TWh annual power with Value products. The largest European utilities like Fortum, Enel and Uniper are using Value technology. They confirm that the solutions are an essential bricks in their strategy to realise the energy transition.

Value can document more than 5 per cent gained value in the market from hydropower generation when using our products. Most large power producers in Europe have a diverse energy system portfolio with hydropower and thermal plants. However, our optimised production plans contribute substantially to reduce emissions due to hydro plants’ increased efficiency, leading to lower power generation from thermal plants. Also, energy storage as a reservoir or a small scale battery is essential to portfolio assets. Planning becomes more complicated – and Value will add additional “green” value. Overall, Value’s products increase the value of clean energy assets and reduce emissions from mixed-asset portfolios, hence realising the green shift for all societies.



“I am driven by solving the challenges of tomorrow to make the world a better place. Working at Volue gives me the opportunity to explore new ways of solving these challenges by working with the best minds combined with innovative technology. Making a difference by continuously striving for a sustainable world balancing the use of our resources is a major source of motivation in my daily work.”



Stein Danielsen,
Head of Innovation, Norway.

Reliable products and services

Unreliable products and data security threats pose financial, reputational and societal risks and Volue must therefore continually strive to provide customers with high quality, secure and trustworthy products and services. Being able to demonstrate to the market that the company is reliable in terms of product up-time and security is a prerequisite for future business success.

The company complies with all applicable national laws and regulations on data privacy and security, such as the EU’s General Data Protection Regulation (GDPR). Moreover, the majority of the companies in Volue are already certified

according to ISO 27001:2013, which is an international standard on management of information security. The remaining companies will also be certified according to this standard.

Volue Technology AS (part of the Volue Group) has built several security frameworks and an extensive library of routines which will be adjusted to include the entire Volue Group. This entails a comprehensive Information & Security Policy accompanied by an Employee Security Agreement, which will be part of the company’s internal quality and information security management system (QMS/ISMS).

Volue is focused on streamlining and ensuring high product up-time and security. Furthermore, understanding and fulfilling customer requirements when it comes to building resilience to operational challenges is important. To ensure high-quality products, Volue has to date certified 82 per cent of its business operations according to ISO 9001:2015, which is an independent assessment and certification of the company’s quality management system. The rest of the company will also aim for such certification.

**AMBITIONS AND TARGETS 2021:
RELIABLE PRODUCTS AND SERVICES**

- Establish security measuring procedures and common security policy implementation
- Enhance the focus on security and vulnerability monitoring and mitigation of threats
- Implement common quality management systems across the Volue Group
- Further reduce the number of major software errors reported by customers

Should critical incidents or potential security incidents arise, it is crucial for our customers to be able to instantly alert Volue so that the company can act immediately and stop potential attacks in an early phase. Software errors are continuously monitored, and can be reported by customers to Volue Support. To be able to operate on a 24/7 basis, a collaboration with the On-Call Support team enables customers to alert Volue Technology about critical SaaS (Software as a Service) security incidents during non-working hours.

In 2020, the total number of data security breaches were two. Both were handled according to internal routines using Volue’s emergency response team and none of the breaches resulted in significant loss of data or other consequences. Details or lessons learned are continuously shared within various groups for reporting or mitigating purposes.

“In 2020, I learned that I could do both: Support my clients to balance their renewable energy portfolio and work sustainably. It was a year of extremes, travel bans, no face-to-face meetings, not even meeting colleagues in the office. Turns out, we did not need to travel to build lasting connections and trusting relationships. It takes empathy and a little extra effort. Those qualities are what our clients praise us for. Last year we learned that an international, diverse company can work simply fine from the comfort of home by keeping up that face-to-face check-in (digitally) with others.”



Lena Lebahn,
Delivery Project Manager Energy,
Germany.

Summary – ambitions and targets for 2021

GREAT PLACE TO WORK

Implement diversity initiatives across the group focusing on recruiting, retaining and developing women and non-Nordic employees

Establish training and development programmes for employees

Carry out development talks and employee surveys for the entire Volue Group

Establish company-wide vision, mission and value statements

Further develop internal communication channels to build Volue enthusiasm and a productive and shared company culture

ETHICAL BUSINESS CONDUCT

Implement a new Code of Conduct to all current and new employees

Having 100 per cent of Volue’s employees sign the latest version of the Code of Conduct

Conduct awareness campaign/training when the Code of Conduct has been published

Implement a screening checklist for suppliers and a process description for Volue based upon existing one for Volue Technology AS

Establish an external whistle-blowing channel

ENVIRONMENT

Develop and drive company-wide environmental and travelling policies (reduce, choose alternatives, potentially compensate)

Map current procurements (hardware, other equipment, request supplier environmental declaration)

Gather the required data and align on targets to reduce energy consumption and emissions from our operations, focusing on office energy consumption and travelling

Document the sustainability impact of Volue’s products, and implement considerations of innovation efforts and business cases for investment decisions

Review technical screening criteria for the IT and software industry and disclose information according to the EU taxonomy as soon as this is put into force

RELIABLE PRODUCTS AND SERVICES

Establish security measuring procedures and common security policy implementation

Enhance the focus on security and vulnerability monitoring and mitigation of threats

Implement common quality management systems across the Volue Group

Further reduce the number of major software errors reported by customers

Appendix 1: Volue's stakeholders

STAKEHOLDER GROUP	DIRECT/INDIRECT IMPACT ON VOLUE
Employees	Volue's employees are essential for the company to achieve its goals and ambition regarding sustainability, both through initiating and developing new products and delivering services that enable resource efficiency and through the operating practices made internally. The company has a direct impact on employees through its policies and agreements and can indirectly affect employee engagement through active dialogue and day-to-day interaction.
Investors / owners	Investors and owners are primary stakeholders and have direct impact on the company through its strategic priorities and control functions.
Customers	Volue's customers directly impact the company economically through their purchasing behaviour. Customer's expectations are part of driving Volue's sustainability priorities.
Suppliers	Volue's suppliers are economically affected by the company and their responsibility is indirectly affected by Volue's focus on responsible business practices and the expectations placed on them by the company.
Government / civil society	Governments or local authorities can directly affect Volue and the company's business operations through regulations and legislation. Civil society is directly and indirectly affected by Volue's products and services and business conduct.

In Value, we are continuously striving for a sustainable world balancing the use of our common resources. We are committed to this vision both by delivering and developing products and services enabling the green transition, and by improving our own operating practices and ways of working. Though we are built on decades of history, we are a new company only at the beginning of a journey and our ambitions for 2021 is building a foundation for more systematic ESG-efforts, monitoring and reporting. The potential and ambitions are in place, and we are ready for the next step.



– Ingeborg Gjørøen

Chief Strategy Officer & Director
of Organisational Development

Members of the Board

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

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

As of 31 March 2021, Volue's board comprised eight members, of which three were employee-elected. Volue's board is composed such that it is able to act independently of any special interests.



Ørjan Svanevik (1966)
Chairman of the Board

Ingunn Ettestøl (1973)
Board Member

Lars Peder Fosse Fensli (1976)
Board Member

Christine Grabmair (1979)
Board Member

Chairman since: 2019
Number of Volue shares: 0

Board member since: 2020
Number of Volue shares: 4 687

Board member since: 2020
Number of Volue shares: 15 000

Board member since: 2021
Number of Volue shares: 0

Ørjan Svanevik has been the Chief Executive Officer of Arendals Fossekompni ASA since September 2019. He has extensive experience from various directorships and executive management positions within a wide range of industries. Ørjan Svanevik currently serves as chairman of the board of directors of Oavik Capital AS and Oavik Invest AS, Prai AS, EFD Induction AS and C.W. Downer AS, and is a member of the board of directors of NorgesGruppen ASA and NorgesGruppen Finans Holding AS. He has previously served as chairman of the board of directors of, among others, Archer Limited, North Atlantic Drilling Ltd. and Powel AS, and as a member of the board of directors of Seadrill Limited and Mowi ASA. Ørjan Svanevik has held several executive management positions prior to joining Arendals Fossekompni ASA, including Chief Operating Officer in Kværner ASA, Head of M&A in Aker ASA and Chief Operating Officer in the Seatankers group.

Ingunn Ettestøl has held the position as Head of Sustainability in Arendals Fossekompni ASA since September 2020. Prior to that, she held the position as Vice President of Business Development in Arendals Fossekompni ASA from 2017. Ingunn Ettestøl has extensive experience from the energy sector and held several positions in Agder Energi AS prior to joining Arendals Fossekompni ASA, including as Progam Manager, Head of Section for hydrology, long-term and short-term optimising and physical trading of hydro power assets, Senior Analyst, Director Wind Power and Senior Advisor for Business Development. Prior to her positions in Agder Energi AS, she held several management positions in Enova SF, including Director Energy Production and Director Strategy and Analysis. Ingunn Ettestøl currently serves as chairman of Etcona AS and as a member of the board of directors of GCE Node AS and GCE Node Services AS.

Lars Peder Fensli has been the Chief Financial Officer of Arendals Fossekompni ASA since April 2017. Prior to this, he held the position as Chief Executive Officer of Markedskraft AS. Lars Peder Fensli has 20 years of experience from several management positions, including as International Marketing Manager in Axellus AS, Marketing Manager and Brand Manager in Lilleborg AS and Finance Manager in Arendals Fossekompni ASA. He currently serves as chairman of the board of directors of Songe Træsliperi AS and as a member of the board of directors of NorSun AS.

Christine Grabmair has been the Head of Digital B2C & Solutions of E.ON Digital Technology GmbH, Germany since June 2019. She has 17 years of experience from the industrial and technology industries, including as Chief Information Officer at HELLA GmbH & Co. KGaA and Chief Information Officer, Components Technology at thyssenkrupp AG.



Henning Hansen (1965)
Board Member

Board member since: 2020
Number of Volue shares: 42 857

Henning Hansen serves as chairman of the board of directors of Norstat AS, and as a member of the board of directors of Promon AS, GSGroup AS, Wellit AS and Confirmit AS. In addition, he is the owner of HEPE Consulting AS. Henning Hansen has previously held the positions as Chief Executive Officer in Norman ASA and Confirmit ASA, Vice President of Gartner Norway and Oracle Norway, and IT manager of Eltek ASA. Henning Hansen has also served as chairman of Apsis AB, and as a member of the board of directors of Catalystone AS, ENEAS AS, Software Innovation AS and Powel AS.

Solfrid Dalum (1972)
Board Member

Board member since: 2021
Number of Volue shares: 0

Solfrid Dalum holds the position as Project Manager in Volue AS. She has held various roles and management positions in Volue AS for the last 19 years and was formerly with Telenor ASA.

Bård Mageli (1971)
Board Member

Board member since: 2020
Number of Volue shares: 5 000

Bård Mageli is a Senior Portfolio Manager in Market Services at Volue AS. Bård Mageli has 17 years of experience from portfolio manager positions and seven years of experience within brokerage and sales trading in Carnegie AS.

Knut Ove Blichner Stenhagen (1985)
Board Member

Board member since: 2020
Number of Volue shares: 6 250

Knut Ove Blichner Stenhagen holds the position as Head of Automation in Industrial IoT at Volue AS. He served as member of the board of directors of Scanmatic AS from 2014-2020 and has held the position as Head of Automation in Scanmatic, now Volue AS, since January 2018. He has been with the company for over eight years. Prior to this Knut Ove Blichner Stenhagen worked as a Project Engineer at Siemens.

Management

The executive management of Volue consists of nine executives with extensive experience from the technology industry.



Trond Straume (1977)
Chief Executive Officer

Number of Volue shares: 535 714

Trond Straume has held the position as Chief Executive Officer of the Company since March 2020. He has extensive international experience from various directorships and executive management positions in multinational companies based in Norway and the United Kingdom, including both private and listed companies. Prior to his position as Chief Executive Officer of the Company, he held the position as Chief Executive Officer in Powel AS and Chief Executive Officer in Aveva AS, and has also been the Chief Technical Officer in Aveva Group Plc. He currently serves as deputy member of the corporate assembly of Equinor ASA and as chairman of Volue Market Services AS, Volue Technology AS, Volue Insight AS and Volue Industrial IoT AS.



Arnstein Kjesbu (1979)
Chief Financial Officer

Number of Volue shares: 326 704

Arnstein Kjesbu has held the position as Chief Financial Officer of the Company since March 2020. Prior to joining the Company, he held several executive management positions within Powel AS, including Chief Financial Officer, Head of Strategy and Executive Vice President of the Smart Energy segment. Prior to Powel AS, Arnstein Kjesbu first held the position as Chief Financial Officer in Eltorque AS before he was appointed as Chief Executive Officer of the company. He has also experience from auditing, accounting and advisory positions, including as Manager, Senior Advisor and state public accountant in Ernst & Young AS. Arnstein Kjesbu currently serves as chairman of the board of directors in several subsidiaries within Volue Group. He also serves as a member of the board of directors of Volue Market Services AS, Volue Insight AS, Volue Industrial IoT AS, Smart Energy Network AS and Volue AG.



Ingeborg Gjørø (1985)
Chief Strategy Officer & Director of Organisational Development

Number of Volue shares: 85 714

Ingeborg Gjørø was appointed as Chief Strategy Officer & Director of Organisational Development of the Company in May 2020. Prior to this, she held the position as Business Manager for Strategy and Improvements in Powel AS. Ingeborg Gjørø has also held the position as President and Vice President of Natur og Ungdom (Young Friends of the Earth Norway). She serves as a member of the board of directors of Volue Technology AS.



Kevin Gjerstad (1967)
Chief Technology Officer

Number of Volue shares: 53 571

Kevin Gjerstad has held the position as Chief Technical Officer of Volue since March 2020. Prior to joining the Company, he held the position as Chief Technical Officer in Powel AS for four years. Kevin Gjerstad was also Group Manager in NET Framework for several years, a company providing a software framework developed by Microsoft.



Vagleik Takle (1980)
Chief Commercial Officer

Number of Volue shares: 128 571

Vagleik Takle was appointed as Chief Commercial Officer of the Company in September 2020. He has extensive experience within international management, digital marketing, management consulting, digital transformation and operational improvement from several executive management positions, including as Senior Vice President of Kongsberg Digital AS, Chief Operating Officer and Senior Vice President of Cxense ASA, and Senior Manager of PricewaterhouseCoopers AS.



Tom Darell (1969)
Executive Vice President Energy

Number of Volue shares: 171 429

Tom has held the position as Executive Vice president for the Energy line of Business in Volue since October 2020. Prior to this, he held the position as Executive Vice president for Smart Energy in Powel AS (since January 2019). Tom has a broad international experience.



Lars Ove Johansen (1973)
Executive Vice President Power Grid

Number of Volue shares: 128 571

Lars Ove Johansen was appointed Executive Vice president for the Power Grid in Volue in October 2020. His previous position was as Executive Vice president for Asset Performance in Powel (since November 2019). Prior to Powel and Volue Lars Ove has held different positions within Hafslund Nett, the latest before moving to Powel was Vice President and CFO.



Kim Steinsland (1969)
Executive Vice President Industrial IoT

Number of Volue shares: 171 429

Kim Steinsland has held the position as Executive Vice president for Volue Industrial IoT since October 2020. His previous position was as Managing Director in Scanmatic, a position he has held since 2007.



Frode Solem (1967)
Executive Vice President Infrastructure

Number of Volue shares: 128 571

Frode Solem has held the position as Executive Vice President of Volue Infrastructure since October 2020. His previous position was as Executive Vice President for Powel Construction. Frode has a long experience from different positions in Powel AS.

Alternative Performance Measures

Volue 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:

- **EBITDA** - Profit/loss before tax, net finance cost, depreciation, amortisation and impairment.
- **EBITDA adjusted** - In order to give a better representation of underlying performance, the following adjustments are made to EBITDA:
 - Special items: items that are not part of the ordinary business, such as IPO-related costs
- **EBIT** - Profit/loss before tax and net finance cost.
- **Net interest-bearing debt** - Total interest-bearing debt, less interest-bearing receivables and cash.
- **Equity ratio** - Total equity divided by total assets.

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

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