Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	920 592 481
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	EMPOWER NEW ENERGY AS
Forretningsadresse:	Kongens gate 6 0153 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Terje Osmundsen
Dato for fastsettelse av årsregnskapet:	12.04.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

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, 07.08.2025

Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Revenue		0	129 189
Other income	1	2 511 924	2 294 829
Sum inntekter		**2 511 924**	**2 424 018**
Kostnader			
Employee benefits expense	2	10 575 742	712 063
Other expenses		23 848 435	27 500 758
Sum kostnader		**34 424 177**	**28 212 821**
Driftsresultat		**-31 912 253**	**-25 788 803**
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		776 682	1 584 671
Annen renteinntekt		695 876	86 055
Other financial income		16 332 476	9 615 974
Sum finansinntekter		**17 805 034**	**11 286 700**
Write-down of long-term investments	3	39 522 748	4 665 484
Annen rentekostnad		8 883 353	4 310
Other financial expenses		16 881 708	1 993 684
Sum finanskostnader		**65 287 809**	**6 663 478**
Netto finans	4	**-47 482 775**	**4 623 222**
Ordinært resultat før skattekostnad		**-79 395 028**	**-21 165 581**
Income tax expense	5	0	0
Ordinært resultat etter skattekostnad		**-79 395 028**	**-21 165 581**
Årsresultat	6	**-79 395 028**	**-21 165 581**
Overføringer og disponeringer			
Udekket tap		-79 395 027	-21 165 581
Sum overføringer og disponeringer		**-79 395 027**	**-21 165 581**

Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	3	27 062 567	49 860 018
Lån til foretak i samme konsern	7	145 039 308	30 299 062
Sum finansielle anleggsmidler		**172 101 875**	**80 159 080**
Sum anleggsmidler		**172 101 875**	**80 159 080**
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables		151 778	129 189
Other short-term receivables		2 070 151	2 208 381
Konsernfordringer		18 348	18 348
Sum fordringer		**2 240 277**	**2 355 918**
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	8	24 595 416	23 077 346
Sum bankinnskudd, kontanter og lignende		**24 595 416**	**23 077 346**
Sum omløpsmidler		**26 835 693**	**25 433 264**
SUM EIENDELER		**198 937 568**	**105 592 344**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	9	3 636 093	3 054 416
Overkurs		130 648 314	102 542 092
Ikke registrert kapitalforhøyelse		25 316 550	0

Balanse

Beløp i: NOK	Note	2023	2022
Annen innskutt egenkapital		1 600 000	1 600 000
Sum innskutt egenkapital		**161 200 957**	**107 196 508**
Opptjent egenkapital			
Udekket tap		114 254 672	34 859 645
Sum opptjent egenkapital		**-114 254 672**	**-34 859 645**
Sum egenkapital	6	**46 946 285**	**72 336 863**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Other non-current liabilities	1,10	144 667 479	2 480 996
Sum annen langsiktig gjeld		**144 667 479**	**2 480 996**
Sum langsiktig gjeld		**144 667 479**	**2 480 996**
Kortsiktig gjeld			
Leverandørgjeld		3 514 683	3 551 555
Public duties payable	8	748 530	251 835
Kortsiktig konserngjeld		321 732	232 692
Other current liabilities	10,11	2 738 858	26 738 404
Sum kortsiktig gjeld		**7 323 803**	**30 774 486**
Sum gjeld		**151 991 282**	**33 255 482**
SUM EGENKAPITAL OG GJELD		**198 937 567**	**105 592 345**

Konsernets resultatregnskap

Beløp i: USD	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Revenue from contracts with customers	5	637 000	98 000
Other income	5	293 000	232 000
Sum inntekter		**930 000**	**330 000**
Kostnader			
Personnel expenses	6	1 003 000	141 000
Depreciation and amortisation expenses	10,11	208 000	49 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	10,12	400 000	744 000
Other operating expenses	7	2 557 000	1 584 000
Sum kostnader		**4 168 000**	**2 518 000**
Driftsresultat		**-3 238 000**	**-2 188 000**
Finansinntekter og finanskostnader			
Net income from financial instruments as FVTPL	3	0	-421 000
Financial income	8	1 604 000	733 000
Sum finansinntekter		**1 604 000**	**312 000**
Financial expenses	8	3 714 000	782 000
Sum finanskostnader		**3 714 000**	**782 000**
Netto finans		**-2 110 000**	**-470 000**
Ordinært resultat før skattekostnad		**-5 348 000**	**-2 658 000**
Income tax expense	9	51 000	101 000
Ordinært resultat etter skattekostnad		**-5 399 000**	**-2 759 000**
Årsresultat		**-5 399 000**	**-2 759 000**
Minoritetsinteresser		-39 000	-1 000
Årsresultat etter minoritetsinteresser		**-5 360 000**	**-2 758 000**
Exchange differences on translation of operations		-465 000	-600 000
Sum resultatkomponenter for IFRS-foretak		-465 000	-600 000

Konsernets resultatregnskap

Beløp i: USD	Note	2023	2022
Totalresultat		**-5 825 000**	**-3 358 000**

Konsernets balanse

Beløp i: USD	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets other than goodwill	11	104 000	162 000
Utsatt skattefordel		14 000	0
Goodwill	11,12	5 166 000	5 331 000
Sum immaterielle eiendeler		**5 284 000**	**5 493 000**
Varige driftsmidler			
Property, plant and equipment	10,12	3 314 000	2 228 000
Assets under construction	10	11 003 000	915 000
Projects under development		170 000	371 000
Sum varige driftsmidler		**14 487 000**	**3 514 000**
Sum anleggsmidler		**19 771 000**	**9 007 000**
Omløpsmidler			
Varer			
Fordringer			
Trade receivables	18	112 000	108 000
Other receivables	18	204 000	359 000
Sum fordringer		**316 000**	**467 000**
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	14,18	4 217 000	3 212 000
Sum bankinnskudd, kontanter og lignende		**4 217 000**	**3 212 000**
Sum omløpsmidler		**4 533 000**	**3 679 000**
SUM EIENDELER		**24 304 000**	**12 686 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			

Konsernets balanse

Beløp i: USD	Note	2023	2022
Innskutt egenkapital			
Share capital	15	400 000	310 000
Overkurs		13 911 000	10 403 000
Annen innskutt egenkapital		2 323 000	0
Sum innskutt egenkapital		**16 634 000**	**10 713 000**
Opptjent egenkapital			
Udekket tap		10 628 000	3 878 000
Sum opptjent egenkapital		**-10 628 000**	**-3 878 000**
Minoritetsinteresser		8 000	15 000
Sum egenkapital		**6 014 000**	**6 850 000**
Gjeld			
Langsiktig gjeld			
Utsatt skatt	9	207 000	136 000
Sum avsetninger for forpliktelser		**207 000**	**136 000**
Annen langsiktig gjeld			
Borrowings (Shareholder Loan)	16,18	12 325 000	0
Borrowings (Others)	16,18	3 949 000	2 123 000
Derivative financial liabilities	18	157 000	162 000
Other non-current liabilities	18	107 000	110 000
Sum annen langsiktig gjeld		**16 538 000**	**2 395 000**
Sum langsiktig gjeld		**16 745 000**	**2 531 000**
Kortsiktig gjeld			
Leverandørgjeld	18	1 176 000	275 000
Other current liabilities	17,18	367 000	3 030 000
Sum kortsiktig gjeld		**1 543 000**	**3 305 000**
Sum gjeld		**18 288 000**	**5 836 000**
SUM EGENKAPITAL OG GJELD		**24 302 000**	**12 686 000**

RSM

To the General Meeting of Empower New Energy AS

RSM Norge AS

Ruseløkkveien 30, 0251 Oslo
Pb 1312 Vika, 0112 Oslo
Org.nr: 982 316 588 MVA

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Independent Auditor's Report

Opinion

We have audited the financial statements of Empower New Energy AS, which comprise:

- the financial statements of the parent company Empower New Energy AS (the Company) showing a loss of NOK 79 395 027, which comprise the balance sheet as at 31 December 2023, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Empower New Energy AS and its subsidiaries (the Group) showing a loss of USD 5 398 000, which comprise the balance sheet as at 31 December 2023, 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 material accounting policy information.

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 2023, and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

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 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

The Board of Directors and the Managing Director (management) are responsible for the other information accompanying the financial statements. 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 other information accompanying the financial statements.

Auditor's Report 2023 for Empower New Energy AS

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements of the Company 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 of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible 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.

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

Oslo, 30 April 2024
RSM Norge AS

Arnfinn Øsvik
State Authorised Public Accountant

Empower New Energy AS
Consolidated income statement

(1.000 USD)	Note	2023	2022
Revenue from contracts with customers	5	**637**	98
Other income	5	**293**	232
Total income		**930**	330
Personnel expenses	6	**-1,003**	-141
Other operating expenses	7	**-2,557**	-1,584
Depreciation and amortisation expenses	10,11	**-208**	-49
Impairment of property, plant and equipment	10,12	**-400**	-744
Operating profit/(loss)		**-3,237**	-2,188
Net income from financial instruments as FVTPL	3	**0**	-421
Financial income	8	**1,604**	733
Financial expenses	8	**-3,714**	-782
Profit/(loss) before income tax		**-5,347**	-2,657
Income tax expense	9	**-51**	-101
Profit/(loss) for the year		**-5,398**	-2,758
Profit/(loss) for the year is attributable to:			
Owners of Empower New Energy AS		**-5,359**	-2,757
Non-controlling interests		**-39**	-1
		-5,398	-2,758

Statement of comprehensive income

(1.000 USD)	Note	2023	2022
Profit/(loss) for the year		**-5,398**	-2,758
Other comprehensive income (net of tax):			
Items that will or may be reclassified to profit or loss:			
Exchange differences on translation of operations with functional currency different from USD		**-465**	-600
Total comprehensive income for the year		**-5,863**	-3,358
Total comprehensive income for the year is attributable to:			
Owners of Empower New Energy AS		**-5,835**	-3,358
Non-controlling interest		**-29**	0
		-5,863	-3,358

Empower New Energy AS
Consolidated statement of financial position

(1.000 USD)	Note	2023	2022
ASSETS			
Non-current assets			
Property, plant and equipment	10.12	**3,314**	2,228
Assets under construction	10	**11,003**	915
Projects under development		**170**	371
Intangible assets other than goodwill	11	**104**	162
Goodwill	11.12	**5,166**	5,331
Deferred tax assets		**14**	0
Total non-current assets		**19,770**	9,008
Current assets			
Trade receivables	18	**112**	108
Other receivables	18	**204**	359
Cash and cash equivalents	14,18	**4,217**	3,212
Total current assets		**4,533**	3,678
TOTAL ASSETS		**24,303**	12,686

Empower New Energy AS
Consolidated statement of financial position

(1.000 USD)	Note	2023	2022
EQUITY AND LIABILITIES			
Equity			
Share capital	15	**400**	310
Share premium		**13,911**	10,403
Other paid in capital		**2,323**	0
Other equity		**-10,628**	-3,878
Equity attributable to owners of Empower New Energy AS		**6,006**	6,834
Non-controlling interests		**8**	15
Total equity		**6,014**	6,849
Liabilities			
Non-current liabilities			
Borrowings (Shareholder Loan)	16,18	**12,325**	0
Borrowings (Others)	16,18	**3,949**	2,123
Derivative financial liabilities	18	**157**	162
Other non-current liabilities	18	**107**	110
Deferred tax liabilities	9	**207**	136
Total non-current liabilities		**16,746**	2,531
Current liabilities			
Trade payables	18	**1,176**	275
Other current liabilties	17,18	**367**	3,030
Total current liabilities		**1,543**	3,306
Total liabilities		**18,289**	5,837
TOTAL EQUITY AND LIABILITIES		**24,303**	12,686

Oslo, 22-04-2024

DocuSigned by:
Sebastian Surie
Sebastian Surie
Board Chairman

DocuSigned by:
Tarun Brahma
Director

DocuSigned by:
Pål Helgesen
Director

DocuSigned by:
Susie Scannelli Cook
Susie Scannelli Cook
Director

DocuSigned by:
Terje Osmundsen
Terje Osmundsen
General Manager

Empower New Energy AS
Consolidated statement of changes in equity

	--------- Attributable to owners of Empower New Energy AS ---------								
(1.000 USD)	Share capital	Share premium	Other paid in capital	Fund for unreal-ised gains	Foreign currency translation	Other equity	Total	Non-con-trolling interests	Total equity
Balance at 1 January 2022	244	6,249	0	444	-139	-1,389	5,408	0	5,408
Profit/(loss) for the year	0	0		0	0	-2,757	-2,757	-1	-2,758
Other comprehensive income	-24	-541	0	0	-35	0	-600	0	-600
Total comprehensive income for the year	-24	-541	0	0	-35	-2,757	-3,358	-1	-3,358
Contributions by and distributions to owners:									
Issue of share capital, net of transaction costs	90	4,695	0	0	0	0	4,784	0	4,784
	90	4,695	0	0	0	0	4,784	0	4,784
Other changes:									
Change in investment entity status	0	0	0	-444	0	444	0	15	15
	0	0	0	-444	0	444	0	15	15
Balance at 31 December 2022	**310**	**10,403**	**0**	**0**	**-175**	**-3,703**	**6,834**	**15**	**6,849**
Balance at 1 January 2023	310	10,403	0	0	-175	-3,703	6,834	15	6,849
Profit/(loss) for the year	0	0	0	0	0	-5,359	-5,359	-39	-5,398
Other comprehensive income	0	0	0	0	-476	0	-476	11	-465
Total comprehensive income for the year	0	0	0	0	-476	-5,359	-5,835	-29	-5,863
Contributions by and distributions to owners:									
Issue of share capital, net of transaction costs	55	2,650	2,323	0	0	0	5,028	0	5,028
	55	2,650	2,323	0	0	0	5,028	0	5,028
Other changes:									
Change in policy regarding translation of transactions	35	858	0	0	-574	-320	0	0	0
Other adjustments	0	0	0	0	0	-21	-21	21	0
	35	858	0	0	-574	-341	-21	21	0
Balance at 31 December 2023	**400**	**13,911**	**2,323**	**0**	**-1,225**	**-9,403**	**6,006**	**8**	**6,014**

Empower New Energy AS
Consolidated statement of cash flows

(1.000 USD)	Note	2023	2022
Cash flows from operating activities			
Profit/(loss) before income tax		**-5,347**	-2,657
Adjustments for			
Depreciation, amortisation expenses and impairment losses	10,12	**607**	793
Financial income and expenses - net		**2,110**	-8
Net income from financial instruments as FVTPL	3	**0**	421
Net exchange differences		**25**	41
Change in operating assets and liabilities, net of effects from purchase of subsidiaries			
Change in projects under development		**202**	-371
Change in trade and other receivables		**110**	-1,154
Change in trade and other payables		**1,154**	-620
Interest received		**66**	9
Income taxes paid	9	**0**	0
Net cash inflow from operating activities		**-1,073**	-3,547
Cash flows from investing activities			
Payment for acquisition of subsidiaries, net of cash acquired	4	**0**	55
Change in loans to subsidiaries		**0**	-396
Payment for plant, property and equipment	10	**-12,581**	-144
Net cash inflow/outflow from investing activities		**-12,581**	-484
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		**2,323**	1,198
Proceeds yet to be transferred to equity	17	**0**	2,705
Proceeds from borrowings		**12,864**	733
Repayment of borrowings		**-43**	-27
Interest paid		**-46**	-1
Net cash inflow/outflow from financing activities		**15,098**	4,608
Net increase/decrease in cash and cash equivalents		**1,445**	577
Cash and cash equivalents 1 January		**3,212**	2,768
Cash and cash equivalents held by SPV's not previously consolidated	3	**0**	158
Effects of exchange rate changes on cash and cash equivalents		**-440**	-291
Cash and cash equivalents 31 December		**4,217**	3,212

Note 1 - General information

Empower New Energy AS is a private limited company incorporated in Norway, headquartered in the municipality of Oslo. The business address is Kongens gate 6, 0153 Oslo, Norway.

Empower New Energy AS is the Parent Company of a group of subsidiaries incorporated outside Norway (together the Group).

The Group is a renewable energy financier that develops, finances, builds and owns solar renewable power plants for commercial, industrial and agricultural energy users. Prior to 21 October 2022 the parent company was an investment company (refer to note 3).
The consolidated financial statements include the Parent Company and from 21 October 2022, its subsidiaries.

The Board of Directors authorized for issue the consolidated financial statements on 29 April 2024.

Note 2 - summary of significant accounting principles

A summary of the applicable accounting principles not presented elsewhere, and other information is presented below.

Basis for preparation of the annual accounts

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), which have been adopted by the EU and are mandatory for financial years beginning on or after 1 January 2023, and Norwegian disclosure requirements listed in the Norwegian Accounting Act as of 31 December 2023.
The consolidated financial statements are based on historical cost, except for the financial instruments at fair value through profit or loss.
The consolidated financial statements have been prepared on the basis of uniform accounting principles for similar transactions and events under otherwise similar circumstances.
Changes in accounting policies and disclosures
No changes in IFRS effective for the 2023 financial statements are relevant to this financial year.

Functional currency and presentation currency

The functional currency is determined in each entity in the Group based on the currency within the entity's primary economic environment. Transactions in foreign currency are translated to functional currency using the exchange rate at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated using the closing rate, non-monetary items that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction and non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. Changes in the exchange rate are recognised continuously in the accounting period.
The Group's presentation currency is USD. The functional currency of the parent company is NOK.
The statement of financial position figures of entities with a functional currency different from the presentation currency are translated at the exchange rate prevailing at the end of the reporting period for balance sheet items, including goodwill, and the exchange rate at the date of the transaction for profit and loss items. The monthly average exchange rates are used as an approximation of the transaction exchange rate. Exchange differences are recognised in other comprehensive income.

Consolidation principles

The Group’s consolidated financial statements comprise the Parent Company and its subsidiaries as of 31 December 2023. An entity has been assessed as being controlled by the Group when the Group is exposed for or have the rights to variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the amount of the Group’s returns.

Thus, the Group controls an entity if, and only if, the Group has all the following:

• power over the entity;
• exposure, or rights, to variable returns from its involvement with the entity; and
• the ability to use its power over the entity to affect the amount of the Group’s returns.

There is a presumption that if the Group has the majority of the voting rights in an entity, the entity is considered as a subsidiary.

Business combinations are accounted for by using the acquisition method. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests are presented separately under equity in the Group's balance sheet.

Current versus non-current classification
The Group presents assets and liabilities in the statement of financial position as either current or non-current.

The Company classifies an asset as current when it:
• Expects to realise the asset, or intends to sell it, in its normal operating cycle
• Holds the asset primarily for the purpose of trading
• Expects to realise the asset within twelve months after the reporting period

All other assets are classified as non-current, including deferred tax assets.

The Company classifies a liability as current when it:
• Expects to settle the liability in its normal operating cycle
• Holds the liability primarily for the purpose of trading
• Is due to be settled within twelve months after the reporting period

All other liabilities are classified as non-current, including deferred tax liabilities.

Hyperinflation
IAS 29 defines and provides general guidance for assessing whether a particular jurisdiction's economy is hyperinflationary. The International Accounting Standards Board (IASB) does not identify specific jurisdictions, there are however two reliable sources to obtain this information, namely the International Practices Task Force (IPTF) and the International Monetary Fund (IMF).

Out of the Company's portfolio, Ghana is the only jurisdiction considered as a hyperinflationary economy, by both the IPTF and IMF, in 2023. However the Institute of Chartered Accountants in Ghana has concluded and directed that IAS 29 should not be applied for financial reporting in 2023, since Ghana has not experienced hyperinflation in the last years as per the requirement set out in IAS 29.

Therefore, IAS 29 is not applicable in preparing the Annual Financial Statements for 2023.

Note 3 - Investment entity - change in status

Description

In previous reporting periods the parent company was an investment company investing in energy projects in Africa through SPV's. The parent company was managed by Empower NE II AS (previously known as Empower New Energy AS) (the Manager). Until 21 October 2022 the parent company operated under the name Empower Invest AS. On this date, the name was changed to Empower New Energy AS, and after a re-organization, the Company ceased to be an investment company and has deregistered as an Alternate Investment Fund.

For the period up until 21 October 2022 the parent company operated as an investment company and the accounting principles for investment companies were applied. This disclosure note explains the effects on the financial statements up until 21 October 2022 and the consequences of the change from being an investment company to consolidation of the SPV's.

Accounting principles

The parent company as an investment entity - the period up until 21 October 2022

Prior to 21 October 2022 the Parent Company was classified as an investment entity. In determining whether the parent company meets the definition of an investment entity, management considered the investment structure as a whole: The Parent Company has more than one investment, it has more than one investor, it has investors that are not related parties of the entity, and it has ownership interests in form of equity or similar interests. As an investment entity, the Company measured its investments in the subsidiaries (SPV's) at fair value through profit or loss (FVTPL) without consolidating the subsidiaries.

Transition from being classified as an investment entity to consolidation of the SPV's

Because of the re-organisation the parent company no longer met the definition of an investment entity. At the date of the re-organisation the SPV's were valued at fair value in accordance with the principles that apply to investment entities. A parent company that ceases to be an investment entity shall account for the change in its status prospectively from the date at which the change in status occurred. The fair value of the SPV's is used as a deemed cost for the ownership rights in the SPV's.

The SPV's do not meet the definition of a business in accordance with IFRS. The change in status is accounted for as a deemed acquisition of a group of assets and liabilities, and no goodwill is recognised.

In the 2021 financial statements, net income from financial instruments as FVTPL, the change in value of the SPV's, was presented as revenue. Following the consolidation of the SPV's from 21 October 2022 the net income from financial instruments as FVTPL is moved and in the 2022 financial statements the line item is presented below operating profit and loss together with the financial items.

Critical judgements and significant estimates

Until, and on 21 October 2022, the SPV's were measured at fair value, with the change in value recognised in the income statement. The fair value is based on estimates and assumptions related to significant inputs to the calculation. Key inputs to the calculation are future cash flows over the term of the projects (between 15 and 25 years) and the discount rate used for the net present value calculation. Factors affecting these inputs can be future market conditions that customers face, the development in energy prices in each area of operation, currency fluctuations, the need for and costs related to maintenance of the facilities and regulatory, political and country risk, among others.

The assessment of the classification of the Parent Company as an investment entity and the conclusion that it ceased to meet the definition after the re-organisation and the deregistration as a fund, requires management to use judgement. The conclusion altered the recognition, measurement, and presentation of the financial statements significantly, by requiring the Company to consolidate its subsidairies

The Company develops and invests in solar facilities in target markets, currently focused in Africa. The company does not provide management services to its investors and does not invest solely for returns from capital appreciation or investment income and is therefore not considered to be an investment company as defined in IFRS 10.

Management have assessed the SPV's and concluded that they do not fulfil the definition of a business in accordance with IFRS. Management chose to apply the optional concentration test for a simplified assessment of whether an acquired set of activities and assets was a business or not. The concentration test is met if substantially all the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets, being the solar facilities. Judgement is required to determine whether substantially all the fair value is concentrated in a single asset or group of assets and for all but one SPV the concentration test concluded that the acquired set of activities and assets were not businesses. For the last SPV (and relevant for the rest of the SPV's) management considered that the set of activities performed by the SPV's are not substantive and that the definition of a business is not met. A different conclusion would affect the presentation of the financial statements, but would probably not have a significant effect on recognition and measurement.

Specification of the effect of investment entity accounting up until 21 October 2022

List of subsidiaries (SPV's)

Company name	Country of incorporation	Main operation	Ownership interest	Voting rights
Subsidiaries in operation				
Aluminium Egypt Solar S.A.E.	Egypt	Solar energy	98.0 %	98.0 %
Empower Project NGR Ltd.	Nigeria	Solar energy	100.0 %	100.0 %
Solarplast Project Company Ltd.	Ghana	Solar energy	85.0 %	85.0 %
Techiman Solar I Ltd.	Ghana	Solar energy	100.0 %	100.0 %
Empower MRC Ltd.	Morocco	Solar energy	100.0 %	100.0 %
Empower Project Egypt for Electricity	Egypt	Solar energy	100.0 %	100.0 %
Empower MRC Project Company	Morocco	Solar energy	100.0 %	100.0 %
Subsidiaries with facilities under construction				
CocoaSolar Project Company Ltd.	Ghana	Solar energy	100.0 %	100.0 %

Reconciliaton of the change in carrying amounts

(1.000 USD)	2022	2021
Opening balance 1 January	648	207
Additions	0	4
Disposals	0	0
Change in fair value	-421	455
Derecognition, change in investment entity status	-124	n/a
Translation differences	-102	-18
Closing balance 31 December	**0**	**648**

Note 4 - Business combinations

Accounting principles

Business combinations are accounted for using the acquisition method as of the acquisition date, which is when control is transferred to the Group. The consideration transferred in a business combination is measured at fair value at the acquisition date and consist of a loan note that will be settled by shares issued in the parent company and issued warrants. The acquired identifiable assets and liabilities are accounted for by using fair value at the acquisition date. Costs related to the acquisition are expensed in the periods in which the costs are incurred, and the services are received.

Goodwill is recognised as the consideration transferred deducted by the net of the acquisition-date fair value of the identifiable assets acquired and the liabilities assumed. Goodwill is not depreciated but is tested at least annually for impairment. In connection with this, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from synergies from the business combination.

The initial accounting for a business combination can be changed if new information about the fair value at the acquisition date is present. The allocation can be amended within 12 months of the acquisition date.

The warrants issued to the sellers as part of the consideration for the acquired business gives the sellers a right to buy a variable number of shares in the parent company in the future for a fixed amount per share. As the fixed-for-fixed condition is not met and the warrants do not meet the definition of equity, they are treated as financial liabilities (derivatives) and are classified at fair value through profit or loss.

At initial recognition the warrants shall be measured at fair value and after initial recognition the warrants shall be measured at fair value with the change in fair value recognised in the income statement.

Critical judgements and significant estimates

The acquisition requires the use of substantial judgement and estimates when assessing the fair value of the consideration transferred, including the issued warrants, and identification of intangible assets. No such assets were identified and all the fair value adjustments were allocated to goodwill.

Acquisition of Empower NE II AS

On 21 October 2022 the Group acquired 100 % of the shares in Empower NE II AS with an agreed purchase price of USDt 3.499. The amounts recognised at the date of the acquisition in respect of identifiable assets acquired and liabilities assumed are set out in the table below. It is difficult to identify the transaction costs associated directly to the acquisition of ENE II separately from the transaction costs related to the Series-B transaction as a whole and therefore no number is presented.

Empower NE II AS was previously the management services company to the Parent Company. At that time, all employees within the Group were employed through Empower NE II AS; The employees were responsible for managing the Company whilst it was a fund and provided the development pipeline, business relationships and development research, strategy and business plan of the Company. Following the acquisition of the company, it is the intention to merge the Empower NE II AS with the Parent Company.

The acquisition of Empower NE II was a requirement to the Series-B investors in order to retain employees and the founders of the Company and to access important business development relationships, research, strategy and the buinsess plan of the Company. The acquisition secured these benefits to allow the further growth and development of investment opportunities for the Company.

Below the fair values recognised on acquisition are presented.

(1.000 USD)	Note	Empower NE II AS
Assets		
Identifiable intangible assets	11	180
Cash and cash equivalents		55
Trade and other receivable		170
Other investments		3
Total assets		**408**
Liabilities		
Other non-current liabilities		-1,108
Trade and other payables		-858
Total liabilities		**-1,966**
Net identifiable assets and liabilities at fair value		
Goodwill	11	5,057
Purchase consideration transferred		**3,499**
The consideration consists of		
Seller's credit (to be settled by shares in Empower New Energy AS)		3,337
Issued warrants		162
Total consideration		**3,499**
Net decrease/(increase) in cash		
Cash and cash equivalents received		55
Net decrease/(increase) in cash		**55**

The goodwill of USDt 5.057 consists of assembled workforce, including the founders, project pipeline development and strategic relationships, as well as the expertise and experience and business plan of the company.

No part of the goodwill will be deductible for tax purposes.

Fair value of trade receivables acquired is USDt 158.

The acquired business contributed revenues of USD 0 and a loss before income tax of USDt 461 to the group for the period from 21 October to 31 December 2022.

If the acquisition had occurred on 1 January 2022, consolidated pro-forma income and profit before income tax for the period ending 31 December 2022 would have been USDt 330 (unchanged) and USDt -3.650 respectively. These amounts have been calculated using the subsidiary's income statement for the full year.

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Note 5 - Revenue from contracts with customers and other income

Accounting principles

Revenue from contracts with customers
The Group invests in and owns solar power plants to deliver generated electricity to its customers under long term electricity supply contracts (15-25 years).

Revenue from customer contracts is recognised when the performance obligation in the contract has been met. A performance obligation is satisfied when control of the promised product or service is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those products or services.

Power Supply Ageements and Power Support Agreeements are the principal contracts that the Company enters in to with customers in respect of the solar facilities and the supply of electricity.

In terms of the Power Sales Agreements, revenue is recognised for the actual amount of electricity delivered to the customer at the contracted tariff.

In terms of the Power Support Agreements, revenue is recognised for the delivery of an agreed annual amount of electricity (subject to performance thresholds) for an agreed monthly consideration.

The Group has assessed that there is only one performance obligation in each contract; delivery of electricity or making available electricity generated from the power plant. The performance obligation is satisfied as the generated electricity is delivered or made available to the customer.

Other Income
Other income relates to grant development funding received from African Development Bank that has been capitalised in respect of qualifying development expenses. The funds are recevied in advance of the expenses being incurred and are initially recorded as debt on the balance sheet. As funds are utilised in in terms of pre-agreed development expenses (relating mainly to legal and audit fees for project development), the cost is capitalised against development costs and recognised as revenue in the income statement.

Disaggregation of revenue from contracts with customers

(USD 1.000)	Generation and delivery of electricity	
	2023	**2022**
Nigeria	135	20
Ghana	152	13
Egypt	296	65
Morocco	36	-
Other revenues	19	
	637	**98**
Other income	293	-
	293	-
Total Income	**930**	**98**

The revenue is recognised over time, as electricity is generated and delivered to the customer.

Other Income

As at 31 December 2023, USD 293,913 held in cash was available to be recognised as revenue during 2023 as the qualifying development expenses are incurred.

Note 6 - Personnel expenses

Specification of personnel expenses

(1.000 USD)	Note	2023	2022
Salaries		830	116
Pension costs		14	3
Payroll tax		159	21
Other personnel expenses		0	2
Total personnel expenses		**1,003**	**141**

Note 7 - Other operating expenses

Specification of other operating expenses

(1.000 USD)	Note	2023	2022
External staff (contractor)		1,111	231
Premesis		72	17
Other office cost		89	16
Legal fees		258	851
Other consulting fees		75	108
Other operating costs		951	191
Management fee		-	169
Total other operating expenses		**2,557**	**1,584**

Note 8 - Financial income and expenses

Specification of financial income and expenses

Financial income

(1.000 USD)	Note	2023	2022
Interest income on cash and cash equivalents		66	9
Interest on loans and receivable		0	113
Foreign currency gains		1,538	610
Total financial income		**1,604**	**733**

Financial expenses

(1.000 USD)	Note	2023	2022
Interest expense on financial liabilities		-872	-389
Other financial costs		-20	-191
Foreign currency losses		-2,822	-202
Total financial expenses		**-3,714**	**-782**
Net financial items		**-2,110**	**-49**

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Note 9 - Income tax

Accounting principles

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the parent company and its subsidiaries operate and generate taxable income.

Deferred tax assets and deferred tax liabilities are calculated on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Critical judgements and significant estimates

Recognition of the deferred tax asset is assessed by legal entity or groups of legal entities within the same taxation authority where tax positions can be utilised across the entities. Significant management judgement is required to determine the amount of deferred tax assets that will be recognised, based upon the reliable evidence as to the estimated timing and amount of the future taxable profits.

Specification of income tax expense

(1.000 USD)	Note	2023	2022
Current tax			
Taxes payable on this year's taxable income		0	0
Deferred tax			
Changes in deferred taxes		-51	-101
Income tax expense		**-51**	**-101**

Temporary differences - basis for recognised deferred tax

(1.000 USD)	Note	31/12/23	31/12/22
Property, plant and equipment		-911	139
Receivables, liabilities and provision		1,282	231
Tax losses carried forward		8,585	4,624
Total temporary differences - basis for recognised deferred tax		**8,956**	**4,995**
Deferred tax asset - gross		2,178	1,374
Deferred tax liabilities - gross		-207	-343
Unrecognised deferred tax asset		-2,164	-1,167
Net deferred tax asset(+)/liability(-)		**-193**	**-136**

Reconciliation of tax expense

The income tax expense differs from the amounts computed when applying the Norwegian statutory tax rate to income before income taxes as a result of the following:

(1.000 USD)	Note	**2023**	**2022**
Pre-tax profit		-5,347	-2,657
Income taxes calculated at 22 %		1,176	585
The tax effect of:			
Difference in foreign tax rates		123	3
Changes in unrecognised deferred tax asset		-741	-500
Non deductible expenses and non-taxable income		-610	-189
Effect of change of value of shares in SPV's		0	0
Income tax expense		**-51**	**-101**

Note 10 - Property, plant and equipment and assets under construction

Accounting policies

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The deemed cost for property, plant and equipment in the SPV's previously carried at fair value is the fair value of that property, plant and equipment on 21 October 2022.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Year ended 31 December 2023

(1.000 USD)	Note	Solar re-newable power plants	Assets under con-struction
Opening balance accumulated cost		2,993	915
Additions and transfers in the period		2,281	12,581
Completed in the period and transferred to Solar renewable power plants		0	-2,281
Translation differences		-676	-212
Closing balance accumulated cost		**4,598**	**11,003**
Opening balance accumulated amortisation and impairment		765	0
Depreciation in the period		156	n/a
Impairment loss in the period		400	0
Translation differences		-37	0
Closing balance accumulated amortisation and impairment		**1,284**	**0**
Closing net book amount		**3,314**	**11,003**
Useful life		10-25 years	
Amortisation plan		Linear	

Year ended 31 December 2022

(1.000 USD)	Note	Solar re-newable power plants	Assets under con-struction
Opening balance accumulated cost		0	0
Additions and transfers in the period		0	144
Completed in the period and transferred to Solar renewable power plants		0	0
Deemed acquisition in the period	3	2,993	772
Closing balance accumulated cost		**2,993**	**915**
Opening balance accumulated amortisation and impairment		0	0
Depreciation in the period		22	n/a
Impairment loss in the period		744	0
Closing balance accumulated amortisation and impairment		**765**	**0**
Closing net book amount		**2,228**	**915**
Useful life		10-25 years	
Amortisation plan		Linear	

Contractual commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(1.000 USD)	31.12.2023	31.12.2022
Property, plan and equipment	11,076	2,360

Note 11 - Intangible assets

Accounting policies

Intangible assets acquired in business combinations

Intangible assets that have been acquired separately are carried at cost. The costs of intangible assets acquired through an acquisition (refer to note 4) are recognised at their fair value in the Group's opening balance sheet. Intangible assets with a definite economic life are amortised over their economic life and tested for impairment if there are any indications.

The financial model and digital tools relates to the costs in curred in developing a cash flow financial model used to evaluate project retruns on both a project and portfolio level basis for effective development and management of business plan and project evaluation.

Goodwill

Goodwill is measured as described in note 4. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the Group as a total.

Year ended 31 December 2023

(1.000 USD)	Note	Goodwill	Financial model and digital tools
Opening balance accumulated cost		5,331	184
Additions		0	0
Acquisition of business	4	0	0
Translation differences		-165	0
Closing balance accumulated cost		**5,166**	**184**
Opening balance accumulated amortisation			27
and impairment		0	0
Amortisation charge		n/a	53
Translation differences		n/a	0
Closing balance accumulated amortisation and impairment		**0**	**80**
Closing net book amount		**5,166**	**104**

Year ended 31 December 2022

(1.000 USD)	Note	Goodwill	Financial model and digital tools
Opening balance accumulated cost		0	0
Additions		0	0
Acquisition of business	4	5,057	180
Translation differences		274	10
Closing balance accumulated cost		**5,331**	**190**
Opening balance accumulated amortisation			
and impairment		0	0
Amortisation charge		n/a	27
Translation differences		n/a	0
Closing balance accumulated amortisation and impairment		**0**	**28**
Closing net book amount		**5,331**	**162**

Useful life	3 years
Amortisation plan	Linear

Note 12 - Impairment

Accounting principles

Goodwill is not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. The goodwill amount on 31 December 2023 of USD 5,166,000 stems from the business combination that took place on 21 October 2022 (refer to note 4). No events or changes in circumstances have been identified that indicate impairment and the first annual testing for impairment was carried out in 2023.

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Factors which trigger impairment testing include, but is not limited to, political changes, macroeconomic fluctuations, project delays, underperforming assets, changes to tariffs or non recovery of revenues. An impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Critical judgements and significant estimates

The recoverable amount calculation is based on a discounted cash flow methodology. The future cash flows include a number of estimates and assumptions, including future market conditions, discount rates and estimated useful life and others. The value in use recoverable amount is sensitive to changes in discount rate, expected production rates, demand and predictability of future cash flows and customer credit risk.

Where future cash flows cannot be reliably predicted, and the discounted cash flow method cannot be applied, such as in the circumstances of non-payment and default by customers, the net realizable value of the asset is considered. Net realizable value is the net recoverable amount that can be realised on the sale of the affected asset.

Impairment of property, plant and equipment

The impairment loss relates to solar assets in Egypt (Smartpaper, Interairo Aluminium, Intercairo Extrusion) and Nigeria (Premium Poultry).

Smartpaper: since the commissioning of the facilities during 2022, no payments have been made under the relevant Power Support Agreement and despite best efforts to find a solution to the impasse, this had not been achieved as per December 2023. As the future cash flows could not be reliably predicted and the discounted cash flow method could not be applied, the net realizable method has been considered.

Intercairo Aluminium & Intercairo Extrusion: the currency depreciation affected the affordability of the payments under the Company's Power Sales Agreements (the PSAs) which are linked to USD and the Company experienced problems in recovering payments. Whilst it is expected to be a temporary situation, commercial arrangements are being made to address the current unaffordability of our power, including a discounted repayment plan with a contract period extension to alleviate the pressures of the current market environment and currency depreciation. The outstanding payments for Intercairo I & II under this arrangement have been received throughout 2023 and Q1 2024. Going forward, new commercial arrangements are being concluded.

Premium Poultry Farms: the customer continues to suffer from business operational issues which impacts its revenue streams and results in further delayed payments to Empower under the underlying PSA.
The Company declared a payment default on the customer in 2023 and legal action in terms of the contractual rights of the existing PSA have been initiated. At the same time the company is looking at ways to restructure the payment terms and to pursue a new commercial agreement with Premium Poultry Farms.
Separately, to recover the financial losses incurred up until 2023, the equity guarantee agreement for Premium Poultry Farms between the Company and the African Guarantee Fund has been triggered in Q1 2024. The financial impact will be reflected in subsequent reporting periods when the outcome is certain.

The assets are written down to the asset's fair value less costs of disposal. The impairment loss of USDt 400 was recognised as Impairment of property, plant and equipment in the income statement.

The Company believes that its contractual rights under the power support agreements are robust and enforceable and the Company intends to pursue its contractual rights. Any future benefit derived from a resolution being reached, or from the outcome of legal proceedings, will be recognised in future reporting periods when the outcome is certain or can be reliably predicted.

Note 13 - Subsidiaries

Specification of subsidiaries that are consolidated

Company name	Country of incorporation	Main operation	Ownership interest	Voting rights
Solarplast Project Company Ltd.	Ghana	Solar energy	85%	85%
Aluminium Egypt Solar Company Ltd.	Egypt	Solar energy	98%	98%
Empower Project NGR Company Ltd.	Nigeria	Solar energy	100%	100%
Empower NE II AS	Norway	--	100%	100%
CocoaSolar Project Company Ltd.	Ghana	Solar energy	100%	100%
Techiman Solar I Ltd.	Ghana	Solar energy	100%	100%
KEC Empower - Trsut Synergy Power Ltd	Nigeria	Dormant	98%	98%
Empower MRC Project Company SRL	Morocco	Dormant	100%	100%
Dairies Solar Project Company	Kenya	Dormant	100%	100%
Solar Project Packaging Company	Kenya	Dormant	100%	100%
Empower MRC Ltd.	Morocco	Solar energy	100%	100%

Note 14 - Cash and cash equivalents

Specification of cash and cash equivalents

(1.000 USD)	31/12/2023	31/12/2022
Cash and cash equivalents	4,217	3,212
Restricted cash	-1,182	-2,980
Free available cash	**3,035**	**232**

Note 15 - Share capital and shareholder information

Empower New Energy AS has four classes of shares, A-shares, B-shares, C-shares and E-shares. Each A-share and B-share have one vote and together the A-shares and B-shares have 97 % of the votes. The C-shares have 3 % of the vote and E-shares are not entitled to vote.

In respect of any dividend, distribution or other return of capital the holders of the C-shares are entitled to 3 % and the holders of A-shares, B-shares and E-shares are entitled to 97 %.

At 31 December 2023	Number of shares	Nominal amount (NOK)	Book value (1.000 USD)
A-shares	3,023,340	1.00	341
B-shares	582,752	1.00	55
C-shares	30,000	1.00	4
E-shares	1	1.00	0
Number of registered shares at 31	**3,636,093**		**400**
Shares issued but not registered in	**506,679**	**1.00**	**47**
Number of total shares at 31 Dece	**4,142,772**		**446**

Changes in number of shares

	2023	2022
Number of shares at 1 January	3,636,093	2,153,480
Shares registered in the period	0	
Shares registered in the period	0	900,936
Number of registered shares at 31 December	**3,636,093**	**3,054,416**
Shares issued but not registered in the period	506,679	
Number of total shares at 31 December	**4,142,772**	

Ownership structure
Specification of the largest shareholders as of 31 December 2023.

Name	Number of shares	% of shares
EDFI Management Company Nv	940,577	25.9 %
Leviathan Holding AS	176,358	4.9 %
Mange Orgland	73,483	2.0 %
Norfund	691,091	19.0 %
Salthavn AS	146,965	4.0 %
To Good Energy AS	424,195	11.7 %
Chase Green Energy Limited	176,460	4.9 %
Virindi Impact As	262,904	7.2 %
CEF 140 B.V	471,197	13.0 %
Total	**3,363,230**	**92.5 %**
Others (ownership < 1 %)	272,863	7.5 %
Total number of shares	**3,636,093**	**100.0 %**

Note 16 - Long term Liabilities

Accounting policies

Reference is made to note 18 Financial instruments for description of accounting principles.

Specification and description of Long term liabilities (borrowings)

(1.000 USD)	**Non-current 2023**	**Non-current** 2022
Unsecured		
Banquet Et Caisse D'Epargne De L'Etat (Luxembourg)	64	110
Innovasjon Norge	236	243
Stitching Development fund (DWCA)	3,650	1,770
B- Share holder loan (B-SHL)	2,507	
Projects share holder Loan	9,818	
Total borrowings	**16,274**	**2,123**

Note 17 - Other current liabilities

Specification and description of other current liabilities

(1.000 USD)	**Other Current Liabilities current 2023**	**Other Current Liabilities current** 2022
Unsecured		
Other Current Liabilities	367	2,705
Total borrowings	**367**	**2,705**

Description

Proceeds from shareholders reveived in December 2022 to be transferred to equity is included in other current liabilities with an amount of USDt 2.705.

Note 18 - Financial instruments

Accounting policies

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial

Financial assets
The Group's financial assets are current receivables and cash and cash equivalents, and up until 21

Financial assets measured at amortised cost
Financial assets measured at amortised cost are non-derivative financial assets with contractual

Financial liabilities
The Group classifies its financial liabilities in the following categories: At fair value through profit or loss

Fair value
The Group measures fair values using the following fair value hierarchy that reflects the significance of

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly

Level 3: Inputs that are unobservable. This category includes all instruments for which the

The warrants, that are measured at fair value, are valued based on a valuation technique that are

Categories of financial instruments in the balance sheet

Year ended 31 December 2023

(USD 1.000)	Note	Assets at amortised cost
Financial assets		
Trade receivables		112
Other receivables		102
Cash and cash equivalents		4,217
Total Financial assets		**4,430**

(USD 1.000)	Note	Liabilities at fair value through profit/loss	Liabilities at amortised cost	Total
Financial liabilities				
Derivative financial liabilities		157	0	**157**
Borrowings		0	16,274	**16,274**
Other non-current liabilities		0	107	**107**
Trade payables		0	1,176	**1,176**
Other current liabilities		0	58	**58**
Total Financial liabilities		**157**	**17,615**	**17,773**

Year ended 31 December 2022

(USD 1.000)	Note	Assets at amortised cost
Financial assets		
Trade receivables		108
Other receivables		359
Cash and cash equivalents		3,212
Total Financial assets		**3,678**

(USD 1.000)	Note	Liabilities at fair value through profit/loss	Liabilities at amortised cost	Total
Financial liabilities				
Derivative financial liabilities		162	0	**162**
Borrowings		0	2,123	**2,123**
Other non-current liabilities		0	110	**110**
Trade payables		0	275	**275**
Other current liabilities		0	3,030	**3,030**
Total Financial liabilities		**162**	**5,539**	**5,701**

Maturity profile of the Group's financial liabilities - undiscounted contractual cash flows

Year ended 31 December 2023

(USD 1.000)	Less than 1 year	1-3 years	3-5 years	Over 5 years	Total contractual cash flows
Derivative financial liabilities	0	0	0	157	**157**
Borrowings	236	6,220	9,818	0	**16,274**
Other non-current liabilities	0	0	0	107	**107**
Trade payables	1,176	0	0	0	**1,176**
Other current liabilities	58	0	0	0	**58**
Total financial liabilities	**1,470**	**6,220**	**9,818**	**264**	**17,773**

Year ended 31 December 2022

(USD 1.000)	Less than 1 year	1-3 years	3-5 years	Over 5 years	Total contractual cash flows
Derivative financial liabilities	0	0	0	0	**0**
Borrowings	20	2,143	0	0	**2,163**
Other non-current liabilities	0	110	0	0	**110**
Trade payables	275	0	0	0	**275**
Other current liabilities	3,030	0	0	0	**3,030**
Total financial liabilities	**3,326**	**2,253**	**0**	**0**	**5,579**

Note 19 - Financial risk management

Description

Empower New Energy AS is exposed to following financial risks, mainly, currency risk, credit risk and liquidity risk.

Foreign currency risk
The Company operates internationally and is subject to currency exposure when transactions and monetary balances are denominated in currencies other than the functional currency. Currently the business is headquartered in Norway, has operations in Nigeria, Ghana, Egypt and Morocco and is exposed to fluctuations of local currencies to the USD.

Foreign currency risk is the risk that the future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to changes in the value of USD relative to other currencies, primarily to the Company`s operating activities (i.e. when revenue or expenses are dominated in a foreign currency).

The Company manages its foreign currency risk by holding the majority of its funds in USD, the currency in which future investments and transactions will be executed, and matching local currency expenses with available funds in the respective currencies.

When project assets become operational the revenue streams may be in various currencies. Given the tenor of the offtake agreements of up to 25 years, traditional currency hedging instruments are not practical to implement. To mitigate the risk of any non USD based offtake agreement the revenue stream, payable in local currency, will be linked to USD in one of the two following ways:

a) The offtake agreement rate in local currency is linked to exchange rate with USD such that the revenue in USD is not affected despite any changes in the local currency exchange rate.
b) There is a price floor (in USD) for contracts denominated in foreign currency (where alternative 1 is not applicable). The price floor ensures mitigates the risk where the local currency depreciates against USD for extended period of time.
c) Converting local currency free cash flow to USD and retain in USD currency accounts (to be implemented where possible accross all subsidiaires).

Credit risk
Credit risk is the risk that the Company's customers or counterparties will cause financial loss by failing to honour their obligations. The Group is exposed to third party credit risk in several instances, including off-take customers, suppliers and/or contractors who are engaged to construct or operate assets of the Company. If, for any reason, any of the counterparties to these contracts are unable or unwilling to fulfil their contractual obligations, results of operations and cash flows could be materially and adversely affected.

This risk is increased due to the relatively small size of the Company’s construction contracts and off-take partners in the C&I market. To mitigate this risk, the Company has developed a payment risk tool that analyses potential off-take customers prior to investment to establish the financial health of the counter-party and its ability to meet its obligations under the off-take agreements.
Similarly, EPC and O&M contractors undergo a thorough due diligence to establish financial health and track record prior to commitment.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet financial obligations when due.

The B-Shareholders of the Company have committed 74 USD mn to invest in new investments of the company, of which 4 USD mn has been allocated to working capital facility in 2023.
The working capital facility, in form of the B-Shareholder Loan, was approved by the Shareholders in June 2023 and is being monitored by the Board on an ongoing basis in terms of the implementation of the approved Business Plan.

In addition, development funding support has been obtained from shareholders and third party development funding institutions to assist with the early stage development and resourcing of the Company.
The ability of the Company to meet its obligations under these funding sources will be dependent on the successful implementation of the business plan as well as effective working capital management and repatriation of funds to meet these obligations.

A robust working capital monitoring tool has been developed and capital structures in the subsidiaries are being implemented to monitor and forecast working capital requirements and facilitate the repatriation of funds efficiently to meet all its obligations.

The working capital facility finalized in June 2023 will alleviate the liquidity risk of the Group in the medium term, giving the Company sufficient working capital to convert its growing pipeline of investment opportunities.

Note 20 - Related party transactions

Description

A related party is a person or entity that is related to one or more of the entities of the Group. The transactions are summarised below.

The Group companies have entered into the following transactions with related parties who are not members of the Group
Year ended 31 December 2023

(1.000 USD) Related party	Purchase of products and services from	Fees on loans from	Balance owed to
Stitching Development fund*	0	1,150	3,650
CEF 140 B.V		92	2,056
NORFUND		20	451
	0	1,262	6,157

* Related to CEF 140 B.V that is a minority shareholder and Lead Investor.

2023

(1.000 USD)	Salary	Pension	Other	Total
Board members	0	0	0	0
Executive management team (2023)	377	10	378 *	764
Total remuneration	**377**	**10**	**378**	**764**

* Other remuneration includes primarily payments made to the CFO, COO and CTO as contracted consultants to

Year ended 31 December 2022

(1.000 USD) Related party	Purchase of products and services from	Fees on loans from	Balance owed to
Stitching Development fund*	0	523	1,770
Empower NE II AS (the Manager)	169	0	0

* Related to CEF 140 B.V that is a minority shareholder and Lead Investor.

2022

(1.000 USD)	Salary	Pension	Other	Total
Board members	0	0	0	0
Executive management team (from 1 Nov 22)	73	1	71 *	145
Total remuneration	**73**	**1**	**71**	**145**

* Other remuneration includes primarily payments made to the CFO, COO and CTO as contracted consultants to the business at the reporting date

Note 21 - Events after the balance sheet date

Accounting policies

New information after the reporting period about conditions that existed at the end of the reporting period is recognised in the financial statement. Events after the reporting period affecting the group's future financial position are disclosed if material.

Management has evaluated events and transactions that occurred subsequent to the balance sheet date, but before the date these financial statements were issued. Based on this evaluation, management has concluded that there have been no subsequent events that require material adjustments to the financial statements.

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Empower New Energy AS

Income statement for parent company

(amounts in Norwegian kroner)

Operating income and operating expenses	**Note**	**2023**	**2022**
Revenue		0	129 189
Other income	1	2 511 924	2 294 829
Total income		**2 511 924**	**2 424 018**
Employee benefits expense	2	10 575 742	712 063
Other expenses		23 848 435	27 500 758
Total expenses		**34 424 176**	**28 212 821**
Operating profit		**-31 912 252**	**-25 788 803**
Financial income and expenses			
Interest income from group companies		776 682	1 584 671
Other interest income		695 876	86 055
Other financial income		16 332 476	9 615 974
Write-down of long-term investments	3	39 522 748	4 665 484
Other interest expenses		8 883 353	4 310
Other financial expenses		16 881 708	1 993 684
Net financial items	**4**	**-47 482 774**	**4 623 222**
Net profit before tax		-79 395 027	-21 165 581
Income tax expense	5	0	0
Net profit after tax		**-79 395 027**	**-21 165 581**
Net profit or loss	**6**	**-79 395 027**	**-21 165 581**
Attributable to			
Loss brought forward		79 395 027	21 165 581
Total		**-79 395 027**	**-21 165 581**

Empower New Energy AS

Balance sheet for parent company as at 31 December

(all amounts in Norwegian kroner)

Assets	**Note**	**2023**	**2022**
Non-current assets			
Non-current financial assets			
Investments in subsidiaries	3	27 062 567	49 860 018
Loan to group companies	7	145 039 308	30 299 062
Total non-current financial assets		**172 101 875**	**80 159 081**
Total non-current assets		**172 101 875**	**80 159 081**
Current assets			
Debtors			
Accounts receivables		151 778	129 189
Other short-term receivables		2 070 151	2 208 381
Receivables from group companies		18 348	18 348
Total receivables		**2 240 277**	**2 355 918**
Cash and cash equivalents	8	24 595 416	23 077 346
Total current assets		**26 835 693**	**25 433 264**
Total assets		**198 937 568**	**105 592 345**

Empower New Energy AS

Balance sheet for parent company as at 31 December

(all amounts in Norwegian kroner)

Equity and liabilities	**Note**	**2023**	**2022**
Equity			
Paid-in capital			
Share capital	9	3 636 093	3 054 416
Share premium reserve		130 648 314	102 542 092
Non-registered capital increase		25 316 550	0
Other paid-up equity		1 600 000	1 600 000
Total paid-up equity		**161 200 958**	**107 196 508**
Retained earnings			
Uncovered loss		-114 254 672	-34 859 645
Total retained earnings		**-114 254 672**	**-34 859 645**
Total equity	**6**	**46 946 286**	**72 336 863**
Liabilities			
Other non-current liabilities			
Other non-current liabilities	1, 10	144 667 479	2 480 996
Total non-current liabilities		**144 667 479**	**2 480 996**
Current liabilities			
Trade payables		3 514 683	3 551 555
Public duties payable	8	748 530	251 835
Liabilities to group companies		321 732	232 692
Other current liabilities	10, 11	2 738 858	26 738 404
Total current liabilities		**7 323 803**	**30 774 486**
Total liabilities		**151 991 282**	**33 255 482**
Total equity and liabilities		**198 937 568**	**105 592 345**

Empower New Energy AS

Balance sheet for parent company as at 31 December

(all amounts in Norwegian kroner)

Oslo, 30.04.2024

The board of Empower New Energy AS

DocuSigned by: Sebastian Surie
Sebastiaan Alexander Gijsbert Surie
Chairman of the board

DocuSigned by:
Tarun Brahma
Member of the board

DocuSigned by:
Pål Terserus Helgesen
Member of the board

DocuSigned by: Susie Scannelli Cook
Susan Scannelli Cook
Member of the board

DocuSigned by: Terje Osmundsen
Terje Osmundsen
general Manager

Empower New Energy AS

Notes to Financial Statements for the parent company for 2023

(all amounts in Norwegian kroner)

Accounting principles

The financial statements for 2022 have been prepared in conformity with the Norwegian Accounting Act, generally accepted accounting practice and the Norwegian accounting standard for small companies (NRS8).

The financial statements for the parent company are presented in Norwegian Kroner.

The financial year follows the calendar year and the balance sheet shows the financial position as of 31 December.

Operating revenues
Services are posted to income as they are delivered.

Tax
The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net.

Classification and valuation of current assets
Current assets and short-term liabilities normally include items that fall due for payment within one year of the balance sheet date. Current assets are valued at the lower of acquisition cost and fair value.

Shares in subsidiaries
Subsidiaries are valued using the cost method in the company accounts. The investment are measured at acquisition cost for the shares unless a write-down has been necessary. A write-down to fair value is made when a fall in value is due to reasons that cannot be expected to be temporary and such write-down must be considered as necessary in accordance with good accounting practice. Write-downs are reversed when the basis for the write-down is no longer present.

Dividends, group contributions and other distributions from subsidiaries are posted to income in the same year as provided for in the distributor's accounts. To the extent that dividends/ group contributions exceed the share of profits earned after the date of acquisition, the excess amounts represents a repayment of invested capital, and distributions are deducted from the investment's value in the balance sheet of the parent company.

Note 1 Government grants

The company has received a total funding of USD 760 000 from the African Development Bank. At 31 12 2023 the company have received in total USD 500 000. The grant is partly fund the investment activities in the company. For 2023 NOK 2 315 486 have been accrued as income. Unused and paid out grants at 31/12/2023 amounts to NOK 165 510.

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Empower New Energy AS

Notes to Financial Statements for the parent company for 2023
(all amounts in Norwegian kroner)

Note 2 Salary costs and number of man-years

Salary costs

	2023	2022
Salaries	8 677 310	577 671
Employment tax	1 373 394	83 697
Pension costs	508 433	43 402
Other benefits	16 605	7 293
Total	**10 575 742**	**712 063**

In 2023 the company employed 8 man-years.

Note 3 Subsidiaries

	Country	Ownership interest	Voting interest	Acquisition cost	Book value
Subsidiaries					
Solarplast Project Company Ltd.	Ghana	85 %	85 %	1 552 771	30 000
Aluminium Egypt Solar Company Ltd.	Egypt	98 %	98 %	35 278	0
Empower Project NGR Company Ltd.	Nigeria	100 %	100 %	8 716 650	2 979 465
Empower NE II AS	Norway	100 %	100 %	36 364 853	0
CocoaSolar Project Company Ltd.	Ghana	100 %	100 %	3 924 378	3 185 051
Techiman Solar I Ltd.	Ghana	100 %	100 %	4 142 754	4 142 754
Empower Project Egypt for Electricity	Egypt	100 %	100 %	86 149	86 149
Empowr MRC Project Company	Morocco	100 %	100 %	16 639 148	16 639 148
Total				**71 461 980**	**27 062 567**

Investments in subsidiaries are recognised according to the cost method in the company's financial statements.

Shares in subsidiaries were written down by NOK 39 522 748 and accumulated NOK 44 399 414 as of 31.12.2023 in accordance with a valuation of fair value.

Note 4 Financial Items

Financial income	**2023**	**2022**
Interest income from companies in the same group	776 682	1 584 671
Other interest income	695 876	86 055
Foreign exchange gains (agio)	16 332 476	9 615 974
Total financial income	**17 805 034**	**11 286 700**

Financial costs	**2023**	**2022**
Write-down of financial investments	39 522 748	4 665 484
Other interest costs	8 883 353	4 310
Foreign exchange losses (disagio)	16 881 708	1 993 684
Total financial costs	**65 287 809**	**6 663 478**
Net financial items	**-47 482 774**	**4 623 222**

Empower New Energy AS

Notes to Financial Statements for the parent company for 2023
(all amounts in Norwegian kroner)

Note 5 Tax

This year's tax expense	2023	2022
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	0	0
Tax expense on ordinary profit/loss	**0**	**0**
Taxable income:		
Result before tax	-79 395 027	-21 165 581
Permanent differences	39 522 748	4 765 410
Changes in temporary differences	3 419 693	6 607 654
Taxable income	**-36 452 586**	**-9 792 517**
Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	**0**	**0**

The tax effect of temporary differences and loss for to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	2023	2022	Difference
Long-term receivables and liabilities in foreign currency	-12 234 692	-8 814 999	3 419 693
Total	**-12 234 692**	**-8 814 999**	**3 419 693**
Accumulated loss to be brought forward	-56 956 640	-20 504 053	36 452 586
Not included in the deferred tax calculation	69 191 331	29 319 053	-39 872 278
Deferred tax assets (22 %)	**0**	**0**	**0**

Deferred tax not included in the balance sheet.

Note 6 Ecquity capital

	Share capital	Share premium reserve	Other paid-up equity	Non-registered capital increase	Uncovered loss	Total
As at 31.12.2022	3 054 416	102 542 092	1 600 000	0	-34 859 645	72 336 863
Loss of the year					-79 395 027	-79 395 027
Capital increases	581 677	28 106 223	0	0	0	28 687 900
Non-registered capital increase*	0	0	0	25 316 550	0	25 316 550
As at 31.12.2023	**3 636 093**	**130 648 314**	**1 600 000**	**25 316 550**	**-114 254 672**	**46 946 286**

* The capital increase was registered with the Company Register 19.1.2024.

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Empower New Energy AS

Notes to Financial Statements for the parent company for 2023
(all amounts in Norwegian kroner)

Note 7 Receivables with a maturity later than one year

Loans to	2023	2022
Solarplast Project Company Ltd.	6 095 067	5 372 628
Aluminium Egypt Solar Company Ltd.	12 087 168	13 835 365
Empower Project NGR Company Ltd.	119 703 215	6 354 851
Empower NE II AS	2 737 300	1 597 300
CocoaSolar Project Company Ltd.	1 415 652	582 797
Techiman Solar I Ltd.	2 148 299	1 848 840
Empower MRC Project Company	852 607	707 280
Total long-term receivables	**145 039 308**	**30 299 062**

Note 8 Bank deposits

Funds standing on the tax deduction account (restricted funds) are NOK 404 724. Funds restricted to project devolopment are NOK 23 740 127.

Note 9 Shareholders

The share capital in Empower New Energy AS as of 31.12 consists of the following share classes:

	Total	Face value	Entered
A-shares	3 023 340	1,0	3 023 340
B-shares	582 752	1,0	582 752
C-shares	30 000	1,0	30 000
E-shares	1	1,0	1
Total	**3 636 093**		**3 636 093**

Ownership structure

The largest shareholders in % at year end:

	Total	Owner interest	Share of votes
EDFI MANAGEMENT COMPANY NV	940 577	25,9	25,9
NORFUND	691 091	19,0	19,0
CEF 140 B.V.	471 197	13,0	13,0
TO GOOD ENERGY AS	424 195	11,7	11,7
Virindi Impact AS	262 904	7,2	7,2
Chase Green Energy Limited	176 460	4,9	4,9
LEVIATHAN HOLDING AS	176 358	4,9	4,9
SALTHAVN AS	146 965	4,0	4,0
ORGLAND MAGNE YNGVAR	73 483	2,0	2,0
ANDREASSEN HARALD SOMMER	58 786	1,6	1,6
Energy Investors AS	46 735	1,3	1,3
SVOLDERSHOP AS	41 444	1,1	1,1
Total >1% ownership share	**3 510 195**	**96,5**	**96,5**
Total other	125 898	3,5	3,5
Total number of shares	**3 636 093**	**100,0**	**100,0**

Empower New Energy AS

Notes to Financial Statements for the parent company for 2023
(all amounts in Norwegian kroner)

Note 10 Related party transactions

Related party	Link	Ownership
Stichting Development Fund	Owner via CEF 140 B.V.	13 %
CEF 140 B.V.	Owner	13 %
Norfund	Owner	19 %

The financial statement includes the following amounts from related party transactions:

	2023	2022
Other non-current liabilities	143 684 726	0
Other current liabilities	0	26 281 100
Total	**143 684 726**	**26 281 100**

Note 11 Other current liabilities

	2023	2022
Other current liabilities		
Loans from shareholders (to be converted to equity)	0	26 661 986
Other short-term liabilities	2 738 858	76 418
Total	**2 738 858**	**26 738 404**

Board of Directors' report Empower New Energy AS - 2023

EXECUTIVE SUMMARY

Established in 2017, Empower New Energy AS (the Company) is a renewable impact investment company. The Company invests in small and medium-sized renewable energy projects in developing countries, with a current focus on Africa. The company is headquartered in Norway, with operating subsidiaries in Ghana, Egypt, Nigeria, Morocco.

The growth of the Company accelerated in 2023, with the commissioning of our first ground-mounted solar plant (0.6 MWp) in Ghana and our first solar investment in Morocco (2.5 MWp).
Furthermore, six new projects were approved by the Investment Committee in 2023, 6.3 MW in Nigeria, 1.6 MW in Ghana, 1.1 MW in Morocco and 1.1 MW in Egypt, totaling 23 USD mn, out of which two projects in Nigeria commenced construction in 2023.
We estimate that these investments will save over 9,700 tons of CO_2 per year, around 240,000 tons of CO_2 over the lifetime of the projects and generate or protect an estimated 1,275 jobs.

Operational key considerations
In parallel to the significant growth in assets and project pipeline, the company is facing some unique challenges which are ongoing from Q2/Q3 2022. The war in Ukraine and the resultant global instability has severely affected the Company's target markets. Significant USD strength and the resultant devaluation of currencies in the markets in which the company operates, specifically in Nigeria and Egypt, has affected the affordability of investments linked to USD by the customers in relation to local electricity prices. The Company expects that national electricity prices will need to be increased in due course, however this is often impacted and delayed by government policy. Positive signs in that direction have been observed in Nigeria and the cost differential is expected to correct in due course, with further positive signs expected in Ghana and Egypt.

The market instability in the target markets has impacted some of the current operations, specifically in Egypt and Nigeria. In Egypt, the currency depreciation affected the affordability of the payments under the Company's Power Sales Agreements (the PSAs) which are linked to USD and the Company experienced problems in recovering payments from its Egyptian customers. Whilst it is expected to be a temporary situation, commercial arrangements are being made to address the current unaffordability of our power. However, at the time of writing, legal actions asserting Empower's contractual rights have been initiated in relation to three of the off takers.

In Nigeria, Premium Poultry Farms continues to suffer from business operational issues which impacts its revenue streams and results in further delayed payments to Empower under the underlying PSA. The Company is in discussion with the African Guarantee Fund regarding the compensation through a release of the equity guarantee subscribed for the project.

On this backdrip, an impairment of 0.4 USD mn of the Egyptian assets and Premium Poultry Farm has been considered in the annual financial statements.

The company is in a scale-up phase, resulting in an increased working capital funding requirement in 2023. As a result, an updated business plan & budget was formulated and approved by the board. In addition, a working capital facility in form of a shareholder loan of 4 USD mn was agreed by certain existing shareholders and approved in June 2023. The funding under the working capital facility is monitored by the Board and at the discretion of the shareholders who provided the loan facility. In 2023 two disbursements were made to fund operational expenditures of the Company.

The annual financial statements are prepared on a going concern principle. The Company's project pipeline remains strong and growing, also including new markets with lower currency and liquidity risks (most recently the approved investment in Kenya in Q1 2024), providing a solid foundation for the company's long-term sustainability.

FINANCIAL STATEMENT COMMENTARY

The Group recognized an operating loss before interests and taxes of 3.2 USD mn, primarily due to increased operating costs and the impairment loss recognized of 0.4 USD mn.

Negative financial results of 2.1 USD mn was recognized in 2023, which includes interests on loans as well as realized and unrealized foreign exchange losses and gains on movements in the exchange rate on assets, liabilities and income statement items.

The Group had cash on hand of 4.2 USD mn at the reporting date, most of which was earmarked for investment into projects in Nigeria.

The increase in non-current assets reflects the conversion of approved projects, the majority is held under construction at the end of the reporting period.

Non-current borrowings, include the Shareholder loans and other loan facilities (DWCA, Innovation Norway, Climate Finance Accelerator Luxembourg).

The business was funded during 2023 by capital calls for investment activities, the B-Shareholder loan facility for operational expenses and the DWCA working capital facility.

RISKS

Empower New Energy AS is exposed to following financial risks, mainly, currency risk, credit risk and liquidity risk.

Foreign Currency Risk
The Company operates internationally and is subject to currency exposure when transactions and monetary balances are denominated in currencies other than the functional currency. Currently the business is headquartered in Norway, has operations in Nigeria, Ghana, Egypt and Morocco and is exposed to fluctuations of local currencies to the USD.

Foreign currency risk is the risk that the future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to changes in the value of USD relative to other currencies, primarily to the Company`s operating activities (i.e. when revenue or expenses are dominated in a foreign currency).

The Company manages its foreign currency risk by holding the majority of its funds in USD, the currency in which future investments and transactions will be executed, and matching local currency expenses with available funds in the respective currencies.

When project assets become operational the revenue streams may be in various currencies. Given the tenor of the offtake agreements of up to 25 years, traditional currency hedging instruments are not practical to implement. To mitigate the risk of any non USD based offtake agreement the revenue stream, payable in local currency, will be linked to USD in one of the two following ways:

- The offtake agreement rate in local currency is linked to exchange rate with USD such that the revenue in USD is not affected despite any changes in the local currency exchange rate.
- There is a price floor (in USD) for contracts denominated in foreign currency (where alternative 1 is not applicable). The price floor ensures mitigates the risk where the local currency depreciates against USD for extended period of time.
- Converting local currency free cash flow to USD and retain in USD currency accounts (to be implemented where possible across all subsidiaries).

Credit Risk

Credit risk is the risk that the Company's customers or counterparties will cause financial loss by failing to honor their obligations. The Group is exposed to third party credit risk in several instances, including off-take customers, suppliers and/or contractors who are engaged to construct or operate assets of the Company. If, for any reason, any of the counterparties to these contracts are unable or unwilling to fulfil their contractual obligations, results of operations and cash flows could be materially and adversely affected.

This risk is increased due to the relatively small size of the Company's construction contracts and off-take partners in the C&I market. To mitigate this risk, the Company has developed a payment risk tool that analyses potential off-take customers prior to investment to establish the financial health of the counter-party and its ability to meet its obligations under the off-take agreements.
Similarly, EPC and O&M contractors undergo a thorough due diligence to establish financial health and track record prior to commitment.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet financial obligations when due.

The B-Shareholders of the Company have committed 74 USD mn to invest in new investments of the company, of which 4 USD mn has been allocated to working capital facility in 2023.
The working capital facility, in form of the B-Shareholder Loan, was approved by the Shareholders in June 2023 and is being monitored by the Board on an ongoing basis in terms of the implementation of the approved Business Plan.

In addition, development funding support has been obtained from shareholders and third party development funding institutions to assist with the early stage development and resourcing of the Company.
The ability of the Company to meet its obligations under these funding sources will be dependent on the successful implementation of the business plan as well as effective working capital management and repatriation of funds to meet these obligations.

A robust working capital monitoring tool has been developed and capital structures in the subsidiaries are being implemented to monitor and forecast working capital requirements and facilitate the repatriation of funds efficiently to meet all its obligations.

The working capital facility finalized in June 2023 will alleviate the liquidity risk of the Group in the medium term, giving the Company sufficient working capital to convert its growing pipeline of investment opportunities.

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Oslo, 30 April 2024

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Pål Helgesen
Board member

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Susie Scannelli Cook
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Board member

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Skatteetaten

Vår dato 27.03.2020	Din/Deres dato 20.02.2020	Saksbehandler Lars Waaltorp
800 80 000 Skatteetaten.no	Din/Deres referanse AR361564782	Telefon 32212244
Org.nr 974761076	Vår referanse 2020/5198412	Postadresse Postboks 9200 Grønland 0134 OSLO

EMPOWER INVEST AS
Kongens gate 11
0153 OSLO

Att. Ørjan Alexander Pedersen

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Empower Invest AS, org.nr. 920 592 481

Vi viser til deres henvendelse sendt inn 20. februar 2020 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Empower Invest AS.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Empower Invest AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Empower Invest AS er et alternativt investeringsfond under AIF-loven, og er eid av norske og utenlandske profesjonelle eiere. Selskapet driver virksomhet innen fornybare energiprosjekter, og gjør kun investeringer internasjonalt med fokus på Afrika. All skriftlig kommunikasjon med investorene foregår på engelsk.

Skattekontorets 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 mv., 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."

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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 skattekontorets 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 skattekontoret lagt særlig vekt på at selskapet er eid av profesjonelle eiere. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waaltorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.