



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 996 968 480
Organisasjonsform: Aksjeselskap
Foretaksnavn: AKER SOLUTIONS HYDROPOWER AS
Forretningsadresse: Joseph Kellers vei 20
3408 TRANBY

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Mørselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet: Forenklet IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Greta Veum Ramse
Dato for fastsettelse av årsregnskapet: 27.04.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 12.07.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2	316 813 000	
Annen driftsinntekt	2, 6	2 415 000	10 892 000
Sum inntekter		319 228 000	10 892 000
Kostnader			
Varekostnad		224 835 000	
Lønnskostnad	3	155 495 000	
Avskrivning på varige driftsmidler og immaterielle eiendeler	7, 8	20 605 000	
Annen driftskostnad	3, 8	55 951 000	10 392 000
Sum kostnader		456 886 000	10 392 000
Driftsresultat		-137 658 000	500 000
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern			238 000
Annen renteinntekt		210 000	67 000
Annen finansinntekt	15	14 365 000	611 000
Sum finansinntekter		14 575 000	916 000
Nedskrivning av finansielle eiendeler	5	1 000	165 000 000
Rentekostnad til foretak i samme konsern		341 000	
Annen rentekostnad	14	4 371 000	941 000
Annen finanskostnad	15	16 453 000	701 000
Sum finanskostnader		21 166 000	166 642 000
Netto finans		-6 591 000	-165 726 000
Ordinært resultat før skattekostnad		-144 249 000	-165 226 000
Skattekostnad på ordinært resultat	4	30 000	3 609 000
Ordinært resultat etter skattekostnad		-144 279 000	-168 835 000
Årsresultat		-144 279 000	-168 835 000
Overføringer og disponeringer			



Resultatregnskap

Beløp i: NOK	Note	2021	2020
Tilleggsutbytte			8 500 000
Overføringer til/fra annen egenkapital		-144 279 000	-177 335 000
Sum overføringer og disponeringer		-144 279 000	-168 835 000



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Balanseført utvikling	7	26 393 000	
Andre immaterielle eiendeler	7	967 000	
Goodwill	7	13 820 000	
Sum immaterielle eiendeler		41 180 000	
Varige driftsmidler			
Maskiner og anlegg	8	464 000	
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	8	3 532 000	
Sum varige driftsmidler		3 996 000	
Finansielle anleggsmidler			
Investering i datterselskap	5	6 874 000	150 153 000
Andre fordringer		249 000	
Sum finansielle anleggsmidler		7 123 000	150 153 000
Sum anleggsmidler		52 299 000	150 153 000
Omløpsmidler			
Varer			
Varer	9	2 135 000	
Sum varer		2 135 000	
Fordringer			
Kundefordringer	6	61 124 000	1 828 000
Kundefordringer mot selskap i samme konsern	6	842 000	10 632 000
Utført, ikke fakturert arbeid	10	55 840 000	
Andre kortsiktige fordringer		5 003 000	1 500 000
Sum fordringer		122 809 000	13 960 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	7	2 006 000	1 000
Sum bankinnskudd, kontanter og lignende		2 006 000	1 000



Balanse

Beløp i: NOK	Note	2021	2020
Sum omløpsmidler		126 950 000	13 961 000
SUM EIENDELER		179 249 000	164 114 000

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Aksjekapital	12, 13	1 760 000	510 000
Overkurs	4		61 619 000
Ikke registrert kapitalforhøyelse	12	25 000 000	
Sum innskutt egenkapital		26 760 000	62 129 000

Opptjent egenkapital

Annen egenkapital	12	-127 542 000	
Sum opptjent egenkapital		-127 542 000	
Sum egenkapital		-100 782 000	62 129 000

Gjeld

Langsiktig gjeld

Annen langsiktig gjeld

Gjeld til kredittinstitusjoner	14	53 000 000	
Sum annen langsiktig gjeld		53 000 000	
Sum langsiktig gjeld		53 000 000	0

Kortsiktig gjeld

Gjeld til kredittinstitusjoner	14	31 158 000	23 136 000
Leverandørgjeld	6	47 872 000	4 193 000
Skyldige offentlige avgifter		29 245 000	704 000
Utbytte			8 500 000
Kortsiktig konserngjeld	6	21 618 000	65 000 000
Forskudd fra kunder	10	17 282 000	452 000
Avsatte prosjektkostnader	10	45 326 000	
Finansielle derivater	15	588 000	
Annen kortsiktig gjeld	10	33 942 000	



Balanse

Beløp i: NOK	Note	2021	2020
Sum kortsiktig gjeld		227 031 000	101 985 000
 Sum gjeld		 280 031 000	 101 985 000
 SUM EGENKAPITAL OG GJELD		 179 249 000	 164 114 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekter	4, 11, 18	344 717 000	523 903 000
Annen inntekt	19	108 000	6 846 000
Sum inntekter		344 825 000	530 749 000
Kostnader			
Varekostnad	25	241 293 000	341 177 000
Lønnskostnad	21, 22	174 333 000	178 583 000
Avskrivning	7, 8, 24	17 046 000	75 815 000
Annen driftskostnad	21, 25	37 490 000	45 224 000
Sum kostnader		470 162 000	640 799 000
Driftsresultat		-125 337 000	-110 050 000
Finansinntekter og finanskostnader			
Annen renteinntekt	23	215 000	1 316 000
Andre agioeffekter	23	13 679 000	40 689 000
Sum finansinntekter		13 894 000	42 005 000
Annen rentekostnad	23	13 335 000	12 557 000
Andre agioeffekter	23	11 738 000	53 915 000
Sum finanskostnader		25 073 000	66 472 000
Netto finans		-11 179 000	-24 467 000
Ordinært resultat før skattekostnad		-136 516 000	-134 517 000
Skattekostnad	17	2 752 000	5 784 000
Ordinært resultat etter skattekostnad		-139 268 000	-140 301 000
Årsresultat		-139 268 000	-140 301 000
Omregningsdifferanser		-666 000	4 270 000
Sum resultatkomponenter for IFRS-foretak		-666 000	4 270 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020
Totalresultat		-139 934 000	-136 031 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		-139 934 000	-136 031 000
Sum overføringer og disponeringer		-139 934 000	-136 031 000



Konsernets balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Balanseført utvikling	4, 8, 20	26 393 000	26 563 000
Andre immaterielle eiendeler	8	1 155 000	1 514 000
Utsatt skattefordel	4, 17	274 000	2 120 000
Goodwill	4, 8	159 731 000	159 737 000
Sum immaterielle eiendeler		187 553 000	189 934 000
Varige driftsmidler			
Bruksrett leieavtaler	4, 24	67 056 000	74 245 000
Annen fast eiendom	7	453 000	1 141 000
Maskiner og anlegg	7	1 889 000	1 803 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	7	1 811 000	2 453 000
Sum varige driftsmidler		71 209 000	79 642 000
Sum anleggsmidler		258 762 000	269 576 000
Omløpsmidler			
Varer			
Varer	6	2 135 000	2 224 000
Sum varer		2 135 000	2 224 000
Fordringer			
Kundefordringer	9, 10	75 601 000	46 727 000
Utført, ikke fakturert arbeid	10, 11	49 662 000	95 769 000
Andre fordringer	9, 10	7 392 000	18 904 000
Sum fordringer		132 655 000	161 400 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	5, 9	7 688 000	14 015 000
Sum bankinnskudd, kontanter og lignende		7 688 000	14 015 000
Sum omløpsmidler		142 478 000	177 639 000



Konsernets balanse

Beløp i: NOK	Note	2021	2020
SUM EIENDELER		401 240 000	447 215 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	12	2 010 000	510 000
Overkurs		349 119 000	200 619 000
Sum innskutt egenkapital		351 129 000	201 129 000
Opptjent egenkapital			
Annen egenkapital		-279 508 000	-243 739 000
Sum opptjent egenkapital		-279 508 000	-243 739 000
Sum egenkapital		71 621 000	-42 610 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	3, 9, 15, 16	53 000 000	45 017 000
Langsiktig leasing gjeld	3, 4, 24	58 629 000	64 679 000
Sum annen langsiktig gjeld		111 629 000	109 696 000
Sum langsiktig gjeld		111 629 000	109 696 000
Kortsiktig gjeld			
Gjeld til kreditinstitusjoner	3, 9, 15, 16	31 158 000	73 077 000
Leverandørgjeld	3, 9, 14, 24	27 106 000	121 012 000
Skyldige offentlige avgifter	15	28 999 000	33 702 000
Forskudd fra kunder	11	17 282 000	25 683 000
Avsatte prosjektkostnader	11	63 182 000	81 376 000
Finansielle derivater	3, 9	588 000	
Kortsiktig leasing gjeld	3, 4, 24	12 191 000	12 549 000



Konsernets balanse

Beløp i: NOK	Note	2021	2020
Annen kortsiktig gjeld	11, 14	37 484 000	32 730 000
Sum kortsiktig gjeld		217 990 000	380 129 000
Sum gjeld		329 619 000	489 825 000
SUM EGENKAPITAL OG GJELD		401 240 000	447 215 000



Annual Report 2021



RAINPOWER

Optimizes the value of sustainable hydropower energy



Board of Directors' Report 2021

Another year marked by COVID-19 and related operational challenges has passed. 2021 has nevertheless given rise to increasing optimism for the future through new ownership, significantly improved equity, new management, new organizational structure, simplified company structure, and the establishment of a proper foundation and start of a turnaround process targeted towards future profitable growth.

About Rainpower

Rainpower is a Norwegian company specialising in the development, production and delivery of hydropower turbines, control systems and associated equipment for clients and projects throughout the world with Norway as the primary market. The company supplies equipment for new installations and performs upgrades of existing power plants. Rainpower has over 165 years of history dating back to 1853 when the Norwegian hydropower competence was developed at Kvaerner Brug.

The Rainpower headquarter is at Lillestrøm, and the company also has offices at Bryn, production facilities at Sørumsand and a turbine laboratory in Trondheim. In addition, the company has an engineering and purchasing company in Hangzhou, China, and sales and project company in Kristinehamn in Sweden. The company also owns subsidiaries in Turkey, Switzerland, and has a branch in Mozambique.

Rainpower holds expertise in turbine technology and maintenance, as well as control systems. The company has through its history been involved in some of the world's largest and most prestigious projects within hydropower development.

2021 Operational Summary

The year was marked by the ongoing Covid-19 pandemic and its impact on the world. This resulted in a challenging year for Rainpower, our customers and our sub-contractors.

Going into 2021, Rainpower had an order backlog of 315 MNOK. This included a portfolio of electro-mechanical projects, especially a suite of compact hydro and control system projects that proved to be challenging. The operational focus throughout the year has been to secure capacity and competence to complete these compact hydro projects. With two exceptions, all 25 projects got commissioned by end of 2021, an important milestone for the customers due to the green certificates scheme that ended 31st December 2021.

Characterization of the first half of 2021

- High project activity at sites to complete the backlog of compact electro-mechanical projects.
- Severe lack of qualified resources within commissioning available in the company and in the market overall.
- Covid-19 situation (home offices, travel restrictions) still affecting the operations.
- Still low market activity in Norway and abroad, few new orders for Rainpower
- Extensive management focus to complete M&A process and the start-up with Aker Horizons as new owner.

2021 was also characterized by introduction of the new management including a new strategic direction for the company. This included a merger of the Norwegian Rainpower companies into Rainpower Holding effective 01.01.21 as well as a merger and re-organization of the two organizations in Rainpower and Hymatek. The management group was restructured and significantly reduced in numbers.

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In the second half there was fierce focus to close the compact hydro projects; this has proven very challenging and it has impacted other ongoing projects. There has still been a major effects from Covid-19 absorbed in project costs; material costs and transport time increases, and delays in services and deliveries from suppliers have been frequent.

By the end of the year, Rainpower secured several important projects and the order intake result ended above forecast. This has resulted in good utilization within our project and engineering teams in Norway and China.

Characterization of the second half of 2021.

- New executive management introduced (CEO, CFO, BD, Projects, CoS)
- Reduction of Executive Management Team from 13 to 5 members
- Company merger between Rainpower and Hymatek concluded with effect 1.1.2022
- Re-organization of the merged company
 - Strengthened the project management focus with dedicated PMO manager
 - Strengthened the risk management throughout the operations with dedicated risk manager
 - Strengthened the legal focus in tender and projects with help of dedicated legal resources from Aker Horizons
- COVID 19 affecting the project economies, in the second half particularly due to increased transport & material costs, in addition to general delays in operations
- Extensive management focus in relation with new strategy to explore Aker Solutions/Tranby co-operation

Strategic Outlook

There are three main elements in the company strategy: 1) Turnaround of existing business to secure profitability and healthy operations based on existing products and operations. 2) Transformation to become future technology provider for hydropower and renewable energy production. This includes possible synergies with partners, such as Aker Solutions, other companies within the Aker eco-system, and outside companies/resource pools, and further development of the product and competence portfolio, specifically focusing on control systems and digitalization. 3) Digital, including new business models. This requires following up the defined digital strategy and acquisition of necessary competence and capacity through M&As / partnerships.

Market

The COVID 19 pandemic has slowed down our markets for the past two years although the last quarter of 2021 showed promising market trends and order income. Our customers' maintenance and upgrade backlogs have increased during this period of low investment activity, and it is expected that we will see increased market activity going forward. There has been a strong focus on proactive business development efforts including utilizing the potential of co-selling with the industrial digitalization company Cognite, also part of the Aker Group. This partnership resulted in two new projects and indicates and introduction to more recurring business models.

We managed to close a frame agreement deal with Enel during 2021. Enel is a strategic important international customer in the years to come.

The home market is still the most important and we maintain our position in this market for our core product portfolio. Over the last decade, we have a market share of ~70% on generator excitation equipment and turbine governors. New intraday balance markets require a certain performance from our governors which means that we are in position to upgrade and qualify power plants (units) for these new markets for our customers. We have experienced an increase of activity within this segment, and we expect a further growth in the years to come.

Rainpower has project and product references world-wide. However, the international scope has been too wide and opportunistic, and we see a strategic need to focus on a limited number of countries to be able to execute our projects efficiently and secure profits and margins. In 2022 an international go-to-market analysis will be developed and implemented.



Transport and material costs have increased significantly during the pandemic, and in 2021 we have improved new tenders and contracts to address the rising costs. We have also re-negotiated some existing contracts to mitigate the risks related to these issues.

We focus on engaging in early involvement with our customers and adding on digital aspects in all relevant projects to differentiate our offers from our main competitors. We strive to take a more active role in the concept phase in all projects, and we add digital applications where possible. The latter is empowered by the collaboration with Cognite, coupled with our knowledge and products from the control system suite.

Financial Performance

Rainpower presents its consolidated financial statements in accordance with regulation on simplified application of international financial reporting standards, set by the Ministry of Finance January 21, 2008 (Simplified IFRS). The regulations can be used by all accountable legal entities, both company accounts and consolidated accounts, unless they are required to apply International Financial Reporting Standards (full IFRS) as adopted by the EU.

Rainpower Holding AS presents the Parent company Financial Statement in accordance with Norwegian Accounting Act as of 31 December 2017 and generally accepted accounting principles.

Consolidated operating revenue of 2021 was NOK 344.8 million compared to NOK 530.7 million in 2020, representing a 35% decrease.

Earnings before interests, depreciations and taxes (EBITDA) ended at NOK -108.3 million (negative numbers representing a loss) compared with NOK -34.2 million in 2020.

Depreciation, amortization and Impairments in 2021 amounted to NOK 17.0 million (2020: NOK 75.8). EBIT was NOK -125.3 million in 2021, compared with NOK -110.1 million in 2020.

Net financial items were NOK -11.2 million in 2021 (2020: NOK -24.5 million). The loss before tax was NOK -136.5 million compared with NOK -134.5 million in 2020.

Total equity was NOK 71.6 million at the end of 2021, compared with NOK -42.6 million at the end of 2020, corresponding to an equity ratio of 17.8%, up from -9.5% a year earlier.

Profit allocation:

The board proposes the following allocation of the annual result in Rainpower Holding AS:

Retained earnings:	-139.3 million
Total allocated:	-139.3 million

Cashflow

Consolidated cash flows from operating activities depends on a number of factors, including progress on and delivery of projects, changes in working capital and prepayments from customers.

Net cash from operating activities was negative in 2021, by NOK -207.1 million, compared with NOK -32.7 million in 2020. Net cash flow from investing activities totalling NOK -4.5 million, compared with NOK -7.4 million in 2020. Investment in technology development and IT amounted to NOK 3.8 million, compared with NOK 5.2 million a year earlier. Cash flow from financing activities of NOK 205.2 million in 2021 (2020: NOK 39.7 million).

Parent company financial statements

Rainpower Holding AS, the parent company of the Rainpower Group, owns and manage the group's subsidiaries. In 2021 Rainpower Holding AS has been merged with its Norwegian subsidiaries Rainpower Norge AS, Rainpower AS, Rainpower Technology AS, and Hymatek Controls AS. While 2021 figures constitute the merged companies, 2020 figures related the Rainpower Holding AS before the merger.



Rainpower Holding AS had a net loss of NOK -144.3 million in 2021 (2020: NOK -168.8 million). Merged operating revenue of 2021 was NOK 319.2 million compared to NOK 10.9 million in 2020.

Earnings before interests, depreciations and taxes (EBITDA) ended negative of NOK -117.1 million compared with NOK 0.5 million in 2020.

Depreciation, amortization and Impairment in 2021 amounted to NOK 20.6 million (2020: NOK 0). EBIT was NOK -137.7 million in 2021, compared with NOK 0.5 million in 2020.

Net financial items were NOK -6.6 million in 2021 (2020: NOK -165.7 million). The loss before tax was NOK -144.3 million compared with NOK -168.8 million in 2020.

Total equity was NOK -100,8 million at the end of 2021, compared with NOK 62.1 million at the end of 2020, corresponding to an equity ratio of -56.2%, down from 37.9% a year earlier.

Net cash from operating activities was negative in 2021, NOK -210.6 million, compared with NOK 4.0 million in 2020. Net cash flow from investing activities totalling NOK -4.4 million, compared with NOK 0 million in 2020. Investment in technology development and IT amounted to NOK 3.7 million, compared with NOK 0 million a year earlier. Cash flow from financing activities of NOK 215.2 million in 2021 (2020: NOK -4.0 million).

Profit allocation:

Retained earnings:	-144.3 million
Total allocated:	-144.3 million

Going concern assumption

The Group's financial projections used in its going-concern evaluation are based on assumptions about the future, including those related to future contract awards, contract pricing, execution of projects and the availability of funding. In general, the market situation and tender activity in 2021 have, as 2020, also been impacted by COVID 19, although the last quarter provided promising signals. Our customers have years of maintenance and upgrade backlogs, and as such, Rainpower is expecting to see the market picking up pace again. The high electricity prices experienced during end 2021 and continuing into 2022, as well as the increased public and political focus on the matter of electricity prices, further strengthens this assumption.

Substantial efforts have been focused on project execution improvement measures and several financially underperforming projects have been put behind us as we enter 2022. Strong focus on both sales and project execution will continue in 2022.

In 2021 the management and the Board of Directors supported by Aker Horizons initiated several actions to improve the liquidity and the financial situation to strengthen the going concern assessment. The outcome of these actions and processes is positive and the financial balance and financial situation have been substantially strengthened.

- Aker Horizons contributed with NOK 150 million in capital injections during 2021.
- Loan agreements were renegotiated and renewed, including partly conversion of debt to equity, and increased credit facilities.
- Continued backing from Aker Horizons have been formalized and secured through a parent company guarantee backstopping budgeted capital needs throughout 2022 allowing Rainpower to build the bridge towards future profits.
- NOK 20 million capital injection in February 2022

The company will continue its work to strengthen its monitoring of projects, costs, risk and liquidity, and improve the profitability going forward. Based on the contracted orders at hand, the recapitalization and capital restructuring, and the continued support from Aker Horizons the liquidity situation is expected to be sufficient throughout the year.

Based on the overall assessment, the Board of Director's assessment is that the conditions for continued operations have been complied with, and the accounts have been presented under this assumption. In



accordance with the Norwegian Accounting Act section 3-3a, the Board of Directors confirms that the annual accounts are prepared in accordance with the going-concern assumption.

Health, Safety, Security, and Environment

Employees

At the end of 2021 the Rainpower Group had 192 employees. Of these employees, 164 were employed in Norway and 28 were employed at the company's offices abroad.

Around half of the technical employees are engineers, with a MScs or a PhD. Almost all of the operatives at the workshop are skilled workers within the areas of metalwork, welding, NDT and machining. Other employees work in finance, administration and technical functions.

Health, safety, and environment

Rainpower operates a health, safety and environment (HSE) policy based on ISO 14001:2004 and OHSAS 18001 adapted to the local working conditions. The company's workshop in Sørumsand is certified to the same standards. A handbook has been produced combining quality assurance and health, safety and the environment on the grounds that it is not possible to achieve effective quality assurance without good working conditions and a sound environment.

The group has the following objectives for its work on health and safety:

- Zero tolerance for injuries
- Together with the employees, management strives to avoid risk and injuries/damage

Key environmental objectives

- To deliver environmentally friendly products and services to our clients
- To comply with all legislation and regulations applicable to our operations
- To avoid all damage to natural resources
- To secure efficient utilisation of the resources at the company's production facilities and installation locations
- To focus on preventative measures and continual improvement in our work on nature conservation

All health, safety and environmental procedures are audited and reviewed every second year, and contingency exercises are implemented at regular intervals. Undesired incidents, personal injuries and damage to the environment are reported, and the reports are reviewed by the management group.

The Board of Directors has not received reports of any incidents of pollution of the external environment. The Group has procedures to secure compliance with applicable emission allowances. Rainpower has valid EE agreements for recycling schemes relating to the import of electrical components. Rainpower's Sørumsand workshop is certified to the ISO 14001 standard and attaches a high priority to the external environment. The workshop follows the Norwegian regulations for Industrial Protection (Industrivern). The activities that affect the environment are mainly through emission from vehicles and transport. Spill of oil, chemicals and gas are prevented through procedures for safe containing, safe waste handling and filters. All waste are sorted and handled with a sorting rate at over 60%. The Group performs a risk evaluation each year for environmental hazards to water, air, ground, animal life and surroundings. No significant risks have been identified. The workshop area has been thoroughly investigated and no material pollution was identified

The Rainpower Group strives to continuously improve its HSE performance. Significant importance is attached to the risk assessment of work assignments and facilities. Two lost-time injuries were recorded in 2021 (2020: One lost-time injury). The Group accords a high priority to following up sickness absence. Overall sickness absence in the Group in 2021 amounted to 1.6 percent, down from 1.7 percent in 2020. The Group's short-term absence (1–16 days) amounted to 0.3 percent, while long-term absence (more than 16 days) comprised 1.3 percent. Employee health and safety are among the most important factors for well-being, profitability and competitiveness. Consequently, Rainpower has drawn up plans and objectives for its HSE work intended to make the Group the industry-leader in this field. Regular audits are carried out and there is high HSE awareness among all employees.



Equality

At the end of 2021, 17 percent of the Group's workforce were women (2020: 14 percent). As of 31 December 2021, two women were part of the management team and one woman was part of the Board of Directors. In 2021, the company continued its active endeavours to increase the percentage of women in the company through recruitment and promotion. The company implemented a new code of conduct in 2021 that also describes our policy regarding equality and discrimination. All employees were trained in this policy in 2021. There is no discrimination between female and male employees in any context.

The business has performed an ARP according to the Equality- and discrimination law §26, to disclose any discrimination between genders relating to salary, maternity leave, temporary work and part time work.

There are some minor differences in salary between women and men in three of the six categories/levels of positions. The differences have been analysed, and no discrimination was found. There are other reasons than discrimination to cause these differences, f.ex seniority, level of higher education and experience.

We have no non-volunteer temporary or part time employees.

All employees (women and men) in maternity leave have the same rights as other employees, and are not discriminated in any way.

Directors & officers liability insurance

The directors and officers in the Rainpower Group are covered under an Aker Group Director & Officers Liability Insurance program. The insurance covers personal legal liabilities including defence- and legal costs. The officers and directors of the parent company and all subsidiaries globally (owned more than 50 %) are covered by the insurance. The cover also includes employees in managerial positions or employees who become named in a claim or investigation.

Risk and Risk Management

Rainpower Group and the individual companies within the Group are exposed to various forms of risk of a market-related, operational and financial nature. The Group and its operating companies are also exposed to regulatory risks and political risks. Political decisions concerning the climate and the environment are examples of such risks. The development of the power prices is one of the most important market-related factors. Rainpower's clients mainly come from the hydropower sector, which means that the company is affected by developments in this industry.

The management focuses on ensuring systematic and focused management of risk in all parts of the business and considers this to be a prerequisite for long-term value creation for the owner and job security for the company's employees. Rainpower works actively on management of risk in all of its business areas, and regular risk assessments are performed, in which the most important risk factors are highlighted and evaluated.

Operational risk

A major portion of Rainpower's business relates to the implementation of individual projects. The complexity, size, duration and risk of the projects vary. Consequently, in order to achieve good results, it is critical that project risk is analysed at the tender stage and managed in a systematic and professional manner during the project execution phase. The consolidated balance sheet includes assets and liabilities relating to ongoing projects. Some items contain estimated uncertainty, for which the Group's management and project managers have exercised judgement based on given prerequisites. The accounting treatment as of 31 December 2021 is based on our best estimate.

Over the course of a project, situations or changes may arise that may entail a change in the estimates, which will thus impact the Group's assets, liabilities, equity and results. The Group has routines and systems for risk assessment for projects, from the tender phase through to completion. Projects are reviewed and evaluated each month in order to limit undesired financial consequences by means of corrective measures and to obtain up-to-date and realistic estimates for the projects at all times. The group also focuses on leveraging the opportunities



offered by the projects such as add-ons and variation orders. Continuous improvement work is carried out in the implementation of these procedures.

Rainpower utilizes both reimbursable and fixed-price contracts. Contracts that include fixed prices for all or parts of the deliverables are subject to the risk of potential cost overruns. Rainpower is involved in projects that are both demanding and complex in nature, with significant design and engineering requirements, as well as extensive procurement and manufacturing of equipment, sourcing supplies and construction management. In certain situations, the projects may also require the development of innovative new technology and solutions. These can influence the company's ability to deliver on time and in accordance with a contract, potentially harming Rainpower's reputation, performance and finances. However, the risk and project teams are also actively monitoring opportunities that could improve the financial and reputational performance of projects.

The Group's future operations depend on the Group's employees possessing the qualities and expertise required to ensure that deliveries are made in accordance with contractual obligations. Important elements in this connection include satisfying clients' requirements for service, technology and efficiency. In recent years, the company has endeavoured to reduce this risk by, for example, not making commitments in contracts with low potential earnings relative to contract terms with high economic risk.

Financial risk

The objective of financial risk management is to manage exposure from financial risks to increase predictability of earnings and minimize potential adverse effects on financial performance.

Rainpower operates in a number of countries. The contracts are primarily denominated in NOK, SEK, EUR and USD. Foreign exchange fluctuations could impact earnings in NOK for foreign projects. The group endeavours to ensure that purchases and sales within each project are made in the same currency, which will reduce the risk associated with exchange rate fluctuations. The Group also has a multi-currency corporate cash-pooling scheme, which helps to equalise foreign exchange risk. Due to foreign exchange rate fluctuations, the Group is facing changed prices from suppliers outside Norway. Price increases from our suppliers abroad can only partially be transferred to our customers and may imply reduced profitability for the group.

The Group's credit risk is deemed low due to established client relations and pledged guarantees. The interest-bearing liabilities are subject to variable interest rates, and any change in interest rates would affect net interest expenses/income. The liquidity reserves, comprising the loan facility and cash and cash equivalents, are monitored on an ongoing basis by reference to the expected cash flow. Reference is made to Note 16 to the consolidated financial statements for further information on the loan terms. Major Norwegian clients are not subject to credit checks on entering into contracts. Credit checks are performed on smaller clients and new clients using Dun & Bradstreet's credit rating system.



Subsequent Events

NOK 20 million in capital injection from Aker Horizons was received in February 2022.

On March 30th 2022, Aker Horizons as seller and Aker Solution as buyer signed a share sale and purchase agreement relating to 100% of the ownership of Rainpower Holding AS. The transaction is expected to complete during Q2 2022. The acquisition builds on Aker Solutions' growth strategy and will further strengthen its offering within renewables. Aker Solutions sees strong industrial synergies in further developing Rainpower into an innovative hydropower technology company to optimize hydropower developments and operations.

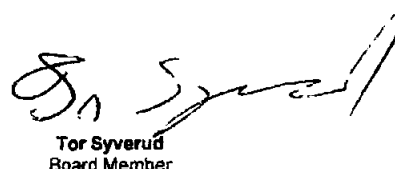
While COVID seems to loosen its grip, the Russian invasion of Ukraine does not have direct impact on Rainpower. However, volatile commodity prices including energy and transport prices influence business and is monitored and managed on a running basis.

No other material events to report since 31 Dec 2021.

The Board of Directors of Rainpower Holding AS, March 31st 2022



Karl-Petter Løken
Chairman



Tor Syverud
Board Member



Martin Bech Halte
Board Member



Hegg Brande
CEO



CONSOLIDATED FINANCIAL STATEMENTS

Income Statement

Consolidated statement for the year ended December 31

NOK 1,000	NOTE	2021	2020
CONSOLIDATED STATEMENT OF INCOME			
Sales revenues	4,11,18	344 717	523 903
Other income	19	108	6 846
Total operating revenue		344 825	530 749
Cost of sales	25	241 293	341 177
Personnel expenses	21,22	174 333	178 583
Depreciation and amortization	7,8,24	17 046	25 815
Impairment	8	-	50 000
Other operating expenses	21,25	37 490	45 225
Total operating expenses		470 161	640 799
Operating profit		-125 336	-110 050
Financial income	23	13 894	42 005
Financial expenses	23	-25 073	-66 472
Net financial items		-11 179	-24 467
Loss before taxes		-136 515	-134 517
Income tax expenses	17	-2 753	-5 784
Loss for the period		-139 268	-140 301
Shareholders of Rainpower Holding AS		-139 268	-140 301

The accompanying notes are an integral part of the consolidated financial statements.



Other Comprehensive Income (OCI)

Consolidated statement for the year ended December 31

NOK 1,000	NOTE	31.12.2021	31.12.2020
OTHER COMPREHENSIVE INCOME			
Loss for the period		-139 268	-140 301
Translation differences (can be reclassified to traditional income statement)		-666	4 269
Total comprehensive income for the year		-139 934	-136 032
Shareholders of Rainpower Holding AS		-139 934	-136 032

The accompanying notes are an integral part of the consolidated financial statements.



Financial Positions

Consolidated statement for the year ended December 31

NOK 1,000	NOTE	31.12.2021	31.12.2020
Non-current assets			
Research and development	4,8,20	26 393	26 563
Other intangible assets	8	1 155	1 514
Deferred tax assets	4,17	274	2 120
Goodwill	4,8	159 731	159 737
Right-of-use assets	4,24	67 056	74 245
Property, plant and equipment	7	4 153	5 397
Total non-current assets		258 761	269 576
Current assets			
Inventories	6	2 135	2 224
Customer contract assets	10,11	49 662	95 769
Trade receivables	9,10	75 601	46 727
Other receivables	9,10	7 392	18 904
Cash and cash equivalents	5,9	7 689	14 015
Total current assets		142 479	177 639
TOTAL ASSETS		401 240	447 215

The accompanying notes are an integral part of the consolidated financial statements.



NOK 1,000	NOTE	31.12.2021	31.12.2020
Equity attributable to the company's shareholders			
Share capital	12	2 010	510
Share premium account		349 119	200 619
Retained earnings		-279 508	-243 739
Total equity		71 621	-42 610
Non-current liabilities			
Non-current borrowings	3,9,15,16	53 000	45 017
Non-current lease liabilities	3,4,24	58 629	64 679
Total non-current liabilities		111 629	109 696
Current liabilities			
Current borrowings	3,9,15,16	31 158	73 077
Trade payables	3,9,14,24	27 106	121 012
Accrued public duties	15	28 999	33 702
Prepayments from customers	11	17 282	25 683
Customer contract liabilities	11	63 182	81 376
Derivative financial instruments	3,9	588	-
Current lease liabilities	3,4,24	12 192	12 549
Other current liabilities	11,14	37 485	32 730
Total current liabilities		217 990	380 129
Total liabilities		329 619	489 825
TOTAL EQUITY AND LIABILITIES		401 240	447 215

The accompanying notes are an integral part of the consolidated financial statements.

The Board of Directors of Rainpower Holding AS, March 31st 2022



Karl-Petter Løken
Chairman



Tor Syverud
Board Member



Martin Bech Holte
Board Member



Hegg Brønde
CEO



Equity

Consolidated statement of changes in equity

NOK 1,000	Share capital	Share premium	Retained earnings	Hybrid capital	Total equity
At 1 January 2020	50 981	200 619	-158 160	-	93 440
Profit/loss for the period			-140 301		-140 301
Translation differences			4 269		4 269
Capital reduction	-50 471		50 471		-
Other			-18		-18
Equity as of 31. December 2020	510	200 619	-243 739	-	-42 610
At 1 January 2021	510	200 619	-243 739	-	-42 610
Profit/loss for the period			-139 268		-139 268
Translation differences			-666		-666
Capital increase	1 500	148 500	-		150 000
Subordinated loan			-	112 665	112 665
Dividend			-8 500		-8 500
Equity as of 31. December 2021	2 010	349 119	-392 173	112 665	71 621

The accompanying notes are an integral part of the consolidated financial statements.



Cashflow

Consolidated statement for the year ended December 31

NOK 1,000	NOTE	2021	2020
Cashflow from operating activities			
Loss before income tax		-136 515	-134 517
Depreciation, amortisation and impairments	7,8,24	17 046	75 815
Taxes paid	17	-26	-779
Change in inventories	6	88	1 042
Net change in customer contract assets and liabilities	11	27 912	-29 724
Change in trade and other receivables	10	-17 362	34 824
Change in trade payable and other current payables	14	-101 667	21 483
Translation differences		-666	4 269
Other accruals and prepayments		4 125	-5 120
Net cash generated from operating activities		-207 064	-32 707
Cashflows from investing activities			
Purchase of property, plant and equipment	7	-676	-2 158
Purchase of intangible assets	8	-92	-706
Payments for capitalized development	8	-3 732	-4 533
Net cash used in investing activities		-4 500	-7 397
Cashflows from financing activities			
Net change in overdraft facilities	15	25 217	5 940
Proceeds from borrowings	15	40 000	50 000
Repayments of non-current borrowings	15	-	-3 269
Payment of lease liabilities	24	-9 980	-12 994
Proceeds from issue of shares		158 500	-
Dividends paid, purchase of shares from non-controlling interests		-8 500	-18
Net cash used in financing activities		205 237	39 659
Net change in cash and cash equivalents		-6 327	-445
Cash and cash equivalents at the beginning of the period		14 015	14 459
Net change in cash and cash equivalents		-6 327	-445
Cash and cash equivalents at end of the period		7 688	14 015
Available overdraft facilities		23 843	24 060
Available revolving credit facilities		-	-

The accompanying notes are an integral part of the consolidated financial statements.



Notes to the consolidated financial statements

Note 1 General information

Rainpower Holding AS (the company) and its subsidiaries (the Group) are a technology, engineering and production enterprise that delivers multidisciplinary products and services, and performs project management, procurement, engineering, manufacturing, surface treatment, assembly and testing in the hydropower market segment. The Group has modern production facilities located in Sørumsand, a hydropower laboratory in Trondheim, and engineering offices in Lillestrøm and Bryn in Oslo. The Group has also established operations in China, Turkey, Switzerland, Mozambique and Sweden.

The company is a limited liability company registered and domiciled in Norway with its head office at Nordahl Bruns gate 10 in Lillestrøm. The company was founded on 16 May 2011.

Note 2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of the consolidated financial statements are described below. These principles have been applied identically to all the periods that are presented, unless otherwise stated in the description.

2.1 Basis of preparation

Rainpower Holding AS's consolidated financial statements have been prepared in accordance with regulation on simplified application of international financial reporting standards, set by Fin.dept January 21, 2008 (Simplified IFRS). The regulations can be used by all accountable persons, both company accounts and consolidated accounts, unless they are required to apply International Financial Reporting Standards (full IFRS) as adopted by the EU.

Recognition and measurement mainly follow international accounting standards (IFRS) and presentation and note information are in accordance with Norwegian Accounting Act as of 31 December 2017 and generally accepted accounting principles.

The preparation of financial statements in accordance with IFRS requires the use of estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Areas that make extensive use of judgements or involve a high degree of complexity, or areas where assumptions and estimates are material to the consolidated financial statements, are described in Note 4.

Changes in accounting policies and disclosures:

There are no changes in the accounting policies for the consolidated financial statement for the year ending December 31, 2021 as compared to the accounting policies for the 2020 reporting year.

2.2 Consolidation principles

(a) Subsidiaries

The consolidated financial statements include the parent company Rainpower Holding AS and its subsidiaries. Subsidiaries are all entities (including structured entities) over which the Group exercises control. Control over an entity arises when the Group is exposed to variability in the return from the entity and has the ability to impact this return by virtue of its influence over the entity. Subsidiaries are consolidated from the day control arises and deconsolidated when control ceases.

Business combinations are recognised using the acquisition method. The consideration contributed is measured as the fair value of the assets transferred, liabilities that are assumed and issued equity capital instruments. The fair value of all the assets or liabilities resulting from contingent consideration agreements is included in the consideration. Costs relating to business combinations are expensed as incurred. Identifiable assets and liabilities



are recognised at their fair value at the date of acquisition. Non-controlling interests in the acquired enterprise are measured from time to time, either at fair value or their share of the acquired enterprise's net assets.

If the amount of the consideration, the book value of non-controlling interests and the fair value on the date of acquisition of previous equity interests exceeds the fair value of the identifiable net assets of the acquired company, the difference is recognised in the balance sheet as goodwill, see Note 2.5. If the sum is less than the company's net assets, the difference is recognised in income immediately.

Intragroup transactions, intercompany balances and unrealised intragroup profits and losses are eliminated. If necessary, the subsidiaries' financial statements are restated to achieve consistency with the Group's accounting policies.

(b) Transactions and non-controlling interests

Transactions with non-controlling interests in subsidiaries are treated as equity transactions. When shares are purchased from non-controlling interests, the difference between the consideration and the proportionate percentage of net assets recognised in the subsidiary's balance sheet relating to such shares is recognised in the parent company's owners' equity. Gains or losses on disposals to non-controlling interests are similarly recognised in equity.

When the Group no longer has control, any residual ownership interest is measured at fair value with changes in value being recognised through profit or loss. Thereafter the fair value is deemed to equate to cost, and the interest is valued either as an investment in associates or joint ventures or as a financial asset. Amounts previously recognised in other comprehensive income relating to this company are treated as if the Group had disposed of the underlying assets and liabilities. This could mean that amounts that were previously recognised in other comprehensive income are reclassified through profit or loss.

2.3 Foreign currency translation

(a) Functional currency and presentation currency

The Group's single-entity financial statements are measured in the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in NOK, which represents both the parent company's functional currency and presentation currency.

(b) Transactions and balance sheet items

Foreign currency transactions are translated into the functional currency using the exchange rates in force at the transaction date. Foreign exchange gains and losses that arise from the payment of such transactions and the translation of monetary items (assets and liabilities) in foreign currencies at the rates in effect at the balance sheet date are recognised in income. The company has decided that recognising these items in operating profit reduces the comparability of the comparative figures and the quality of information on operations and has thus chosen to recognise all these items as financial items. Norges Bank's rates are used to translate foreign currency. These items are included in financial income/expenses and disclosed separately in the finance note (Note 23).

Foreign exchange gains and losses that relate to new borrowings and cash and cash equivalents are presented in the income statement as financial income and financial expenses.

(c) Group companies

The income statement and balance sheet of all group entities (none of which are subject to hyperinflation) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) The balance sheet is translated using the closing rate at the balance sheet date.
- (ii) The income statement is translated at the average exchange rate (if the average rate does not provide a reasonable estimate of the cumulative effects of using the transaction rate, the transaction rate is used).
- (iii) Translation differences are recognised in other comprehensive income and disclosed separately.



2.4 Property, plant and equipment

The Group owns buildings in the form of moveable plastic halls. Property, plant and equipment mainly comprises a laboratory, manufacturing machinery and IT equipment. These items are recognised at cost less depreciation. The acquisition cost includes costs that are directly attributable to the acquisition of the operating asset.

Subsequent expenditure is added to the carrying amount of the operating asset or recognised separately in the balance sheet, when it is probable that the future economic benefits relating to the expenditure will flow to the Group, and the expenditure can be reliably measured. Amounts relating to replaced parts are recognised in income. Other repair and maintenance expenses are recognised in income in the period in which the expenses are incurred.

Depreciation on other operating assets is calculated using the straight-line method so as to write down their cost to residual value over their estimated useful economic lives, as follows:

- Buildings 10 years
- Machinery and equipment 10–15 years
- Operating equipment, fixtures, tools, office machines 3–8 years

The useful economic life of property, plant and equipment and the residual value are reviewed at each balance sheet date and adjusted as required.

If an operating asset's carrying amount is greater than its estimated recoverable amount, it is written down to the recoverable amount (Note 2.6).

Gains and losses on disposals are recognised on a net basis under other income and represent the difference between the sales price and the carrying amount.

2.5 Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the Group's share of the net identifiable assets of the acquired business at the date of acquisition. Goodwill arising on the acquisition of subsidiaries is classified as an intangible asset. Goodwill is tested annually for impairment and recognised at cost less accumulated impairments. Impairments of goodwill are not reversed. Gains or losses on the disposal of an entity include the book value of goodwill relating to the divested entity.

For subsequent testing of the need to write down goodwill, this will be allocated to the relevant cash-generating units. This allocation is made to the cash-generating units or groups of cash-generating units that are expected to benefit from the acquisition in which goodwill arose. Each subsidiary in the Group is defined as a cash-generating unit.

(b) Licences

Separately acquired brands and licences are recognised at the historical acquisition cost. Brands and licences that are acquired in a business combination are recognised in the balance sheet at fair value at the acquisition date. Brands and licences have a limited useful economic life and are recognised in the balance sheet at cost less accumulated amortisation. Brands and licences are amortised on a straight-line basis over their expected useful economic lives (10 to 15 years).

Acquired software licences are recognised in the balance sheet at the cost of the specific software (including expenses of preparing the software for operation). These costs are amortised over their expected useful economic lives (3 to 5 years).

(c) Capitalised development costs

Costs of developing general technology are expensed as they arise. Development costs that are directly attributable to the design and testing of an identifiable and unique technology that is controlled by the Group are recognised in the balance sheet as an intangible asset when the following criteria are met:



- (i) the technical conditions for completing the intangible asset so as to make it available for use or sale;
- (ii) the enterprise intends to complete the intangible asset and take it into use or sell it;
- (iii) the enterprise is able to take into use or sell the intangible asset;
- (iv) the intangible asset is likely to generate future economic benefits; the enterprise shall be able to demonstrate that a market exists for the products derived from the intangible asset or the intangible asset itself, or if it will be used internally, the utility of the intangible asset;
- (v) availability of sufficient technical, financial and other resources to complete the development of and to take into use or sell the intangible asset;
- (vi) the enterprise's ability to reliably measure the expenses that are attributable to the intangible asset while it is under development.

Expenses recognised in the balance sheet are amortised using the straight-line method over the expected useful economic life (10 years).

(d) Software

Software maintenance costs are expensed as they arise. Development costs directly attributable to the design and testing of identifiable and unique software that is controlled by the Group are recognised in the balance sheet as an intangible asset when the following criteria are met:

- (i) it is technically feasible to complete the development of the software so that it is available for use;
- (ii) management intends to complete the development of the software and take it into use or sell it;
- (iii) the software can be used or sold;
- (iv) it can be demonstrated that the software will generate probable future economic benefits;
- (v) adequate technical, financial and other resources are available to complete the development and take into use or sell the software; and
- (vi) the costs can be reliably measured.

Directly attributable expenses that are recognised in the balance sheet as part of the software include remuneration of employees who develop the software and a proportionate share of relevant overheads.

Other development costs that do not satisfy the criteria for recognition in the balance sheet are expensed as they are incurred. Development costs that have been expensed cannot subsequently be recognised as an asset in the balance sheet.

Internally developed software is amortised on a straight-line basis over its expected useful economic life (maximum 3 years).

2.6 Impairment of non-financial assets

Intangible assets with an indefinite useful economic life, for example goodwill, are not amortised, but are subject to an annual impairment test. Property, plant and equipment and intangible assets that are depreciated or amortised are assessed for impairment when there is any indication that future earnings do not support the carrying amount.

Impairments are recognised in the income statement as the difference between the carrying amount and recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Development costs are capitalised based on the royalty relief method. Under this method, Rainpower estimates the amount the Group saves in royalty expenses by owning the technology itself. A value in use is subsequently calculated based on the present value of the royalty expenses saved over the lifetime of the technology.



2.7 Financial instruments

2.7.1 Financial assets

In accordance with IFRS 9, financial assets must be classified into one of three measurement categories:

- Fair value with value changes through profit or loss
- Fair value with value changes through other comprehensive income (OCI)
- Amortised cost

The measurement category must be determined upon initial recognition of the asset. In the case of financial assets, one differentiates between debt instruments, derivatives and equity instruments, where debt instruments are all financial assets that are not derivatives or equity instruments. Financial assets are classified on the basis of the contractual terms and conditions for the financial assets and the business model used to manage the portfolio of which the assets are a part

2.7.2 Financial liabilities

As a general rule, financial liabilities should be measured at amortised cost with the exception of financial derivatives measured at fair value and financial liabilities it has been decided to recognise at fair value with value changes through profit or loss and OCI. Where it has been decided that financial liabilities will be recognised at fair value through profit or loss, changes in value that are due to changes in the company's own credit risk will be recognised in OCI, unless this creates or reinforces an 'accounting mismatch'

2.8 Derivatives

Derivatives are recognised in the balance sheet at fair value at the time the derivative contract is entered into, and subsequently on an ongoing basis at fair value. Changes in fair value of derivatives that do not qualify for hedge accounting are recognised in income under financial items as a change in the fair value of financial assets and derivatives. The category includes foreign exchange contracts.

2.9 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out principle (FIFO). For completed inventories and work in progress, cost comprises expenses of product design, material consumption, direct payroll costs, other direct costs and indirect production costs (based on normal capacity). The net realisable value is the estimated sales price less costs of completion and sale.

2.10 Trade receivables

Trade receivables are initially recognised at transaction price in the balance sheet. Upon subsequent measurement, accounts receivable are assessed at amortized cost using an effective interest rate method less provisions for losses incurred. The interest element is not taken into account if it is immaterial. Provisions for losses are recognised when there are objective indications that the Group will not receive settlement in accordance with the original terms. Provisions for losses are recognised on the basis of an assessment of the individual receivables. The provision comprises the difference between the nominal value and the recoverable amount. The carrying amount of trade receivables is reduced by recognising a provision. Changes to the provision will be recognised in income as a reduction in contract revenue. A provision is recognised for losses on receivables once it becomes clear that a trade receivable is no longer payable. Any subsequent amounts received for receivables previously recognised as losses will be recorded in income from contracts.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank deposits.



2.12 Share capital and premiums

Ordinary shares are classified as equity.

Expenses that are directly attributable to the issuance of new shares or options less taxes are entered against the equity as a reduction in the proceeds.

2.13 Trade payables

Trade payables are valued at fair value on first-time recognition in the balance sheet. On subsequent measurement, trade payables are recognised at amortised cost using the effective interest method.

2.14 Loans

Loans are recognised at fair value when they are disbursed, less any transaction costs. In subsequent periods, loans are recognised at amortised cost, calculated using the effective interest rate. The difference between the disbursed loan amount (less transaction costs) and the redemption value is recognised in income over the term of the loan.

Fees relating to the establishment of drawdown facilities are recognised in the balance sheet if it is probable that the facility will be utilised. The fees are subsequently recognised as part of the cost of the loan. If it is not deemed probable that all or part of the drawdown facility will be utilised, the fee is recognised in the balance sheet under prepaid liquidity services and expensed over the period for which the right applies.

Loans are classified as current liabilities unless there is an unconditional right to postpone payment of the debt by more than 12 months from the date of the balance sheet.

2.15 Payable and deferred tax

The tax expense for the period comprises tax payable and the change in deferred tax liabilities and deferred tax assets. Tax is recognised in income, except when it relates to items that are recognised directly in equity. If this is the case, the tax is also recognised directly in equity.

The tax expense is calculated in accordance with the applicable tax legislation and regulations adopted or substantially adopted by the tax authorities at the reporting date. Taxable income is calculated in accordance with the legal regulations in the countries where the company's subsidiaries operate and generate taxable income. Management evaluates the Group's tax positions for each period, taking into account situations where the applicable tax legislation is subject to interpretation. Provisions are recognised for expected tax payments based on management assessments.

Deferred tax is recognised on all temporary differences between the tax-written down and consolidated accounting values of assets and liabilities using the liability method. Deferred tax is not recognised in the balance sheet if it arises on initial recognition of an asset or liability in a transaction other than a business combination, which at the time of the transaction affects neither the accounting nor the taxable profit or loss. Deferred tax is determined by applying the tax rates and tax laws that have been adopted or substantially adopted at the balance sheet date, and which are assumed to apply when the deferred tax asset is realised or when the deferred tax is settled.

Deferred tax assets are recognised in the balance sheet to the extent that it is likely that future taxable revenues will be generated, and that the temporary differences can be deducted from these revenues.

Deferred tax is calculated on temporary differences on investments in subsidiaries except when the Group controls the timing of the reversal of the temporary differences, and it is probable that these will not be reversed in the foreseeable future.



2.16 Pension liabilities, bonus schemes and other compensation schemes for employees

(a) Pension liabilities

The Group's companies operate various pension schemes. The pension schemes are generally financed through payments to insurance companies or pension funds.

The Group operates defined-contribution schemes. A defined-contribution scheme is a pension scheme where the Group pays a fixed contribution to a separate legal entity. The Group has no legal or other obligation to pay further contributions should the entity have insufficient funds to pay all employees their benefits in line with their entitlements for the current and for previous periods. Changes in pension liabilities are recognised in income or expensed on an ongoing basis.

For defined-contribution schemes, the Group pays contributions to publicly or privately administered pension insurance schemes 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 payroll costs 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.

Liabilities relating to AFP early retirement schemes are part of a defined-benefit scheme run by several employers. However, since the company's share of these liabilities cannot be measured, the scheme is recognised as if it were a defined-contribution scheme.

(b) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits falling due more than 12 months after the balance sheet date are discounted to the present value.

(c) Bonus schemes

The Group recognises a liability and an expense for bonuses based on a calculation that takes into account the return attributable to the company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where past practice has created a constructive obligation.

2.17 Provisions

Provisions for guarantee liabilities are recognised based on individual and collective assessments. As part of the collective assessment, a provision is recognised for guarantee liabilities on types of contracts and projects that historically have included guarantee costs. The provision for guarantee liabilities is based on the historical guarantee cost. The guarantee liability recognised in the balance sheet is reviewed each year.

In cases where several obligations of the same nature exist, the probability that the obligation will be settled will be determined by assessment of obligations of the same nature as a whole. A provision is recognised for the Group even if the probability of settlement with respect to any one item included in the same class of obligations may be small.

Provisions are measured as the net present value of the expected payments to redeem the obligations. A pre-tax discount rate is used that reflects the current market situation and risk specific to the obligation. An increase in the obligation as the result of a change in the time value is recognised as a finance cost.



2.18 Construction contracts (IFRS 15)

Rainpower's business primarily comprises product development, engineering services and production of turbines and electro-mechanical system solutions. All customer contracts in scope of IFRS 15 are assessed using the five-step model. The deliveries in the contracts are assessed to identify distinct performance obligations, and this assessment may involve significant judgement. Only approved customer contracts with a firm commitment are basis for revenue recognition. Variation orders are included when they have been approved by the customer, either in writing or through specification in the underlying contract. Contracts that are entered into as fixed-price contracts are settled on an ongoing basis, as control is transferred to the customer over time as the performance obligation is satisfied. Along with this method contract costs are recognised in the balance sheet on an ongoing basis and the calculated contribution is recognised in income in line with the project's degree of completion. (For the discussion of implementation impacts see Note 2.1 bullet 2). In addition to that the time and materials method is commonly used for contract on a less firm scope under which incurred man-hours and consumed material are rechargeable at an agreed rate to the customer. These two methods are seen as to best reflect the pattern of transfer of control of goods and services to the customer.

The Group uses the following method to calculate the degree of completion for defined scope construction contracts. A weighted average of hours spent and purchases for the project to date is used to measure the degree of completion. Incurred costs relating to future activities in a project are ignored when determining the degree of completion. These costs are classified as inventories, advance payments or other current assets, depending on their nature.

- For contracts where the contract revenue (less any losses on loss-making contracts) exceeds the invoiced amount, the excess amount is recognised in the balance sheet as "Contract customer assets" under the category "Project inventories".
- For contracts where the contract expenses exceed the costs incurred by the company, the excess amount is recognised as a provision under "Provisions for contract costs".
- For contracts where the invoiced amount exceeds the contract revenue (less any losses on loss-making contracts), the excess amount is recognised in the balance sheet under "Prepayments from customers".
- If the outcome of a construction contract cannot be reliably measured, contract revenue is established as the value of the contract cost to the extent that it is probable that the costs can be reclaimed.
- If the profit on a construction contract can be reliably estimated, revenues and expenses are recognised in income over the contract period. If it is probable that the contract costs will exceed the contract revenue, the expected loss is recognised immediately.

Contract changes and requirements and incentive-based payments are included in contract revenue to the extent that this has been agreed with the client, is highly probable and can be reliably measured.

Expected liquidated damages (LD), which are penalties for not achieving defined milestones on time or defined performance at project delivery, are recognized as a reduction of revenue unless it is highly probable LDs will not be incurred. The expected LD provision has a judgemental component to it as the enforcement of an LD is often dependant on the ultimate project delivery as well as client relationship, contractual position and status of negotiations.

Total estimated cost to contract completion (estimate at completion – EAC) have a judgemental component to it. This is due to the fact that the prognosis of EAC is sensitive to the capability of the organisation to accurately execute the engineering and design phase, the availability of skilled resources, manufacturing capacity and quality, productivity as well as performance of sub suppliers. Major changes to the EAC can significantly impact the revenue recognition for contracts that apply the above described percentage of completion method. The company has project control methods in place in order to minimize the risk of misjudgement of EAC.

2.19 Leases

The lease liability represents the net present value of the lease payments to be made over the remaining lease period. The right-of-use asset is depreciated over the lease term. The lease payments previously included as operating expense in the income statement are reported as depreciation and financial expense under IFRS 16. The cash outflows for leases under IFRS 16 is presented as repayment of interest-bearing liabilities within financing activities in the cashflow statement. Interest paid is still classified as cash outflows within operating activities.



2.20 Public subsidies

Public subsidies are recognised at fair value when it is reasonably certain that the subsidy will be received and that the Group will satisfy all the attached conditions.

Public subsidies relating to future costs are recognised in the balance sheet and income statement in the period that most closely matches the costs the subsidies are intended to compensate.

Public subsidies relating to the purchase of property, plant and equipment are deducted from the cost of the asset, which is thus recognised net in the balance sheet. Subsidies indirectly reduce the depreciation charge due to the fact that they reduce the cost of the asset on which depreciation is based.

2.21 Dividends

Dividend payments made to the company's shareholders are classified as liabilities from the date the dividend is adopted by the general meeting.

Note 3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and floating interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of capital markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses financial derivatives to hedge some financial risk exposures. The Group does not use hedge accounting.

A central finance department is responsible for risk management in accordance with guidelines approved by Group management. The Group's finance department identifies, evaluates and hedges financial risk in close collaboration with the various operating units. Group management prepares written policies for overarching risk management, and issues written guidelines for specific areas such as foreign exchange risk, use of financial derivatives and other financial instruments.

(a) Market risk

(i) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk in multiple currencies. The main currencies to which the Group is exposed are EUR, USD, SEK and CNY. Foreign exchange risk attaches to future commercial transactions, long-term construction contracts and recognised assets and liabilities.

Management has prepared guidelines instructing the Group companies to manage foreign exchange risk relating to the companies' functional currencies. Group companies are required to consider hedging all foreign exchange risk through the central finance department. The finance department assesses each case with financial consultants at the Group's main bank. In order to manage foreign exchange risk on future commercial transactions and recognised assets and liabilities, the Group companies use forward exchange contracts entered into with external banks. A foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency other than the entity's functional currency.

The Group's risk management policy is to hedge a substantial portion of the expected transactions in each main currency over the term of the contract when management deems this appropriate.

(ii) Variable and fixed interest rate risk

Since the Group does not have any significant interest-bearing assets, the Group's results and cash from operating activities are largely unaffected by changes in the market interest rate.

However, interest rate risk attaches to current borrowings and overdrafts, and overdue trade payables on which interest is charged. Overall interest rate risk is deemed to be low.



(b) Credit risk

Rainpower's client base primarily comprises Norwegian hydropower companies. Major Norwegian clients are not subject to credit checks on entering into contracts. Credit checks are performed on smaller and new clients using Dun & Bradstreet's credit rating system. The credit rating of major international clients is also assessed, including by reviewing their balance sheets and recent years' results. All clients on major projects (>NOK 10 million) are subject to an approval-to-bid process, in which Rainpower assesses all relevant risk aspects.

Some international projects use letters of credit to secure payments from clients.

(c) Liquidity risk

Prudent management of liquidity risk involves maintaining adequate holdings of liquid and tradable securities, securing access to financing opportunities in the form of a sufficient number of guaranteed drawdown facilities and the ability to close market positions. The Group's central finance department maintains flexibility in financing by ensuring that guaranteed drawdown facilities are available.

In order to be able to make payments to operation-critical suppliers, management monitors the Group's liquidity reserves (comprising the loan facility (Note 16) and cash equivalents (Note 5)) using weekly rolling forecasts based on expected cash flows. These forecasts are further compared with available liquidity in the Group and continually monitored. This is performed by central finance department with input and assistance from local finance team in each of the main operating companies in accordance with practice and restrictions imposed by the Group. These restrictions vary by location in order to take into account liquidity in the market where the unit operates.

The table below specifies the Group's loans and trade payables with net settlement, classified by maturity structure. Classification is based on contractual maturity. The amounts in the table are non-discounted contractual cash flows. Balances that mature within 12 months equate to the carrying amounts due to the fact that the effect of discounting is immaterial. Public charges and liabilities are not included in the table.

NOK1,000	< 1 year	1-2 years	2-5 years	More than 5 years	Total
31 December 2021					
Borrowing	31 158	-	53 000	-	84 158
Derivative financial instruments	588	-	-	-	588
Trade payables	27 106	-	-	-	27 106
Leasing liabilities	12 192	10 517	29 823	18 288	70 820
Total	71 044	10 517	82 823	18 288	182 672
31 December 2020					
Borrowing	76 827	8 750	32 517	-	118 094
Trade payables	121 012	-	-	-	121 012
Leasing liabilities	12 549	11 505	28 506	24 668	77 228
Total	210 388	20 255	61 023	24 668	316 334

The table below provides a breakdown of the Group's derivatives that will be settled gross, classified by maturity structure. Classification is based on contractual maturity.

NOK 1,000	< 1 year	1-2 years	2-5 years	More than 5 years
31 December 2021				
Forward foreign exchange contracts - held for trading purposes				
Outflow	80 878	-	-	-
Inflow	80 290	-	-	-
31 December 2020				
Forward foreign exchange contracts - held for trading purposes				
Outflow	-	-	-	-
Inflow	-	-	-	-

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Derivatives are related to the foreign currencies EUR, USD and CNY. Derivatives are recognised in the balance sheet at fair value at the time the derivative contract is entered into, and subsequently on an ongoing basis at fair value. Changes in fair value of derivatives that do not qualify for hedge accounting are recognised in income under financial items as a change in the fair value of financial assets and derivatives. The category includes foreign exchange contracts. The amounts in the table are non-discounted cash flows. Balances that mature within 12 months equate to the carrying amounts due to the fact that the effect of discounting is immaterial.

3.2 Risk associated with asset management

The Group's aim with regard to asset management is to ensure continuing operations for the Group and thus a return for the owners and other stakeholders, and to maintain an optimal capital structure in order to reduce capital costs.

In order to improve its capital structure, the Group may adjust the level of dividend paid to shareholders, refund capital to the shareholders, issue new shares or sell assets in order to repay loans.

In the same way as in other groups in the industry, asset management is monitored based on the Group's level of gearing. Gearing is calculated by dividing net liabilities by total assets. Net liabilities are calculated as total liabilities (net interest-bearing liabilities) minus cash and cash equivalents. Total assets are calculated as total equity, as shown in the balance sheet, plus net liabilities.

NOK 1,000	Notes	2021	2020
Borrowings	16	84 158	118 094
Cash and cash equivalents	5	-7 689	-14 015
Net debt		76 469	104 079
Total equity		71 621	-42 610
Total capital		148 090	61 469
Gearing		51,6 %	169,3 %

3.3 Assessment of fair value

IFRS 7 requires disclosure of fair value calculations based on the following categories:

- (Level 1) Listed price in an active market for identical assets or liabilities.
- (Level 2) Valuation based on observable factors other than listed prices (used in Level 1), either directly or indirectly.
- (Level 3) Valuation based on factors not retrieved from observable markets.

The following table shows the company's assets and liabilities measured at fair value:

31 December 2021 NOK 1,000	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss				
Forward foreign exchange contracts - held for trading purposes	-	-	-	-
Total	-	-	-	-
Financial liabilities at fair value through profit and loss				
Forward foreign exchange contracts - held for trading purposes	-	588	-	588
Total	-	588	-	588
31 December 2020				
NOK 1,000	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss				
Forward foreign exchange contracts - held for trading purposes	-	-	-	-
Total	-	-	-	-
Financial liabilities at fair value through profit and loss				
Forward foreign exchange contracts - held for trading purposes	-	-	-	-
Total	-	-	-	-

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The fair value of financial instruments that are traded in active markets is based on the market prices at the balance sheet date. A market is deemed to be active if the market rates are easily and regularly available from stock markets, brokers and similar. The market price used for financial assets is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined using various valuation methods. These valuation methods maximise the use of observable data where this is available and are based to the least possible extent on the company's own estimates. If all the material data inputs that are required to determine the fair value of an instrument are observable, then the instrument will be included in Level 2.

If one or more of the significant data inputs are not based on observable market data, the instrument will be included in Level 3.

Particular valuation methods that are used to assess financial instruments include:

- The fair value of foreign exchange contracts is calculated by applying the effective rates in the forward market at the balance sheet date.
- The nominal value less impairments for incurred losses on trade receivables and trade payables is deemed broadly to equate to the fair value of the items. The fair value of financial liabilities (as calculated for the purposes of the notes) is estimated by discounting the future contractually agreed cash flows applying the Group's alternative market interest rate for comparable financial instruments.

Note 4 Important accounting estimates and judgements

Estimates and judgements are evaluated continuously based on past experience and other factors, including expectations of future events that are deemed probable under the current circumstances

The Group makes estimates and assumptions about the future. By their very nature, the accounting estimates that are made as a result of the above processes will rarely fully correspond with final outcomes. Estimates and assumptions that involve a significant risk of a material change in the carrying amount of assets and liabilities during the next financial year are discussed below.

(a) Estimated impairments of goodwill

The group performs annual tests to assess whether the value of goodwill is impaired, cf. Note 2.6. The recoverable amount from cash-generating units (CGUs) is established by calculating their value in use. These calculations require extensive use of estimates. Changes in assumptions and estimates relating to goodwill could materially impact the value of goodwill in the balance sheet. For further information on goodwill, see Note 8.

(b) Estimated impairments of capitalised development costs

The Group performs an annual judgement of capitalized development costs, see Note 2.6.

Changes in assumptions and estimates relating to capitalised development costs could materially impact the book value of this item. For further information on capitalized development costs, see note 8.

(c) Revenue recognition

Revenue from construction contracts is recognised on an ongoing basis. Under this method, the Group makes judgements on costs, revenues and degrees of completion. The estimates of total contract cost can be judgmental and sensitive to changes. The cost estimates can significantly impact revenue recognition for contracts using cost progress, particularly in lump sum construction contracts. The forecasting of total project cost depends on the ability to properly execute the engineering and design phase, availability of skilled resources, manufacturing capacity, productivity and quality factors, performance of subcontractors and sometimes also weather conditions. Experience, systematic use of the project execution model and focus on core competencies



reduce, but do not eliminate, the risk that cost estimates may change significantly. For further information on revenue and construction contracts, see note 11.

The group performs also make judgements on provisions for LDs continually. The assessment of the LD provision is based on experience from similar LD situations in addition to client relationship, contractual position and status on negotiation. See note 11 for additional information.

(d) Deferred tax assets

Deferred tax assets are booked based on the company's estimated ability to utilize the tax assets within a reasonable short-time period, 3-5 years period. The estimation is based on given prerequisites and forecasts prepared as part of the impairment testing of goodwill. The assumptions are thoroughly described in Note 17 Taxes.

(e) Leasing

Judgement is involved when determining lease term for contracts that has extension or termination options.

Determination of the discount rate also include judgment. For further information on leasing, see note 24.

Note 5 Cash and cash equivalents

NOK 1,000	2021	2020
Cash and cash equivalents	7 689	14 015
Sum	7 689	14 015

The Group has a group cash-pooling scheme. The companies covered by the scheme are jointly and severally liable for liabilities under the scheme. Deposits and liabilities under the group cash-pooling scheme are offset.

Restricted tax deduction funds as of 31 December 2021 amounted to NOK 1.7 million (2020: NOK 1.5 million). There were no other restricted funds as of 31 December 2021 or 31 December 2020.

Non-utilised drawdowns on the overdraft facility as of 31 December 2021 amounted to NOK 23.8 million (2020: NOK 24.1 million).

Note 6 Inventories

NOK 1,000	2021	2020
Goods, production materials	2 135	2 224
Total	2 135	2 224



Note 7 Property, plant and equipment

NOK 1,000	Property and buildings	Equipment and machinery	Fixtures and fittings	Sum
Cost at 31 December 2020	5 860	36 943	12 319	55 122
Corrections/reclassifications opening balance	-	-	-	-
Additions and transfers	65	455	157	676
Disposal at cost	-159	-919	-112	-1 190
Effect of changes in foreign exchange	-	121	58	179
Cost at 31 December 2021	5 766	36 599	12 422	54 787
Accumulated depreciation and impairment losses at 31 December 2020	4 720	35 140	9 866	49 725
Corrections/reclassifications opening balance	-	-	-	-
Depreciation	753	368	804	1 925
Accumulated depreciation and impairment disposed assets	-159	-919	-111	-1 189
Effect of changes in foreign exchange	-	121	53	173
Accumulated depreciation and impairment losses at 31 December 2021	5 314	34 710	10 611	50 634
Carrying amount at 31 December 2021	453	1 889	1 811	4 153
Estimated useful lives	10 years	10-15 years	3-8 years	

Note 8 Intangible assets

NOK 1,000	Goodwill	Capitalized development	Other	Total
Cost at 31 December 2020	227 237	89 401	4 922	321 561
Additions and transfers		3 732	92	3 824
Disposal at cost		-2 278	-	-2 278
Effect of changes in foreign exchange	-7		15	9
Cost at 31 December 2021	227 231	90 855	5 030	323 116
Accumulated amortization and impairment losses at 31 December 2020	67 500	62 838	3 408	133 747
Disposal at cost		-2 278	-	-2 278
Effect of changes in foreign exchange			8	8
Amortisation and impairments for the year	-	3 902	458	4 360
Accumulated amortization and impairment losses at 31 December 2021	67 500	64 462	3 875	135 837
Carrying amount at 31 December 2021	159 731	26 393	1 155	187 278

The average residual amortisation period for capitalised development is 4 years.

Impairment test for goodwill and other intangible assets

The Group tests goodwill with an infinite useful economic life for impairment each year, or more often if there are internal or external indications that the asset has fallen in value. Other intangible assets are amortised over their expected useful economic lives and are tested for impairment if conditions have arisen during the period that indicate impairment.



a) Goodwill

Goodwill is allocated to the Group's cash-generating units (CGUs) identified by each Group subsidiary. The CGUs identified when testing goodwill represent the level where synergies are expected and goodwill is monitored. Breakdown of goodwill per CGU:

NOK 1,000	2021	2020	Change
Rainpower Holding AS	159 637	159 637	-
Rainpower Kristinehamn AB	94	100	-6
Total	159 731	159 737	-6

The recoverable amount of the CGUs is calculated based on the value the asset will generate for the Group (value in use) in the future. Cash flow forecasts (before tax) are used based on updated budgets and management's assessment of future cash flows per cash-generating unit and market developments in general. The period used for the cash-generating units is 5 years, at the end of which a terminal value is assumed that represents management's estimate of future earnings in perpetuity. When determining the terminal value, a growth rate of 2 percent has been used. In particular, future cash flows are uncertain as they are impacted by market developments beyond Rainpower's control. The forecasted cash flows are based on firm orders in the backlog and identified prospects in addition to expected service revenue.

Key assumptions applied in calculating recoverable amounts in 2021:

	Rainpower Holding AS	
	2021	2020
Discount-rate pre-tax*	14,1 %	10,9 %
WACC used	11,0 %	8,5 %
Growth rate (after 5 years)	2,0 %	2,0 %

*) The discount rate pre tax is the WACC grossed up by the relevant tax rate.

Sensitivity analysis:

The impairment testing is affected by changes in discount rate, growth rates and cash flows following Rainpower's ability to secure new orders as forecasted, and cost levels.

Sensitivity has been tested when applying the following changes to the key assumptions:

- Increase in used post-tax discount rate
- Increase long-term growth rate up to 2,5% and reduced long-term growth rate down to 1,5%
- Decrease in forecasted cash flows during the six year period from 2022-2027, including the terminal value.

Sensitivity testing has been performed by changing one assumption and keeping the others constant.

Change in assumption - possible need for impairment

NOK 1,000	Rainpower Holding AS
Discount rate (WACC)	
Increase +1%	-7 902
Increase +2%	-27 348
Increase +3%	-43 573
Growth rate after 5 yrs	
Increased to 2,5%	25 454
Reduced to 1,5%	7 097
Reduced to 1,0%	-783
Expected EBIT after 1 year	
Increase 10%	25 934
Reduction 10%	-26 239
Reduction 15%	-39 282
Reduction 20%	-52 325



b) Capitalized development

The book value of internally developed technology was NOK 26.4 million as of 31 December 2021 (2020: NOK 26.6 million). Internally developed technology is amortised for up to 10 years. The actual economic life of the technology may, however, be longer or shorter, depending on the development of competing alternative technology and general developments in society

Capitalized development costs are tested for impairment.

Impairments of capitalized development costs in 2021:

Projects under development were reviewed in 2021 to identify any need to recognise an impairment for projects not deemed to have any future value in use. No impairment recognised in 2021.

c) Other intangible assets

Other intangible assets comprise licences and software. The recoverable amount of assets is calculated using the methods outlined above. Of other intangible assets, only licences have not been fully amortised at the balance sheet date.

Note 9 Financial instruments by category

The carrying amount of financial assets:

NOK 1,000	Note	Balance at 31.12.2021	Financial assets at fair value through profit and loss	Amortised cost
Trade receivables	10	75 601	-	75 601
Other receivables	10	7 392	-	7 392
Cash and cash equivalents	5	7 689	-	7 689
Total		90 682	-	90 682

NOK 1,000	Note	Balance at 31.12.2020	Financial assets at fair value through profit and loss	Amortised cost
Trade receivables	10	46 727	-	46 727
Other receivables	10	18 904	-	18 904
Cash and cash equivalents	5	14 015	-	14 015
Total		79 646	-	79 646

Carrying amount of financial liabilities:

NOK 1,000	Note	Balance at 31.12.2021	Derivatives at fair value through profit and loss	Amortised cost
Borrowings	16	53 000	-	53 000
Overdraft	16	31 158	-	31 158
Trade payable	14	27 106	-	27 106
Fair value of currency contracts		588	588	-
Total		111 851	588	111 264

NOK 1,000	Note	Balance at 31.12.2020	Derivatives at fair value through profit and loss	Amortised cost
Borrowings	16	112 153	-	112 153
Overdraft	16	5 940	-	5 940
Trade payable	14	121 012	-	121 012
Total		239 106	-	239 106



Note 10 Trade and other receivables

NOK 1,000	2021	2020
Trade receivables	76 800	47 859
Bad debt provision	-1 199	-1 132
Trade receivables net	75 601	46 727
Customer contract assets	49 662	95 769
Prepayments and accruals	5 007	11 641
Other receivables	2 385	7 263
Total	132 655	161 400

As of 31 December 2021, trade receivables of NOK 16.7 million (2020: NOK 30.2 million) were overdue, but not impaired. The bulk of these receivables have been paid in 2022.

Aging of trade receivables:

NOK 1,000	2021	2020
Trade receivables	76 800	47 859
NOK 1,000	2021	2020
Not due	60 074	17 662
Past due 0-30 days	1 785	22 197
Past due 31-90 days	3 998	4 406
Past due more than 91 days	10 943	3 594
Total	76 800	47 859

Carrying amount of the Group's trade receivables, prepayments and other receivables per currency:

NOK 1,000	2021	2020
NOK	41 788	31 930
EUR	2 478	516
USD	18 618	9 494
CNY	8 044	11 074
SEK	10 256	10 839
CAD	1 767	3
CHF	795	1 624
TRY	10	935
MZN	436	349
Total	84 192	66 764

Movement in bad debt provision:

NOK 1,000	2021	2020
At 1 January	1 132	2 778
Provisions made during the year	67	-1 645
At 31 December	1 199	1 132



Note 11 Construction contracts

Accrued contract revenue in the statement of comprehensive income for the period amounted to NOK 344.7 million (2020: NOK 523.9 million).

NOK 1,000	2021	2020
Construction contracts in progress, asset	49 662	95 769
Construction contracts in progress, liability	-80 464	-107 059
Net construction work in progress	-30 801	-11 290

The amount mentioned above is composed of the following:

Accrued expenses plus recognized margin	1 317 182	1 198 191
Contract income invoiced	-1 284 802	-1 128 105
Provisions for incurred project costs and loss-making contracts	-63 182	-81 376
Net construction work in progress	-30 801	-11 290

Advance payments from customers related to work not carried out on construction contracts	17 282	25 683
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Service- / warranty provision	9 151	6 332
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LDs are penalties for not achieving defined milestones on time. LDs are common in construction contracts. If a project does not meet the defined milestone in a contract, a provision reducing the transaction price is made unless it is highly probable that LD will not be imposed. The estimated LD provision is highly judgmental. The assessment of the LD provision is based on experience from similar LD situations in addition to client relationship, contractual position and status on negotiation. As per 31 December Rainpower has a provision for possible LDs of NOK 5.9 million, as reduced revenue. The LDs relates to 14 underlying contracts.

Expected expenditure for future guarantee work relating to sales/completed projects is expensed against the corresponding item in the balance sheet. The provision is based on historical figures for guarantees and is classified as a current liability in the statement of financial position.

Issued bank guarantees relating to construction contracts totalled NOK 119.1 million (2020: NOK 180.7 million). Provisions for loss-making contracts amounted to NOK 22.5 million (2020: NOK 8.4 million) and are recognised in the line "Provisions for incurred project costs and loss-making contracts" above.

Note 12 Equity and shareholders

As of 31 December 2021, Rainpower Holding AS's share capital amounted to NOK 2,009,808 including non-registered shares, each share with a nominal value of NOK 0.01.

Rainpower Holding AS has two share category, A-shares and B-shares. Shareholders of A-shares have a preferred right to distributions from the company. All shares grants one vote at the company's general meeting.

Share capital of Rainpower Holding AS as of 31 December 2021 comprised the following:

	Number of shares	Nominal value	Carrying amount
A-shares	125 000 000	0,01	1 250
B-shares	50 980 773	0,01	510
Total	175 980 773		1 760
Non-registered shares	25 000 000	0,01	250
Total	200 980 773		2 010

Carrying amount in NOK 1,000



Ownership structure

The shareholders as of 31 December 2021 were:

	A-shares	Share holdings	Voting rights
AH Åtte AS	150 000 000	100,0 %	100,0 %
Total	150 000 000	100,0 %	100,0 %

	B-shares	Share holdings	Voting rights
AH Åtte AS	50 980 773	100,0 %	100,0 %
Total	50 980 773	100,0 %	100,0 %

Changed ownership and recapitalization

On 26 March 2021 Aker Horizons entered as new owners of Rainpower. Aker Horizons' ambition is to use Rainpower as a platform to build a next generation technology company to optimize hydropower developments and operations.

AH Åtte AS, a 100% owned subsidiary of Aker Horizons, acquired 100 percent of the shares in Rainpower Holding AS and contributed with NOK 100 million in capital. In connection with the acquisition Rainpower was recapitalized with renewal of the company's loan agreements with our lenders, and increased credit facilities. Borrowings of NOK 112.6 was converted to a subordinated loan which is considered as an equity injection. In total the recapitalization improves the company's Equity with NOK 212 million. In addition the company is issued a new RCF of NOK 40 million. In April, an extraordinary dividend of NOK 8.5 million was paid to the new owners, agreed as part of the recapitalization.

Throughout the year AH Åtte AS has contributed with addition capital of NOK 50 million.

Note 13 Investments in subsidiaries

Subsidiary	Country	Registered office	Ownership share	Acquisition Date/ Foundation date
Hangzhou Rainpower Technology Co Ltd	China	Hangzhou	100 %	21.08.08
Rainpower Switzerland A.G	Switzerland	Vaud	100 %	08.11.11
Rainpower Hydro Enerji ve Ticaret Limited Sirketi	Turkey	Istanbul	100 %	01.12.10
Rainpower Kristinehamn AB	Sweden	Kristinehamn	100 %	31.12.11

In 2021 Rainpower Holding AS has been merged with its Norwegian subsidiaries Rainpower Norge AS, Rainpower AS, Rainpower Technology AS, and Hymatek Controls AS.

Note 14 Trade payables and other current liabilities

NOK 1,000	2021	2020
Trade payable	27 106	110 375
Trade payable to related parties	-	10 637
Total accounts payable	27 106	121 012
Holiday allowance	21 253	22 299
Service- / warranty provision	9 151	6 332
Other current liabilities	7 080	4 098
Total other current liabilities	37 485	32 730



Note 15 Financial liabilities

Net liabilities

NOK 1,000	2021		2020	
Cash and cash equivalents		7 689		14 015
Current borrowings		-31 158		-73 077
Non-current borrowings		-53 000		-45 017
Net debt		-76 469		-104 079

	Cash and bank deposit	Current borrowings from financial institutions	Non-current borrowings from financial institutions	Sum
Net debt 01.01.2021	14 015	-73 077	-45 017	-104 079
Cash flows	-6 326	-23 925	-53 483	-83 734
Reclassification		67 165	45 500	112 665
Translation differences	-	-1 321		-1 321
Net debt 31.12.2021	7 689	-31 158	-53 000	-76 469

In connection with the change of ownership of the company, Rainpower was recapitalized with renewal of the company's loan agreements and increased credit facilities. The loan agreements were renewed until March 2026. Borrowings of NOK 112.6 was converted to a subordinated loan which is considered as an equity injection

Note 16 Borrowings

Terms and debt repayment schedule per 31 December 2021:

NOK 1,000	Amount in NOK	Nominal interest rate	Year of maturity	Instalments
NOK lån - SEB GIEK Bullet facility loan	13 000	Bullet base rate + 2,9%	2026	Freeze instalment
NOK lån - Revolving Credit facility	40 000	3 months NIBOR + 2,9%	2026	
Multi currency overdraft facility with SEB	31 158	3 months NIBOR + 2,9%	2022	n/a
Total	84 158			

The total exposure, including bank loans, with the Group's main bank is secured against mortgages on operating equipment, inventories and trade receivables. Security has also been pledged on the shares in Rainpower's subsidiaries.

Carrying amount of assets pledged as security:

NOK 1,000	2021		2020	
Trade receivables		75 601		46 727
Property, plant and equipment		4 153		5 397
Inventories		2 135		2 224
Total		81 889		54 348

The company's covenants are based on requirements for minimum liquidity and maximum investments. These figures are reported to the credit institution each quarter.

The Group is exposed to interest rate changes with respect to borrowings based on the following maturity structure:

NOK 1,000	2021		2020	
Due in less than 1 year		31 158		76 827
Due in 1 to 5 years		53 000		41 267
Due in more than 5 years		-		-
Total		84 158		118 094



Note 17 Tax

Breakdown of tax expense

NOK 1,000	2021	2020
Current income tax	938	779
Change in deferred tax	1 815	5 005
Total	2 753	5 784

The tax on the Group's profit or loss before tax differs from the amount that would have resulted if the Group's weighted average tax rate had been applied. The difference is reconciled below:

NOK 1,000	2021	2020
Income before taxes	-136 515	-134 517
Expected income taxes at statutory tax rate	-30 135	-29 755
Non-deductible expenses	2 623	11 306
Prior year assessment	24 469	3 749
Unrecognized and unused tax losses and deductible temporary differences	5 766	20 391
Paid withholding tax	30	93
Total income tax expense	2 753	5 784
Effective tax rate	-2 %	-4 %

Breakdown of deferred tax assets and deferred tax liabilities:

NOK 1,000	Property, plant and equipment	Tax losses carry-forward	Projects under construction	Gain/loss account	Other	Not included in deferred tax asset	Total
Deferred tax at 31 December 2021							
Deferred tax asset	1 664	95 945	-	-	7 787	-59 205	46 191
Deferred tax liability	-32 080	-	-12 624	-1 213	-	-	-45 917
Net asset (liability) at 31 December 2021	-30 416	95 945	-12 624	-1 213	7 787	-59 205	274
Deferred tax at 31 December 2020							
Deferred tax asset	1 040	77 918	-	-	4 573	-53 439	30 092
Deferred tax liability	-5 961	-	-20 495	-1 516	-	-	-27 972
Net asset (liability) at 31 December 2020	-4 921	77 918	-20 495	-1 516	4 573	-53 439	2 120



Breakdown of changes in net deferred tax during the year:

NOK 1,000	2021	2020
Net deferred tax asset (liability) at 1 January	2 120	6 941
Recognized in profit and loss	-1 815	-5 005
Currency translation differences and other	-31	184
Net deferred tax asset (liability) at 31 December	274	2 120

Deferred tax assets and deferred tax liabilities are offset if they relate to the same tax regime and there is a legal basis for offsetting. After offset, deferred tax assets and liabilities by tax regime are presented as follows in the balance sheet:

NOK 1,000	2021	2020
Deferred tax assets	274	2 120
Deferred tax liabilities		

Deferred tax assets are recognised if it is expected that sufficient taxable profits will be available from the reversal of taxable temporary differences or future taxable income to utilize such assets.

Deferred tax asset – Norway tax regime:

NOK 1,000	Tax losses carry-forward	Projects under construction	Other temporary differences	Unrecognized and unused tax losses and deductible temporary differences	Total	Tax rate	Deferred tax asset
Rainpower Holding AS	434 868	-57 384	33 682	-411 167	-	22 %	-
Norway tax regime	434 868	-57 384	33 682	-411 167	-	-	-
Rainpower Kristinehamn AB (Sweden tax regime)	1 245	-	-	-	1 245	22 %	274
Rainpower Hangzhou (Chinese tax regime)	-	-	-	-	-	25 %	-
Rainpower Group - elimination	-	-	-142 053	142 053	-	22 %	-
Total deferred tax assets booked	436 113	-57 384	-108 371	-269 114	1 245		274

Total Deferred tax asset not recognised as of 31.12.2021 is NOK 59 million.

Note 18 Sales revenue

Distribution by business areas:

NOK 1,000	2021	2020
Revenue from customer contracts	344 717	523 903
Other income	108	6 846
Total	344 825	530 749

Geographical distribution:

NOK 1,000	2021	2020
Norway	270 718	415 529
Nordic	33 886	47 528
Europe	8 980	9 981
North America	1 242	2 409
Central America	1 299	-
South America	18 018	52 367
Africa	5 470	96
Asia	5 211	2 838
Total	344 825	530 749



Note 19 Other income

NOK 1,000	2021	2020
Subletting premises	53	477
Government grant	-	6 130
Other	56	239
Other operating revenue	108	6 846

Note 20 Public subsidies

Public subsidies are recognised as a reduction in development costs in the balance sheet.

NOK 1,000	2021	2020
Skattefunn	-	1 063
Innovasjon Norge	-	480
Norges forskningsråd	346	709
Total public grants	346	2 252

Note 21 Personnel expenses, number of employees, other remunerations

NOK 1,000	2021	2020
Salary	142 385	146 421
Social security contribution	21 280	20 467
Pension cost	7 067	7 391
Other employee benefits	3 601	4 304
Personnel expenses	174 333	178 583

Number of employees	212	211
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There were no loans to employees as of December 31, 2021.

Remuneration to Board of Directors and CEO 2021

Board of Directors and CEO 2021

NOK 1,000	Salary	Pension	Other benefits
Karl-Petter Løken, chairman ¹⁾	-	-	-
Hege Brende, CEO ²⁾	1 083	22	2
Bjarte Røyrvik, chairman ³⁾	-	-	-
Jing Chen, board member ⁴⁾	-	-	-
Henning Jørgensen, board member ⁵⁾	-	-	-
Trond Morten Hassum, board member ⁶⁾	-	-	-
Vidar Borhaug, CEO ⁷⁾	2 234	53	4
Sum	3 318	76	6

Kommentarer:

1) Chairman from 26.03.2021

2) CEO from 01.08.2021

3) Chairman until 26.03.2021

4) Board member until 26.03.2021

5) Board member until 26.03.2021

6) Board member until 26.03.2021

7) CEO until 01.08.2021



The directors and officers of Rainpower Holding AS are covered under an Aker group Director & Officer's Liability Insurance (D&O). The insurance covers personal legal liabilities including defence- and legal costs. The officers and directors of the parent company and all subsidiaries globally (owned more than 50 %) are covered by the insurance. The cover also includes employees in managerial positions or employees who become named in a claim or investigation

Auditor's remuneration

PricewaterhouseCoopers is the auditor of the group. The table below presents expenses for audit and other services to the auditor.

NOK 1,000	2021	2020
Audit fee	1 346	1 485
Tax services	-	-
Other assurance services	48	134
Other non-audit services	10	-
Total	1 404	1 619

Note 22 Pensions

Pension benefits

Rainpower is obliged to operate an occupational pension scheme in accordance with the Norwegian Act on Mandatory Occupational Pensions, and the company's pension scheme in Norway satisfies the requirements of this Act.

The Group operates a defined-contribution scheme in all companies in Norway and in Sweden. Premiums recognised as an expense totalled NOK 7.067 million for 2021 (2020: NOK 7.391 million). At year-end, 163 employees are covered by the pension scheme.

The company also has an early retirement (AFP) pension scheme that covers all the company's employees in Norway. The AFP scheme is deemed to be a defined-benefit multi-enterprise scheme, but is being recognised as a defined-contribution scheme until sufficient reliable information exists to enable the Group to recognise its proportionate share of the pension cost, pension liability and pension assets under the scheme. The company's obligations have therefore not been recognised as a liability.

In China social securities are paid according to the Labor Law of China, with no extra pension liability after retirement.

Note 23 Financial income and expenses

NOK 1,000	2021	2020
Interest income bank deposit	68	1 253
Other interest income	147	63
Foreign exchange gains	13 679	40 689
Financial income	13 894	42 005
Interests overdraft facility	1 288	3 582
Interest expenses bank loans	1 862	4 614
Other interest expenses	9 596	3 891
Foreign exchange losses	12 326	54 385
Financial expense	25 073	66 472



Note 24 Leasing

The company leases a number of office buildings in addition to manufacturing and service sites. The company also leases machines and vehicles.

IFRS 16 requires all contracts that contain a lease to be recognized on the balance sheet as a right-of-use asset and other liabilities (current and non-current). Fixed non-lease components built into the lease contract will be separated, and will not be recognized as part of the obligation. The lease obligation will be discounted at the bank's marginal lending rate. The group makes use of the exemptions in recognition of short-term (defined as 12 months or less) and low-value leases (below USD 5.000). Leases that are covered by these exemptions are recognized on a continuous basis as other operating costs.

Right-of-use asset and lease liabilities

The movement in the right-of-use assets and lease liabilities since implementation is summarized below.

Right of use	Land and buildings	Machinery and vehicles	Other	Sum
NOK 1,000				
Cost at 31 December 2020	89 593	3 825	535	93 953
Additions and transfers	3 727	-155	-	3 572
Disposal at cost	-424	-	-68	-492
Cost at 31 December 2021	92 897	3 669	466	97 032
Accumulated depreciation and impairment losses at 31 December 2020	18 068	1 510	131	19 708
Depreciation	9 808	859	93	10 760
Disposal at cost	-424	-	-68	-492
Accumulated depreciation and impairment losses at 31 December 2021	27 452	2 369	156	29 976
Carrying amount at 31 December 2021	65 445	1 300	311	67 056
Lease liability				
NOK 1,000			2021	2020
Balance at 1 January			77 228	85 736
Additions			3 572	4 486
Lease payments in period			-12 808	-16 178
Interest			2 829	3 185
Carrying amount at 31 December			70 819	77 228



Amounts recognized in the income statement

The following amounts are recognized in the income statement related to leasing:

Effects on earnings		
NOK 1,000	2021	2020
Interest expense	2 829	3 185
Depreciations	10 760	14 420
Total cost from lease liabilities	13 588	17 604

Effects of IFRS 16		
NOK 1,000	2021	2020
Reduced operating expenses	-12 808	-16 142
Increased lease expense under IFRS 16	13 589	17 604
Change in profit before tax in period	782	1 462

Maturity analysis leasing liabilities, undiscounted cash flow:

NOK 1,000	2021	2020
Less than 1 year	13 082	12 784
1-2 years	12 726	12 444
2-3 years	11 219	12 069
3-4 years	11 152	10 635
4-5 years	10 992	10 568
More than 5 år	21 515	30 955
Total undiscounted lease liabilities at 31 December	80 687	89 453

Note 25 Related parties

The Rainpower Group's related parties comprise subsidiaries (see Note 13), the parent company and other companies in the Aker Group and the board and members of Group management (see Note 21).

Intercompany transactions are conducted on commercial terms and in accordance with the arm's length principle.

Total related party transactions:

Companies controlled by owner

NOK 1,000	2021	2020
Services received	3 323	12 292
Goods	51	14 600
Total	3 374	26 892

Balance sheet items with related parties as of 31 December:

NOK 1,000	2021	2020
Accounts payable to companies controlled by same owner	1 670	10 637



Note 26 Significant events and disputes

The Group is involved in certain disputes in connection with specific projects, where provisions have been made in the accounts using our best estimate. The provisions on the balance sheet are classified as part of the receivables, cf. Note 10 and project costs incurred and loss-making contracts, cf. Note 11.

For legal disputes, in which the Group assesses it to be probable that an economic outflow will be required to settle the obligation, provisions are made based on management's best estimate.

Note 27 Subsequent events

NOK 20 million in capital injection from Aker Horizons was received in February 2022.

On March 30th 2022, Aker Horizons as seller and Aker Solution as buyer signed a share sale and purchase agreement relating to 100% of the ownership of Rainpower Holding AS. The transaction is expected to complete during Q2 2022. The acquisition builds on Aker Solutions' growth strategy and will further strengthen its offering within renewables. Aker Solutions sees strong industrial synergies in further developing Rainpower into an innovative hydropower technology company to optimize hydropower developments and operations.

While COVID seems to loosen its grip, the Russian invasion of Ukraine does not have direct impact on Rainpower. However, volatile commodity prices including energy and transport prices influence business and is monitored and managed on a running basis.

No other material events to report since 31 Dec 2021..

Note 28 Going concern

The Group's financial projections used in its going-concern evaluation are based on certain assumptions about the future, including those related to future contract awards, contract pricing, execution of projects and the availability of funding. In general, the market situation and tender activity in 2021 have, as 2020, also been impacted by COVID 19, although the last quarter provided some promising signals. Our customers have years of maintenance and upgrade backlog and as such we are expecting to see the market picking up pace again although with some uncertainties related to timing. The high electricity prices experienced during end 2021 and beginning of 2022 and the increased public and political focus on the matter, further strengthens this assumption.

Substantial efforts have been focused on project execution improvement measures and several poorly performing projects have been put behind us as we enter 2022. Nevertheless, the financial ambitions for 2022 takes into consideration that we are still faced with remaining challenges for some projects, that the market is still recovering from COVID 19 effects, and that there are uncertainties relating to timing of the expected market reactions relating to maintenance and upgrade backlog and high electricity prices. Strong focus on both sales and project execution will continue in 2022.

In 2021 the management and the Board of Directors supported by Aker Horizons initiated several actions to improve the liquidity and the financial situation to secure the going concern. The outcome of these actions and processes is positive and the financial balance and financial situation have been substantially strengthened.

- Aker Horizons contributed with NOK 150 million in capital injections during 2021.
- Loan agreements were renegotiated and renewed, including partly conversion of debt to equity, and increased credit facilities.
- Continued backing from Aker Horizons have been formalized and secured allowing Rainpower to build the bridge towards future profits.

So far in 2022, Aker Horizons have contributed with an additional NOK 20 million in capital injection, and provided a parent company guarantee for the remaining budgeted capital requirements for 2022.



The company will continue its work to strengthen its monitoring of projects, costs, and liquidity, and improve the profitability going forward. Based on the contracted orders at hand, the recapitalization and capital restructuring, and the continued support from Aker Horizons the liquidity situation is expected to be sufficient throughout the year.

Based on the overall assessment, the Board of Director's assessment is that the conditions for continued operations have been complied with, and the accounts have been presented under this assumption. In accordance with the Norwegian Accounting Act section 3-3a, the Board of Directors confirms that the annual accounts are prepared in accordance with the going-concern assumption.



RAINPOWER HOLDING AS

INCOME STATEMENT

NOK 1,000	NOTE	2021	2020
Sales revenue	2	316 812	
Other operating revenue	2,6	2 415	10 892
Total operating revenue		319 228	10 892
Cost of sales		224 835	-
Personnel expenses	3	155 495	-
Depreciation and amortization	7,8	20 587	-
Impairment	7,8	18	-
Other operating expenses	3,8	55 951	10 392
Total operating expenses		456 886	10 392
Operating profit		-137 658	500
Interest income from subsidiaries		-	238
Other interest income		210	67
Other financial income	15	14 365	611
Write-down on investments in subsidiaries	5	1	165 000
Interest cost to subsidiaries		341	-
Other interest expenses	14	4 371	941
Other financial expenses	15	16 453	702
Net financial items		-6 591	-165 727
Loss before taxes		-144 249	-165 226
Income tax expense	4	30	3 609
Profit/(loss) for the period		-144 279	-168 835
Transfers and allocations			
Provision for dividends		-	8 500
To/from equity	12	-144 279	-177 335
Total transfers and allocations		-144 279	-168 835



BALANCE SHEET

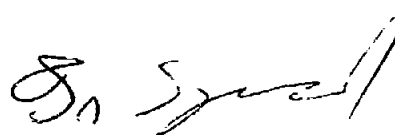
NOK 1,000	NOTE	31.12.2021	31.12.2020
ASSETS			
Non-current assets			
Research and development	7	26 393	-
Other intangible assets	7	967	-
Goodwill	7	13 820	-
Property, plant and equipment	8	3 996	-
Investments in group companies	5	6 874	150 153
Other non-current receivables		249	-
Total non-current assets		52 298	150 153
Current assets			
Inventories	9	2 135	-
Customer contract assets	10	55 840	-
Trade receivables	6	61 124	1 828
Intercompany receivables	6	842	10 632
Other receivables		5 003	1 501
Cash and cash equivalents	11	2 006	1
Total current assets		126 951	13 961
TOTAL ASSETS		179 249	164 114



NOK 1,000	NOTE	31.12.2021	31.12.2020
EQUITY AND LIABILITIES			
Share capital	12,13	1 760	510
Non-registered share capital	12	25 000	-
Share premium	12	-	61 619
Retained earnings	12	-127 542	-
Total equity		-100 782	62 129
Non-current liabilities			
Non-current borrowings	14	53 000	-
Total non-current liabilities		53 000	-
Current liabilities			
Current borrowings	14	31 158	23 136
Trade payable	6	47 872	4 193
Accrued public duties		29 245	704
Prepayments from customers	10	17 282	-
Customer contract liabilities	10	45 326	-
Provision for dividends		-	8 500
Intercompany payables	6	21 618	65 000
Derivative financial instruments	15	588	-
Other current liabilities	10	33 942	452
Total current liabilities		227 031	101 985
Total liabilities		280 031	101 985
TOTAL EQUITY AND LIABILITIES		179 249	164 114

The Board of Directors of Rainpower Holding AS, March 31st 2022


Karl-Petter Løken
Chairman


Tor Syverud
Board Member


Martin Bech Holte
Board Member


Hegg Brende
CEO



STATEMENT OF CASH FLOWS

NOK 1,000	2021	2020
Cash flow from operating activities		
Profit before income tax	-144 249	-165 226
Taxes paid	-30	-20
Depreciation	20 587	-
Write-down of long-term financial assets	18	165 000
Change in inventories	88	-
Net change in customer contract assets and liabilities	770	-
Change in trade and other receivables	-12 792	1 218
Change in trade payable and other payables	-70 844	2 038
Translation differences	-2 021	-
Other accruals and prepayment	-2 098	955
Net cash generated from operating activities	-210 570	3 964
Cash flows from investing activities		
Purchase of property, plant and equipment	-632	-
Payments for capitalized development	-3 732	-
Net cash used in investing activities	-4 364	-
Cash flows from financing activities		
Proceeds from borrowings	48 500	-
Net change in overdraft facilities	25 217	-
Proceeds from issue of share capital	150 000	-
Dividends paid	-8 500	-
Net change in group cash pool	-	-695
Repayment of borrowings	-	-3 270
Net cash used in financing activities	215 217	-3 964
Net change in cash and cash equivalents	284	-0
Cash and cash equivalents at the beginning of the period	1	1
Correction opening balance due to merger	1 722	-
Net change in cash and cash equivalents	284	-0
Cash and cash equivalents in the balance sheet as of year end	2 006	1



Accounting policies

All items in the annual financial statements are valued and accrued in accordance with the provisions of the Norwegian Accounting Act and generally accepted accounting practice.

Classification

Assets intended for permanent ownership or use and receivables that mature more than one year after the balance sheet date are recognised as non-current assets. Other assets are classified as current assets. Liabilities that mature more than one year after the end of the accounting period are recognised as long-term liabilities.

Depreciation of property, plant and equipment

Property, plant and equipment is valued at cost less depreciation, which is calculated based on the assets' cost and expected useful economic lives.

Intangible assets

Expenses for intangible assets, including expenses for research and development, are capitalized to the extent that the criteria for capitalization are met.

Operating revenues and expenses

Revenue is recognized when delivery has taken place and most of the risk and return is transferred.

Revenues from the sale of services and long-term manufacturing projects are recognized in line with the project's degree of completion, when the outcome of the transaction can be estimated in a reliable manner. Progress is measured as accrued hours in relation to total estimated hours and progress on subcontractors. When the outcome of the transaction cannot be estimated reliably, only income corresponding to accrued project costs will be recognized. During the period in which it is identified that a project will give a negative result, the estimated loss on the contract will be recognized in the income statement in its entirety.

Inventory

Inventories are valued at the lower of cost and fair value. Fair value is the net sales value at a future sale date.

Receivables

Receivables are recognised in the balance sheet at nominal value less confirmed and expected losses.

Foreign currencies

Monetary items denominated in foreign currencies are translated using the exchange rate in force at the balance sheet date.

Derivatives

Derivatives are recognised in the balance sheet at fair value at the time the derivative contract is entered into, and subsequently on an ongoing basis at fair value. Changes in fair value of derivatives that do not qualify for hedge accounting, and are recognised in income under financial items as a change in the fair value of financial assets and derivatives. The category includes foreign exchange contracts.

Pension

The company has a defined contribution pension scheme that is expensed on an ongoing basis.

Leases

Leases are treated as operating or financial leases after specific assessment of the individual lease.

Tax expense and deferred tax

The tax expense is based on the profit/loss recognised in the income statement and comprises tax payable and changes in net deferred tax.

Deferred tax relating to buildings is not recognised if the timing of the reversal of temporary differences is controlled by the company, and it is probable that these differences will not reverse in the foreseeable future. Deferred tax liabilities and deferred tax assets are presented net in the balance sheet.

**Subsidiaries and associates**

Subsidiaries, associates and joint ventures are valued using the cost method in the single-entity financial statements. Investments are recognised at the cost of the shares adjusted for any impairments where necessary. Group contributions paid to subsidiaries, less tax, are added to the cost of the shares in the balance sheet. Group contributions/dividends are recognised in income in the same year that a proposed payment is recognised in the subsidiary/associate. If a dividend/Group contribution significantly exceeds the share of the post-acquisition retained earnings, the excess amount is deemed to be a repayment of invested capital and is deducted from the investment value in the balance sheet.

Statement of cash flows

The statement of cash flows has been prepared based on the indirect method. Cash and cash equivalents include bank deposits not included in the group cash-pooling scheme. Cash-pooling scheme balances are classified as a receivable/liability due from/to companies in the same group.

Liabilities

With the exception of certain provisions, liabilities are recognised in the balance sheet at their nominal amount.



Notes to the financial statements

Note 1 Foreign branch

Rainpower Holding AS's branch in Mozambique has been consolidated in the accounts for 2021.

Capitalized assets and liabilities in the branch are consolidated in the accounts with value as of 31.12.2021, and are converted to NOK at the exchange rate as of 31.12.2021.

The book values are converted to NOK at the average exchange rate from the year in which the income and expenses arose.

Translation differences are entered directly against other equity since the translation has only been performed to obtain the correct presentation currency. Accumulated translation difference is stated in note 11 Equity.

Note 2 Sales revenue

Distribution by business areas:

	2021	2020
Revenue from customer contracts	316 812	-
Other income	2 415	10 892
Total	319 228	10 892

Geographical distribution:

	2021	2020
Norway	273 089	9 361
Nordic	10 979	1 531
Europe	8 977	-
North America	1 242	-
Central America	1 299	-
South America	18 018	-
Africa	5 415	-
Asia	210	-
Total	319 228	10 892

	2021	2020
Revenue from customer contracts	316 812	-
Other income	2 415	10 892
Total	319 228	10 892

Note 3 Personnel expenses

	2021	2020
Salary	128 300	-
Social security contribution	19 289	-
Pension cost	5 784	-
Other employee benefits	2 046	-
Personnel expenses	155 419	-

Number of employees	129	-
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Remuneration paid to the CEO

	2021	2020
Salary	3 318	-
Pension cost	76	-
Other employee benefits	6	-
Total benefits	3 400	-



No loans have been extended to and no security has been pledged on behalf of the CEO, Chairman of the Board or other related parties. No single loan/security comprises more than 5 per cent of the company's equity.

The directors and officers of Rainpower Holding AS are covered under an Aker group Director & Officer's Liability Insurance (D&O). The insurance covers personal legal liabilities including defence- and legal costs. The officers and directors of the parent company and all subsidiaries globally (owned more than 50 %) are covered by the insurance. The cover also includes employees in managerial positions or employees who become named in a claim or investigation

Pension

Rainpower is obliged to operate an occupational pension scheme in accordance with the Norwegian Act on Mandatory Occupational Pensions, and the company's pension scheme in Norway satisfies the requirements of this Act.

The company operates a defined-contribution scheme. Premiums recognised as an expense totalled NOK 3.973 million for 2021 (2020: NOK 0 million). At year-end, 163 employees are covered by the pension scheme.

The company also has an early retirement (AFP) pension scheme that covers all the company's employees in Norway. The AFP scheme is deemed to be a defined-benefit multi-enterprise scheme, but is being recognised as a defined-contribution scheme until sufficient reliable information exists to enable the Group to recognise its proportionate share of the pension cost, pension liability and pension assets under the scheme. The company's obligations have therefore not been recognised as a liability.

Auditor's remuneration

	2021	2020
Audit fee	1 002	446
Tax services	-	-
Other assurance services	48	57
Other non-audit services	10	-
Total	1 059	503

Note 4 Tax

	2021	2020
Income tax expense		
Current income tax	30	20
Change in deferred tax	-	3 588
Income tax	30	3 609

Taxable income		
Income (loss) before taxes	-144 249	-165 226
Permanent differences	106	165 000
Change in temporary differences	60 812	-
Taxable income	-83 332	-226

Tax payable in the balance sheet:		
Payable taxes current year result	-	-
Total tax payable in the balance sheet	-	-

Reconciliation of tax expense:		
Income (loss) before taxes	-144 249	-165 226
Expected income taxes at statutory tax rate	-31 735	-36 350
Non-deductible expenses	23	36 300
Paid withholding tax	30	20
Unrecognized and unused tax losses and deductible temporary differences	31 712	3 638
Tax law changes	-	-
Total	30	3 609

Effective tax rate	-0,02 %	-2,18 %
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Tax effect of temporary differences and tax losses carried forward giving rise to deferred tax liabilities and deferred tax assets, specified by type of temporary difference:

	31.12.2021	31.12.2020	Change
Property, plant and equipment	-7 563	2 056	9 619
Projects under construction	57 384	93 161	35 777
Inventory	-243	-195	48
Receivables	-1 199	-943	256
Gain/loss account	5 513	6 891	1 378
Provisions	-30 189	-16 456	13 733
Total	23 701	84 513	60 812
Tax loss carry forward	-434 868	-351 536	83 332
Unrec. and unused tax losses and ded. temporary diff.	411 167	267 023	-144 143
Basis for deferred tax	-	-	-
Deferred tax	-	-	-

Accounting standards require de-recognition of deferred tax asset if the asset is not expected to be fully utilized within a 5-7 years period. Deferred tax asset not recognized is NOK 90.5 million as per 31.12.2021.

Note 5 Investments

Subsidiary	Registered office	Ownership share	Investment at 31 December
Hangzhou Rainpower Technology Co Ltd	Hangzhou, China	100 %	3 118
Rainpower Kristinehamn AB	Kristinehamn, Sweden	100 %	3 124
Rainpower Switzerland AG	Reinfelden, Sveits	100 %	632
Rainpower Tyrkia	Istanbul, Tyrkia	100 %	-
Total			6 874

In 2021 Rainpower Holding AS has been merged with its Norwegian subsidiaries Rainpower Norge AS, Rainpower AS, Rainpower Technology AS, and Hymatek Controls AS. The merger has been completed with accounting and tax continuity so that Rainpower Holding AS takes over the companies' accounting and tax positions in connection with the transferred assets, rights and obligations. Assets and liabilities in the transferring company are carried forward with the values at which they were capitalized in the consolidated financial statements of the acquiring company (group continuity). No remuneration has been paid for the merger.

Note 6 Intragroup transactions and balances

Sale of goods and services to related parties:

Sales	2021	2020
Group companies	2 852	10 892
Total	2 852	10 892

Purchase of goods and services from related parties:

	2021	2020
Goods	30 432	-
Services	3 323	-
Total	33 755	-



Balance sheet items relating to transactions with related parties:

	Accounts receivable		Other receivables / Group receivables	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Group companies	923	1 828	842	10 632
Total	923	1 828	842	10 632

	Accounts payable		Other current liabilities / group cash pool	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Related parties	1 670	3 533	-	-
Group companies	23 369	-	21 618	-
Group contribution	-	-	-	65 000
Total	25 039	3 533	21 618	65 000

Note 7 Intangible assets

	Goodwill	Capitalized development	Other	Total
Cost at 31 December 2020	-	-	-	-
Correction opening balance due to merger	227 301	94 623	4 641	326 565
Additions and transfers	-	3 732	-	3 732
Disposal at cost	-	-7 500	-	-7 500
Cost at 31 December 2021	227 301	90 855	4 641	322 796
Accumulated amortization and impairment losses at 31 December 2020	-	-	-	-
Correction opening balance due to merger	198 991	68 061	3 330	270 382
Disposal at cost	-	-7 500	-	-7 500
Amortisation and impairments for the year	14 490	3 902	344	18 735
Accumulated amortization and impairment losses at 31 December 2021	213 481	64 462	3 674	281 617
Carrying amount at 31 December 2021	13 820	26 393	967	41 179
Estimated useful lives (years)	15 years	10-15 years	3-10 years	
Depreciation plan	Linear	Linear	Linear	

Goodwill arose from the following acquisitions;

- acquisition of a business related to GE's hydropower department at Kjeller
- Rainpower Norge AS
- Rainpower Technology AS
- Hymatek Controls AS

Goodwill is amortized over 15 year. Depreciation plan over more than 5 years is based on the long-term nature of what has been purchased. The technology in the acquired business is expected to have a useful life of at least 10 years.



Note 8 Property, plant and equipment

	Plant and machinery	Fixtures and fittings	Sum
Cost at 31 December 2020	-	-	-
Correction opening balance due to merger	11 269	40 980	52 250
Additions and transfers	-	632	632
Disposal at cost	-452	-1 266	-1 719
Cost at 31 December 2021	10 817	40 346	51 163
Accumulated depreciation and impairment losses at 31 December 2020	-	-	-
Correction opening balance due to merger	10 730	36 286	47 016
Depreciation	76	1 795	1 870
Accumulated depreciation and impairment disposed assets	-452	-1 266	-1 719
Accumulated depreciation and impairment losses at 31 December 2021	10 353	36 814	47 167
Carrying amount at 31 December 2021	464	3 532	3 996
Estimated useful lives (years)		3-15 years	
Depreciation plan		Linear	

Note 9 Inventories

	31.12.2021	31.12.2020
Materials	50	-
Self-produced finished goods	2 085	-
Total	2 135	-
Inventories assessed at cost price	2 378	-
Provisions for obsolescence	-243	-

Note 10 Construction contracts

Accrued contract revenue in the income statement for the period amounted to NOK 316.8 million (2020: NOK 0 million).

Book values for construction contracts:



	31.12.2021	31.12.2020
Construction contracts in progress, asset	55 840	-
Construction contracts in progress, liability	-62 608	-
Net construction work in progress	-6 768	-

The amount mentioned above is composed of the following:

Accumulated income on contracts	1 198 426	-
Accumulated contract income invoiced	-1 159 868	-
Provisions for incurred project costs	-22 850	-
Provisions loss-making contracts	-22 476	-
Net construction work in progress	-6 768	-

Advance payments from customers related to work not yet carried out -17 282

Service- / warranty provision -7 713 -

Expected expenditure for future guarantee work relating to sales/completed projects is expensed against the corresponding item in the balance sheet. The provision is based on historical figures for guarantees and is classified as a current liability in the statement of financial position.

Issued bank guarantees relating to construction contracts totalled NOK 119.1 million (2020: NOK 180.7 million).

Special events and disputes

Rainpower is involved in some disputes in specific projects, where provisions have been made in the accounts according to the best estimate. The provision in the balance sheet is classified as part of incurred project costs and loss-making contracts.

Note 11 Restricted funds

Restricted bank deposits

	31.12.2021	31.12.2020
Employees tax deduction, deposited in a separate bank acct	1 744	1

Note 12 Equity

	Share capital	Share premium	Non-reg. cap issue	Retained earnings	Hybrid capital	Total
Equity 01.01.2021	510	61 619	-	-	-	62 129
Subordinated loan	-	-	-	-	112 665	112 665
Capital increase	1 250	123 750	25 000	-	-	150 000
Merger	-	-185 369	-	-93 907	-	-279 276
Translation differences	-	-	-	-2 021	-	-2 021
Loss for the year	-	-	-	-144 279	-	-144 279
Equity 31.12.2021	1 760	-	25 000	-240 207	112 665	-100 782

Changed ownership and recapitalization

On 26 March 2021 Aker Horizons entered as new owners of Rainpower. Aker Horizons' ambition is to use Rainpower as a platform to build a next generation technology company to optimize hydropower developments and operations.

AH Åtte AS, a 100% owned subsidiary of Aker Horizons, acquired 100 percent of the shares in Rainpower Holding AS and contributed with NOK 100 million in capital. In connection with the acquisition Rainpower was recapitalized with renewal of the company's loan agreements with our lenders, and increased credit facilities.

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Borrowings of NOK 112.6 was converted to a subordinated loan which is considered as an equity injection. In total the recapitalization improves the company's Equity with NOK 212 million. In addition the company is issued a new RCF of NOK 40 million. In April, an extraordinary dividend of NOK 8.5 million was paid to the new owners, agreed as part of the recapitalization.

Throughout the year AH Åtte AS has contributed with addition capital of NOK 50 million.

Note 13 Shareholders

As of 31 December 2021, Rainpower Holding AS's share capital amounted to NOK 2,009,808 including non-registered shares, each share with a nominal value of NOK 0.01.

Rainpower Holding AS has two share category, A-shares and B-shares. Shareholders of A-shares have a preferred right to distributions from the company. All shares grants one vote at the company's general meeting.

Share capital of Rainpower Holding AS as of 31 December 2021 comprised the following:

	Number of shares	Nominal value	Carrying amount
A-shares	125 000 000	0,01	1 250
B-shares	50 980 773	0,01	510
Total	175 980 773		1 760
Non-registered shares	25 000 000	0,01	250
Total	200 980 773		2 010

Carrying amount in NOK 1,000

Ownership structure

The shareholders as of 31 December 2021 were:

	A-shares	Share holdings	Voting rights
AH Åtte AS	150 000 000	100,0 %	100,0 %
Total	150 000 000	100,0 %	100,0 %

	B-shares	Share holdings	Voting rights
AH Åtte AS	50 980 773	100,0 %	100,0 %
Total	50 980 773	100,0 %	100,0 %

Note 14 Pledged assets and guarantees etc.

The total exposure, including bank loans, with the Group's main bank is secured against mortgages on operating equipment, inventories and a factoring agreement. Security has also been pledged on the shares in Rainpower AS and the shares in subsidiaries.

The company has an overdraft facility of NOK 55 million. As of 31 December 2021, the Group has drawn a total of NOK 31.2 million on the credit facility.

None of the company's long-term liabilities mature later than in five years.

Debts secured by mortgage	31.12.2021	31.12.2020
Non-current borrowings	-53 000	-
Current borrowings	-31 158	-23 136
Total	-84 158	-23 136

Charged interest in 2021 is equivalent to NOK 3.1 million.



In connection with the change of ownership of the company, Rainpower was recapitalized with renewal of the company's loan agreements and increased credit facilities. The loan agreements were renewed until March 2026. Borrowings of NOK 112.6 was converted to a subordinated loan which is considered as an equity injection

Rainpower is often required to provide advance payment, performance and warranty guarantees in connection with construction activities. These guarantees are issued under the guarantee facility established by Rainpower Holding AS. Outstanding advance payment, performance and warranty guarantees are mainly issued in relation to construction contracts entered into with project companies. Total guarantees as per 31.12.2021 was NOK 119.1 million.

Note 15 Foreign currency

For the financial year, NOK 14.4 million in exchange gains and NOK 10.3 million in foreign exchange losses have been recognised. The respective comparative figures for 2020 were NOK 0.6 million in foreign exchange gains and NOK 0.7 million in foreign exchange losses.

Foreign currency risk

The company operates internationally and is exposed to foreign exchange risk in multiple currencies. The main currencies to which the company is exposed are EUR, USD, SEK and CNY. Foreign exchange risk attaches to future commercial transactions, long-term construction contracts and recognised assets and liabilities.

Management has prepared guidelines instructing company to manage foreign exchange risk relating to the company's functional currencies. The company is required to consider hedging all foreign exchange risk through the central finance department. In order to manage foreign exchange risk on future commercial transactions and recognised assets and liabilities, the company uses forward exchange contracts entered into with external bank.

Derivatives

Derivatives are recognised in the balance sheet at fair value at the time the derivative contract is entered into, and subsequently on an ongoing basis at fair value. Changes in fair value of derivatives that do not qualify for hedge accounting, and are recognised in income under financial items as a change in the fair value of financial assets and derivatives. For more information about derivatives, refer to Note 3 Financial risk management in the consolidated financial statement of the Group.

Note 16 Subsequent events

For information about subsequent events, refer to Note 27 Subsequent events in the consolidated financial statement of the Group.

Note 17 Going concern

The annual financial statements is prepared in accordance with the going concern principle. Please refer to the discussion in the Report from the Board of Directors for further comments on the going concern assumption and Note 28 Going concern in the consolidated financial statement of the Group.



To the General Meeting of Rainpower Holding AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

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

- The financial statements of the parent company Rainpower Holding AS (the Company), which comprise the financial positions as at 31 December 2021, the income statement 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 Rainpower Holding AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2021, the income statement, statement of 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.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

Basis for Opinion

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

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T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Independent Auditor's Report - Rainpower Holding 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

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, 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. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

(2)



Independent Auditor's Report - Rainpower Holding AS



For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 31 March 2022
PricewaterhouseCoopers AS

Vidar Lorentzen
State Authorised Public Accountant

(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

Signers:

Name
Lorentzen, Vidar

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Skatteetaten

Vår dato 27.02.2019	Din/Deres dato 28.11.2018	Saksbehandler Torstein Kinden Helleland
800 80 000 Skatteetaten.no	Din/Deres referanse Bjørn Solem	Telefon 22078139
Org.nr 974761076	Vår referanse 2019/5190924	Postadresse Postboks 9200 Grønland 0134 OSLO

RAINPOWER HOLDING AS
Postboks 144
2027 KJELLER

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Rainpower Holding AS, org.nr. 996 968 480

Vi viser til deres brev av 28. november 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Rainpower Holding AS.

Skattedirektoratet gir på bakgrunn av en konkret vurdering Rainpower Holding AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Rainpower Holding AS er eid av tre selskaper. To av selskapene er utenlandske og eier tilsammen 33 % av aksjene. Selskapets virksomhet er engineering og prosjektledelse innen vannkraftbransjen. Selskapet er konsernspiss og har norske og utenlandske datterselskaper. Selskapet opererer i en bransje av sterk internasjonal karakter. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *”årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i



Samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *“informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapet er eid av tre selskaper, hvor to er utenlandske. Selskapet driver virksomhet i en internasjonal bransje og arbeidsspråket er engelsk. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Henning Stokke
seniorrådgiver
Juridisk avdeling
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.