



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 980 251 160
Organisasjonsform: Aksjeselskap
Foretaksnavn: EASTERN NORGE SVARTISEN AS
Forretningsadresse: c/o Angell Advokatfirma AS
v/John Steen Holm
Tollbugata 8
8006 BODØ

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Riku Kananen
Dato for fastsettelse av årsregnskapet: 17.02.2022

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, 03.08.2023



Resultatregnskap

Beløp i: EUR	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	8,9	20 617 835	13 091 981
Sum inntekter		20 617 835	13 091 981
Kostnader			
Lønnskostnad	6	67 499	67 262
Avskrivning på varige driftsmidler og immaterielle eiendeler	2,3	3 396 858	3 397 863
Annen driftskostnad	6,8	7 047 002	4 109 838
Sum kostnader		10 511 359	7 574 963
Driftsresultat		10 106 476	5 517 018
Finansinntekter og finanskostnader			
Annen finansinntekt	7	336 016	604 061
Sum finansinntekter		336 016	604 061
Annen finanskostnad	7	1 822 528	2 122 271
Sum finanskostnader		1 822 528	2 122 271
Netto finans		-1 486 512	-1 518 210
Ordinært resultat før skattekostnad		8 619 964	3 998 808
Skattekostnad på ordinært resultat	5	9 097 614	-1 858 405
Ordinært resultat etter skattekostnad		-477 650	5 857 213
Årsresultat		-477 650	5 857 213
Overføringer og disponeringer			
Ordinært utbytte		1 139 700	
Konsernbidrag		4 893 474	1 586 828
Overføringer til/fra annen egenkapital		-6 510 825	4 270 385
Sum overføringer og disponeringer		-477 651	5 857 213



Balanse

Beløp i: EUR	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	2	96 617 652	99 644 837
Sum immaterielle eiendeler		96 617 652	99 644 837
Varige driftsmidler			
Maskiner og anlegg	3	11 373 522	11 743 194
Sum varige driftsmidler		11 373 522	11 743 194
Finansielle anleggsmidler			
Andre fordringer	5	795 236	752 667
Sum finansielle anleggsmidler		795 236	752 667
Sum anleggsmidler		108 786 410	112 140 698
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		595 248	26 613
Andre fordringer		9 163 968	13 011
Sum fordringer		9 759 216	39 624
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		11 881 740	5 728 949
Sum bankinnskudd, kontanter og lignende		11 881 740	5 728 949
Sum omløpsmidler		21 640 956	5 768 573
SUM EIENDELER		130 427 366	117 909 271

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: EUR	Note	2021	2020
Egenkapital			
Innskutt egenkapital			
Selskapskapital	1	22 011 200	22 011 200
Overkurs	1	48 096 563	48 096 563
Sum innskutt egenkapital		70 107 763	70 107 763
Opptjent egenkapital			
Annen egenkapital	1	584 307	7 095 132
Sum opptjent egenkapital		584 307	7 095 132
Sum egenkapital		70 692 070	77 202 895
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	4	36 606 998	39 606 998
Sum annen langsiktig gjeld		36 606 998	39 606 998
Sum langsiktig gjeld		36 606 998	39 606 998
Kortsiktig gjeld			
Leverandørgjeld		6 552 756	134 333
Betalbar skatt	5	7 717 403	-1 553 305
Skyldige offentlige avgifter		905 193	4 717
Utbytte		1 139 700	
Kortsiktig konserngjeld	4	6 273 685	2 034 395
Annen kortsiktig gjeld		539 560	479 239
Sum kortsiktig gjeld		23 128 297	1 099 379
Sum gjeld		59 735 295	40 706 377
SUM EGENKAPITAL OG GJELD		130 427 365	117 909 272



Skattedirektoratet

Saksbehandler Jan Hoelstad	Deres dato 23.11.2010	Vår dato 16.12.2010
Telefon 22077325	Deres referanse Suzanne Amundsen	Vår referanse 2010/1220039

Ernst & Young AS
Oslo Atrium, Postboks 20
0051 Oslo

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk

Det vises til deres brev av 23. november 2010 hvor det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskap:

- Svartisen Holding AS Org. nr: 985 943 265
- Eastern Norge Svartisen AS Org. nr: 980 251 160

Bakgrunn:

Fra deres brev gjengis:

"Svartisen Holding AS er et holdingselskap med forretningsadresse i Oslo, som er eid av eid av tre finske kommunale kraftselskaper. Selskapet eier 100 % av aksjene i Eastern Norge Svartisen AS.

Eastern Norge Svartisen AS er et kraftselskap med forretningsadresse i Bodø som eier en uttaksrett ved Svartisen kraftverk. Eastern Norge Svartisen har solgt sin fremtidige kraftproduksjon de nærmeste årene.

Kraftbransjen har et sterkt innslag av internasjonale aktører, der samtlige behersker engelsk. Begge selskapene har finsk daglig leder og samtlige styremedlemmer er også finske. Ingen av disse personene snakker norsk og det er engelsk og finsk som blir benyttet som arbeidsspråk.

Det er heller ingen forhold rundt selskapets finansiering som skulle tilsi behov for regnskap på norsk, siden selskapenes bankforbindelser etterspør all informasjon på engelsk eller finsk.

Da den norske versjonen kun utarbeides for å tilfredsstille regnskapsloven, anses nytten ikke å forsvare kostnaden, det søkes derfor om dispensasjon."

Skattedirektoratets vurdering og konklusjon

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."

Postadresse Postboks 9200 Grønland 0134 Oslo	Besøksadresse Fredrik Selmers vei 4 Org. nr: 974761076	Sentralbord 800 80 000 Telefaks 22 17 08 60
skattedirektoratet@skatteetaten.no		



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. Offentlige myndigheter må også anses som en sentral regnskapsbruker, idet ulike myndigheter, som lignings- og tilsynsmyndigheter, benytter regnskapene som et verktøy i sin kontrollvirksomhet.

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

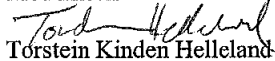
Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjonen som skal vurderes ved en dispensasjonssøknad. Selv om de norske selskapene har vesentlige inntekter i Norge, er selve driftsaktivitetene begrenset hva angår ansatte og antall transaksjoner. Selskapets eiere, styre og daglige ledelse snakker ikke norsk. Selskapene er finansiert fra utlandet.

Skattedirektoratet gir på bakgrunn av en helhetsvurdering de ovenfor nevnte selskapene dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen


Torstein Kinden Helleland

seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet


Jan Hoelstad



Statsautoriserte revisorer
Ernst & Young AS
Dronning Eufemias gate 6a, 0191 Oslo
Postboks 1156 Sentrum, 0107 Oslo

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Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Eastern Norge Svartisen AS

Opinion

We have audited the financial statements of Eastern Norge Svartisen AS (the Company), which comprise the balance sheet 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.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

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 in accordance with the requirements of the relevant laws and regulations in Norway 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 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

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, 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 and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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 ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



going concern basis of accounting unless management either intends to liquidate the Company 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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

Oslo, 17 February 2022
ERNST & YOUNG AS

Andreas Lie
State Authorised Public Accountant (Norway)



Financial Statements 2021

Eastern Norge Svartisen AS

Org. Nr 980 251 160

Utarbeidet av Azets Insight AS





INCOME STATEMENT

01.01 - 31.12

Eastern Norge Svartisen AS

Amount in EUR	Notes	2021	2020
Revenue			
Sales	8,9	20 617 835	13 091 981
Revenue		20 617 835	13 091 981
Operating expenses			
Personell costs	6	67 499	67 262
Depreciation and amortization	2, 3	3 396 858	3 397 863
Other operating expenses	6, 8	7 047 002	4 109 838
Total operating expenses		10 511 359	7 574 963
Operating result		10 106 476	5 517 018

FINANCIAL INCOME AND EXPENSES

Financial income	7	336 016	604 061
Financial expenses	7	1 822 528	2 122 271
Net financial expenses		-1 486 513	-1 518 210
Profit before tax		8 619 963	3 998 808
Taxes on ordinary income	5	9 097 614	-1 858 405
Net profit (loss) for the year		-477 650	5 857 213

Information on allocations:

Transferred to/from other equity		-6 510 825	4 270 385
Group contribution after taxes		4 893 474	1 586 828
Dividend		1 139 700	0
Total allocated		-477 650	5 857 213



ASSETS 31.12

Eastern Norge Svartisen AS

Amount in EUR	Note	2021	2020
Non current assets			
Intangible fixed assets			
Off take rights	2	96 617 652	99 644 837
Deferred income tax asset	5		
Total intangible fixed assets		96 617 652	99 644 837
Tangible fixed assets			
Equipment	3	11 373 522	11 743 194
Total tangible fixed assets		11 373 522	11 743 194
Financial assets			
Natural resources tax	5	795 236	752 667
Total financial fixed assets		795 236	752 667,00
Total non current assets		108 786 411	112 140 698
CURRENT ASSETS			
Debtors			
Accounts receivables		595 248	26 613
Other receivables		9 163 968	13 011
Total receivables		9 759 215	39 624
Cash and cash equivalents		11 881 740	5 728 949
Total current assets		21 640 956	5 768 573
TOTAL ASSETS		130 427 366	117 909 271



EQUITY AND LIABILITIES 31.12

Eastern Norge Svartisen AS

Amount in EUR	Note	2021	2020
EQUITY			
Owners equity			
Share capital	1	22 011 200	22 011 200
Share premium	1	48 096 563	48 096 563
Total owners equity		70 107 763	70 107 763
Retained earnings			
Other equity	1	584 307	7 095 132
Total accumulated profits		584 307	7 095 132
Total equity		70 692 070	77 202 895
LIABILITIES			
Other non current liabilities			
Liabilities to financial institutions			
Liabilities to group companies	4	36 606 998	39 606 998
Total other non current liabilities		36 606 998	39 606 998
Current liabilities			
Group contribution	4	6 273 685	2 034 395
Trade creditors		6 552 756	134 333
Tax payable	5	7 717 403	-1 553 305
Public duties payable		905 193	4 717
Dividend payable	1	1 139 700	
Other current liabilities		539 560	479 239
Total current liabilities		23 128 298	1 099 379
Total Liabilities		59 735 296	40 706 377
TOTAL EQUITY AND LIABILITIES		130 427 366	117 909 272

Oslo, February 17th 2022

Jukka Ilmari Toivonen
Chairman of the Board

Timo Honkanen
Board member

Timo Patana
Managing director

Risto Kantola
Board member



CASH FLOW STATEMENT

01.01 - 31.12

Eastern Norge Svartisen AS

Amount in EUR	2021	2020
Cash flow from operating activities		
Net result before taxes	8 619 963	3 998 807
Paid tax	1 553 305	-6 980 898
Depreciation	3 396 858	3 397 863
Changes in account receivables and trade creditors	5 849 789	2 164 814
Changes in other accruals	-8 232 728	376 449
Net cash flow from operating activities	11 187 186	2 957 035
Cash flow from investing activities		
Purchase of tangible fixed assets	0	-1
Net cash flow from investing activities	0	-1
Cash flow from financing activities		
Group contribution	-2 034 395	-6 436 487
Paid dividends	0	0
New long term debt	0	0
Repayment of long term debt	-3 000 000	-3 500 000
Net cash flow from financing activities	-5 034 395	-6 209 000
Net change in cash and cash equivalents	6 152 791	-6 979 452
Cash and cash equivalents at 01.01	5 728 949	12 708 401
Cash and cash equivalents at 31.12	11 881 740	5 728 949



Accounting Principles

The annual report is prepared according to the Norwegian Accounting Act and generally accepted accounting principles.

Sales revenue

Sales revenues are recognized at the time of delivery. Loss or income on financial hedging instruments are classified as sales revenue and is recognized at the time of delivery for the secured power. Unrealized gain / losses related to hedging instruments is not reflected the financial statements.

Classification of items in the Balance Sheet

Net current assets and short term liabilities include items due less than one year from draw-down and items tied to the operating cycle. Other entries are classified as fixed assets and long term liabilities.

Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognized at nominal value.

Fixed assets are valued by the cost of acquisition, but is written down to fair value if the reduction is considered permanent. Long term debt are recognized at nominal value. 1st year of settlements do not reclassify as short term dept.

Account receivables

Account receivables and other current receivables are recorded in the balance sheet at cost less provisions for doubtful receivables. Provisions for doubtful receivables are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss.

Monetary items in foreign exchange

Foreign currency transactions are recorded at transaction rate, while balance sheet items are recorded at year-end exchange rates.

Prepaid off-take rights

In 1998 Eastern Norge Svartisen AS entered into an agreement with Nordland Fylkeskommune and AS Nordlandskraft regarding off take rights of power from Svartisen powerstation. Currently the offtake right applies to 87 per cent of Fylkeskommunen's 30 per cent share in Svartisen powerstation. The contract covers a period of 55 years, with 32 years remaining. Eastern Norge Svartisen has to cover investment- and administration costs for their share of production in the plant as long as the agreement is in force. The company amortize the prepaid off take rights linearly over the lifetime.

Equipment

Equipment is capitalized and depreciated over the estimated useful economic life. Maintenance costs are expensed as incurred, whereas improvements and upgrading are assigned to the acquisition cost and depreciated along with the asset. If carrying value of a non current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net fair value and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.

Income tax

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at 22 percent on the basis of existing temporary differences between balance sheet values for accounting purposes and taxation purposes and taxation loss carried forward, at the year end. Temporary differences that can be offset is netted in the balance sheet. Deferred tax assets are recorded in the balance sheet to the extent it is highly probable that the tax assets will be utilized.



Ground interest tax

Ground interest is taxed by a rate of 47,4%. The taxation is based on hourly spot prices with deductions of operating cost and tax payable on ordinary income. The company is allowed a minimum level of Ground Interest Income (Free Income) based on depreciated investment costs. Each powerstation is a taxable unit. Negative ground income is paid in the settlement with the income year according to the Tax Payment Act.

Natural resource tax

Natural resource tax is an income independent tax. It is estimated on the basis of average annual production the last 7 years. The tax rate is currently 1,3 øre/kwh. Natural resource tax can be deducted from income tax. It can also be deferred and it is therefore normally not considered as a tax-expense. Deferred natural resource is classified as a financial fixed asset.

Cash flow

The cash flow statement is made by indirect method. The cash flow statement contains cash, cash equivalents and other short term, liquied investments.

Functional and presentation currency.

Eastern Norge Svartisen AS has its financing agreements and sale revenues in EUR. As a result it was determined that the functional currency was EUR. Due to this, Eastern Norge Svartisen AS changed also its presentation currency to EUR.

Note 1 Owners equity

Amount in EUR

	Issued capital	Shared premium reserve	Other equity	Total equity
Owners equity 01.01	22 011 200	48 096 563	7 095 132	77 202 895
Profit for the year	0	0	-477 650	-477 650
Group contribution	0	0	-4 893 474	-4 893 474
Dividend payments	0	0	-1 139 700	-1 139 700
Owners equity 31.12.	22 011 200	48 096 563	584 307	70 692 070

Share capital

	Number of shares	Nominal value	Share capital
Ordinary shares	2 000 000	100	200 000 000 NOK 22 011 200 EUR

All the shares are owned by Svartisen Holding AS which have office in Oslo. Final accounts will be delivered from the accountant Azets Insight AS, avd. Trondheim on request.

Note 2 Intangible assets

Amount in EUR

Off take rights	2021	2020
Acquisition cost at 01.01	166 699 283	166 699 283
Purchase intangible fixed assets	0	0
Disposals intangible fixed assets	0	0
Acquisition cost 31.12	166 699 283	166 699 283
Accumulated amortization at 31.12	70 081 631	67 054 446
Net carrying amount at 31.12	96 617 652	99 644 838
Amortization for the year	3 027 185	3 027 185
Depreciation period	55 year	55 year



Note 3 Tangible fixed assets

Amount in EUR

Equipment	2021	2020
Acquisition cost at 01.01.	16 016 639	16 016 636
Purchase	0	3
Acquisition cost 31.12.	16 016 639	16 016 639
Accumulated depreciation 31.12.	4 643 117	4 273 445
Net carrying amount at 31.12.	11 373 522	11 743 194
Depreciation for the year	369 672	370 678
Depreciation operating equipment	3 years	3 years
Depreciation new and renovated turbine	40 years	40 years

Note 4 Intercompany balance group company and associate

Amount in EUR

	2021	2020
Short term debt on Svartisen Holding	-7 687 937	-2 034 395
Loan from Svartisen Holding	-36 606 998	-39 606 998
Total	-44 294 935	-41 641 393

The loan was converted from NOK to EUR at 01.01.2017. The loan can be terminated by Svartisen Holding AS. If the loan is terminated it must be redeemed within 10 workdays. No such termination is done as of today. Svartisen Holding has also committed them selfs not to claim termination in 2021. Part of the loan, not exceeding 10% of the loan, might be repaid during 2021 subject to the equity situation in Eastern Norge Svartisen AS. The agreement prevents Eastern Norge Svartisen to mortgage assets. The creditor can claim pledge. The interest rate on the loan is 3 % from 08.03.2017.



Note 5 Income taxes

Amount in EUR

Tax expenses	2021	2020	
Income Tax payable	956 143	0	
Use of not capitalized losses carried forward	0	0	
Tax effect on group contribution	1 380 211	447 567	
Changes in prior years taxes	0	0	
Currency effect	0	0	
Ground interest tax payable	6 761 259	-2 305 972	
Change in natural resource tax carried forward	0	0	
Natural resource tax payable	815 969	752 667	
Natural resource tax deductible from income tax	-815 969	-752 667	-3 708 948
Total income tax expense	9 097 614	-1 858 405	

Tax base estimation

Profit before tax	8 619 963	8 577 394
Currency effect	2 042 398	-6 548 743
Permanent differences	-42 569	5 743
Group contribution	-6 273 685	-2 034 395
Changes in losses carried forward	0	0
Changes in temporary differences	0	0
Tax base	4 346 107	0

Temporary differences outlined

Provisions	0	0
Loss carried forward	0	0
Total	0	0

-7 717 403

Balance sheet items

Calculated income taxes	-956 143	0
Deduction paid natural resource taxes		0
Calculated natural resource tax	795 236	752 667
Ground interest tax payable	-6 761 259	-2 305 972
This year tax payable in the balance sheet	-6 922 166	-1 553 305

42 569

Deferred income tax asset (liability) nominal value	0	0
Not capitalized tax assets	0	0
Deferred tax assets in the balance sheet	0	0

Deductable natural resource tax in the balance sh	0	0
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Effective tax rate	2021	2020
Expected income taxes, statutory		
Tax rate 22%	1 896 392	879 738
Permanent differences (22%)	-9 365	1 264
Currency effect	449 328	-433 434
Ground interest tax payable	6 761 259	-2 305 972
Changes in prior years taxes	0	0
Currency effec nat.rec tax forwarded	0	0
Income tax expense	9 097 614	-1 858 404

Effective tax rate in %	105,5 %	-46,5 %
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Note 6 Fees

Amount in EUR

There are no employees in the company

Management remuneration	Board of Directors	Managing director
Salary	0	34 200
Committee fee	28 350	0
Employers' contribution	2 240	2 709
Total	30 590	36 909

There are no agreements about servance pay to the management. The Company is not included in mandatory occupational pension.

Auditor	2021	2020
Auditing fee	14 710	13 032
Tax assistance	0	0

The amounts are excl. VAT

Note 7 Items consisting of consolidated amounts

Amount in EUR

Finance Income	2021	2020
Currency gain	0	0
Other interest income	336 016	604 061
Total finance income	336 016	604 061

Finance Costs	2021	2020
Interest expense from group companies	1 158 210	1 214 459
Other interest expenses	102 609	78 319
Currency loss	561 708	829 489
Total finance costs	1 822 527	2 122 267

Note 8 Long term powersalesagreement

Eastern Norge Svartisen AS sells its production to Statkraft in the spot market. They have entered into a contract with owners Vantaan Energia Oy, Turku Energia Oy and Oulun Seudun Sähkö who purchases production until 2027 to a fixed price. Deviation between fixed and market price is settled financially with owners.

Market value for this SWAP is 31.12.2021 EUR -10 693 200

Yearly income attached to the agreement will be:

Year	000 EUR
Yearly 2018 - 2027	12 540

In addition to the SWAP, Vantaan Energia OY, Turku Energia Oy and Oulun Seudun Sähkö has agreed to each year compensate the payable tax (from ground interest and income tax) that Eastern Norge Svartisen AS is obliged to pay under Norwegian Tax regulations, as part of their purchase cost for electricity from Eastern Norge Svartisen AS



Note 9 Forward contracts

Eastern Norge Svarisen AS purchased NOK forwards of 50 mNOK to hedge operating costs in the period 2018 - 2022.

Current market value is EUR -146 454



Directors' Report 2021

Eastern Norge Svartisen AS

Eastern Norge Svartisen AS (hereinafter ENS) was founded on 12 October 1998. On 29 December 2003, ENS became a wholly owned subsidiary of Svartisen Holding AS.

In 1998, ENS entered into an agreement with Nordland Fylkeskommune and AS Nordlandskraft regarding offtake rights of power from the Svartisen power plant. Currently the offtake right applies to 87 per cent of Fylkeskommune's 30 per cent share in the Svartisen power plant. The contract covers 55 years with 32 years currently remaining.

As a part of the administration process of TXU Europe Group plc and as a result of an international tender process, a Finnish consortium consisting of Vantaan Energia Oy, Oy Turku Energia – Åbo Energi Ab and Keskusosuuskunta Oulun Seudun Sähkö acquired the entire share capital of ENS on 29 December 2003 through a Norwegian holding company Svartisen Holding AS. Svartisen Holding AS was established for the purposes of conducting the share purchase transaction.

Organization

ENS is a company, which has a part-time Managing Director based in Finland. The management of the company is organized with the assistance from the parent company Svartisen Holding AS and outside service providers like Power-Deriva Oy, Azets Insight AS and the law firm Gram, Hambro & Garman. ENS has an office in Bodo.

The Board of Directors on 2021 has been: Mr. Jukka Toivonen (Chairman), Mr. Timo Honkanen and Mr. Risto Kantola. Mr Timo Patana has been the Managing Director during the year 2021.

Environment

ENS does not pollute the external environment beyond what is normal for this type of activity.

Equal status

Although the Company endeavours to avoid the gender discrimination, as of 31 December 2021 the Board consists of three men and no women. There are no plans currently to increase the number of women.

Production

ENS has made a long-term lease agreement which gives ENS a right to use 26,1 % of the Svartisen's power plant's electricity production capacity. Vantaan Energia, Turku Energia and Oulun Seudun Sähkö (hereinafter as Counterparties) have right to nominate power from the power plant as mentioned above.



There is an agreement, a SWAP Contract (hereinafter as ESC), between ENS and Counterparties. The ESC effectively fixes the payment that ENS receives and the Counterparties pay. Under the ESC the Counterparties receive a payment based on a floating price and a time-varying quantity of electricity from the Svartisen's power plant by each Counterparty. The ESC was originally in effect until 31.12.2022 and has been extended until 31.12.2027. The ESC has been amended 2019 and onwards to compensate the effect of the Ground Interest Tax by Counterparties.

During the year 2021, the electricity production for the buyers under the long-term swap agreement was 558,4 GWh, which is about 516 GWh more than in 2020. The production was about 98 percent of the long-term average yearly water inflow.

Besides annual service periods, there were no major unavailabilities.

The water inflow was 659 GWh which is above the long-term average 570 GWh. The water level in the reservoir increased. At the end of 2021, ENS's share of the energy content in the reservoir was 879 GWh, which is 50 GWh more than at the end of 2020. ENS's share of the total capacity of the reservoir is 1311 GWh. ENS's share of the concession power sales was 53 GWh.

Sales

The Financial Statements for 2021 show sales of 20.617.835 EUR. It is about 57 % more than in the year before. The rise is due to ground interest tax compensations and increased variable fees due to higher than before transmission fees.

Commentary to the Annual Accounts

During the year 2021 normal operating expenses were as expected and on the same level as 2021. Due to high power price, the cost of transmission losses in power production were higher than normally. Earlier changes in the Ground interest tax mechanism decreased the profitability in year 2021 as changes in the tax system were paid in in 2020.

The net loss was 477.650 EUR which is 6.335 million EUR lower than the profit in 2020. The net cash flow for 2021 was 6.153 million EUR.

Financing

As a part of the acquisition of the ENS shares in 2003, a refinancing took place. The earlier long-term bond financing was repaid in full in the connection with the closing of the share purchase transaction with an intra group loan provided by Svartisen Holding AS and by using accumulated cash reserves in ENS accounts.

The repayment of the intragroup loan will be determined annually based on actual annual revenues and accrued expenses. There was a repayment of 3.000 million EUR during the year 2021 and at the end of the year the loan was 36.606.998 EUR.

Most of the company's sales revenues are in EUR. The operating expenses are approximately 50 million NOK annually. The Company can eliminate most of the currency exchange changes by using FX forward. The Company has done FX forward NOK by the total amount of 50 million NOK until year 2022.



Going Concern Assumption

In the view of the reviewed anticipated cash flows of the Company, the directors are satisfied that it will have access to sufficient cash resources to meet with its obligations as they fall due. In accordance with the provisions of the Norwegian Accounting Act, the company confirms that the accounts have been prepared on the going concern assumption.

Future Development

ENS has the Electricity SWAP agreement with Svartisen Holding AS Counterparties. Due to the SWAP agreement ENS is not exposed to financial risks related to the water volume and the power market price during the agreement period. The company is exposed to risks related to production costs, the technical availability of the plant and the exchange rate. During the years 2022-2024, yearly revenues will be in the range of about 15 - 25 million EUR.

The power production in year 2022 is estimated to be less than in 2021. The normal operational costs (excl. transmission fees) are expected to be approximately at the same level as during the year 2021.

Allocation of the net profit

Eastern Norge Svartisen AS reported a net loss of 477.650 EUR. The board proposes to give a group contribution of 4.893.474 EUR and to pay a dividend of 1.139.700 EUR. The company has other equity of 1.273 million EUR as of 31 December 2021.

After the end of the financial period, no essential changes have taken place in the financial position of the Company. The Board of Directors is of the opinion that the proposed distribution of the profit does not endanger the liquidity of the company.

Eastern Norge Svartisen AS

Oslo, 17th of February 2022

Jukka Toivonen
Chairman of the Board

Timo Honkanen
Board Member

Risto Kantola
Board Member

Timo Patana
Managing Director

**SIGNATURES****ALLEKIRJOITUKSET****UNDERSKRIFTER****SIGNATURER****UNDERSKRIFTER**

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JUKKA TOIVONEN

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RISTO SAKARI KANTOLA

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authority to sign
representative
custodial

asemavaltuus
nimenkirjoitusoikeus
huoltaja/edunvalvoja

ställningsfullmakt
firmateckningsrätt
förvaltare

autoritet til å signere
representant
foresatte/verge

myndighed til at underskrive
repræsentant
frihedsberøvende

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