



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 993 594 806
Organisasjonsform: Aksjeselskap
Foretaksnavn: AGUA IMARA AS
Forretningsadresse: Askekroken 11
0277 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Kristian Haneberg
Dato for fastsettelse av årsregnskapet: 25.03.2021

Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

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Brønnøysundregistrene, 14.08.2022



Resultatregnskap

Beløp i: USD	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		174 000	228 000
Sum inntekter		174 000	228 000
Kostnader			
Avskrivning på varige driftsmidler og immaterielle eiendeler		29 000	48 000
Annen driftskostnad		45 000	47 000
Sum kostnader		74 000	95 000
Driftsresultat		100 000	133 000
Finansinntekter og finanskostnader			
Annen finansinntekt		207 000	176 000
Sum finansinntekter		207 000	176 000
Annen finanskostnad		40 382 000	66 000
Sum finanskostnader		40 382 000	66 000
Netto finans		-40 175 000	110 000
Ordinært resultat før skattekostnad		-40 075 000	243 000
Ordinært resultat etter skattekostnad		-40 075 000	243 000
Årsresultat		-40 075 000	243 000
Pensjon		-429 000	0
Sum resultatkomponenter for IFRS-foretak		-429 000	
Totalresultat		-40 504 000	243 000



Balanse

Beløp i: USD	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		9 000	38 000
Sum varige driftsmidler		9 000	38 000
Finansielle anleggsmidler			
Investering i datterselskap		80 000 000	120 328 000
Sum finansielle anleggsmidler		80 000 000	120 328 000
Sum anleggsmidler		80 009 000	120 366 000
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer		8 062 000	4 792 000
Sum fordringer		8 062 000	4 792 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		11 189 000	1 623 000
Sum bankinnskudd, kontanter og lignende		11 189 000	1 623 000
Sum omløpsmidler		19 251 000	6 415 000
SUM EIENDELER		99 260 000	126 781 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		185 913 000	185 913 000
Ikke registrert kapitalforhøyelse		12 546 000	



Balanse

Beløp i: USD	Note	2020	2019
Sum innskutt egenkapital		198 459 000	185 913 000
Opptjent egenkapital			
Annen egenkapital		-99 685 000	-59 182 000
Sum opptjent egenkapital		-99 685 000	-59 182 000
Sum egenkapital		98 774 000	126 731 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser		437 000	
Sum avsetninger for forpliktelser		437 000	
Annen langsiktig gjeld			
Sum langsiktig gjeld		437 000	0
Kortsiktig gjeld			
Annen kortsiktig gjeld		49 000	50 000
Sum kortsiktig gjeld		49 000	50 000
Sum gjeld		486 000	50 000
SUM EGENKAPITAL OG GJELD		99 260 000	126 781 000



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To the General Meeting of Agua Imara AS

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Agua Imara AS, which comprise the balance sheet as at 31 December 2020, the income statement, statement of comprehensive income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

Basis for Opinion

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

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

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

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

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

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

The Board of Directors and the Managing Director (management) are responsible for the preparation and a true and fair view of the financial statements in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

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Organisasjonsnummer: 980 211 282

Penneo Dokumentnøkkel: XMUV3-FED71-16PYM-2DCTQ-BEF6P-TWXKS



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accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

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

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance

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

Oslo, 18 March 2021
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Stian Jilg-Scherven
State Authorised Public Accountant (Norway)

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Stian Jilg-Scherven

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Board of Directors' Report 2020

Board of Directors' Report 2020



The Company

Agua Imara AS (The Company) is a wholly owned subsidiary of SN Power AS (SNP) per year end and part of the Norfund Investment portfolio. The Company's business is to develop, build, acquire, own, and operate sustainable hydropower plants in Africa and Latin America on commercial terms.

The Company is co-located with SNP in Oslo, with its Singaporean subsidiary Agua Imara ACA Pte. Ltd. (Agua Imara ACA) located in Amsterdam, The Netherlands. Agua Imara ACA has 100% owned subsidiaries in Panama (SN Power Panama SA) and Zambia (SN Power ACA (Zambia) Ltd.).

Agua Imara ACA's two operating subsidiaries are Lunsemfwa Hydro Power Company Ltd. (LHPC) in Zambia where its ownership share is 51%, and Fountain Hydro Power Corporation (FHPC) in Panama where its ownership share is 50.1%.

Zambia

Agua Imara owns a 51% share in LHPC in Zambia. LHPC owns and operates two hydropower plants with a combined capacity of 56 MW. Due to exceptionally dry conditions during the 2019/2020 rainy season electricity sales started in May and continued until November, when the reservoirs were depleted.

The national generation and distribution company of Zambia is in financial distress. Consequently, the off taker has not been able to pay for all of the electricity delivered by LHPC. As of 31 December 2020, the total outstanding balance amounted to USD 38.8 million. During 2020 LHPC has also sold electricity to the Copperbelt Energy Corporation (CEC). The downward trend on hydrology experienced the last couple of years continued in 2020, in addition Zambia defaulted on the coupon payment of the EURBOND and USD reserves are becoming scarce. As a result, the risk related to the overdue accounts receivable from costumers is still applicable. These are isolated indications of impairment and the underlying recoverable amount related to the shares in subsidiaries is USD 80 million. Impairment charges of USD 40.3 million are included in the statement of profit or loss and other comprehensive income for the year.

LHPC also owns Muchinga Power Company (MPC) in Zambia. MPC has a study license to develop a hydropower plant with a potential capacity of 150-250 MW, downstream of the existing Lunsemfwa power plant.

Panama

Agua Imara participates in two joint ventures in Panama, Fountain Hydro Power Corporation (FHPC) and Hidro Burica SA (Burica). Agua Imara holds a 50.1% ownership share in both companies.

The Covid pandemic impacted the electricity demand in Panama substantially during 2020. This, in combination with two unprecedented tropical storms which increase the hydro production in the country, led lower prices.

Burica is developing a 63 MW run of river hydropower plant immediately downstream of Bajo Frio. The approval was given in June 2016. Given uncertainties on the timing of the next long term PPA auction in Panama, an impairment of USD 8.0 million (Agua Imara share) has been recognized.



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The financial statements

Figures in USD million

Statement of profit or loss and other comprehensive income for the year	2020	2019	Comments
Operating Profit	0.174	0.133	
Net Financial Items	-40.175	0.110	
Operating Expenses	-0.045	-0.047	
NET PROFIT FOR THE YEAR	-40.075	0.243	1

Cash flow statement	2020	2019	Comments
Cash and cash equivalents	11.189	4.862	2
Net cash flow from operating activities	-1.695	-0.429	2
Net cash flow to investing activities	-	-	
Net cash flow to financing activities	11.261	-	

Balance Sheet at 31 December	2020	2019	Comments
Total assets	99.3	126.8	
Equity as a percentage of total debt and equity	99.51%	99.96%	

1. No significant changes to the company's operating status compared to prior year. The change in net financial items is related to impairment expenses related to investment in shares in subsidiaries.
2. The increase in cash balance in 2020 is mainly linked to the capital increase in December.

Allocation of this year's net loss and continued operations

The Board of Directors of Agua Imara AS has proposed that no dividend is distributed for 2020 and that this year's net profit is allocated as follows:

Net profit 2020	USD -40.1 million
Transferred to other equity	USD -40.1 million

It is the Board's opinion that the annual accounts give a true and fair view of Agua Imara AS's financial results in 2020 and financial situation as of 31 December 2020. According to the Norwegian Accounting Act, the Board confirms that the annual accounts have been prepared based on Agua Imara AS being a going concern.

Health and Safety, Work Environment, and board composition

Agua Imara AS's goal is to meet high international health, safety and environmental (HSE) standards in all its activities. A very unfortunate accident on 19 January 2021 in LHPC led to the fatality of an employee who was assisting with maintenance on a high voltage circuit breaker. A thorough investigation was instigated, and as a result LHPC's management of HSE will be thoroughly overhauled.

Agua Imara's Board of Directors consists of three men.

External Environment

During 2020, there was no record of serious violations of Agua Imara's environmental standards for emissions or other serious environmental risks.

Agua Imara is committed to comply with international environmental and social standards set by the International Finance Corporation (IFC) and the UN Global Compact. The standards are integrated into



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the company's "Group Corporate Social Responsibility and Environmental Policy and Procedures" and into the Company's project management tool.

Effects of COVID-19

The spread of the Corona virus (COVID-19) has escalated quite significantly during 2020 and the virus is now recorded in every continent and in most countries including the countries where Agua Imara AS has operations, i.e. Panama and Zambia. Both LHPC and FHPC have been operating under a strict Covid emergency protocol during the year to protect its employees and production.

LHPC (Zambia) – the general economic situation is poor, and the spread of the Corona virus has worsened the financial situation of the off taker and government. It has also led to a lower inflow of USD, which might impact the ability of the off taker to continue servicing the payable to LHPC. The pandemic has not impacted the production in the LHPC.

FHPC (Panama) – The close down of the country to fight the pandemic during 2020 brought the economy to a standstill and led to temporary payment problems for the distribution companies during the first part of the year. Several members of the operations team at the company were affected by the virus, but there was no impact on production.

Priorities for Agua Imara for 2021

Agua Imara will continue to focus on its main objective which are to optimize the existing operations. During January 2021 the shares in Agua Imara AS were distributed as dividend in kind to Norfund. This follows the agreement signed on 16 October 2020, when it was announced that Scatec ASA, a company listed on the Oslo Stock Exchange, had signed a binding agreement to acquire 100% of the shares in SN Power from Norfund, except for the Agua Imara assets.

For 2021, Agua Imara will focus on securing payment of the outstanding accounts receivable in LHPC in Zambia and refinance the project finance debt in FHPC.

Oslo, 18 March 2021


Øystein Øyehaug
Chair


Erik Knive
Director


Michael McWilliams
Director


Kristian Haneberg
CEO



Agua Imara AS

Statement of profit or loss and other comprehensive income for the year

Figures in USD 1,000	NOTE	2020	2019
OPERATING REVENUES AND EXPENSES			
Sales revenues	2,11	174	228
Salary and personnel costs	3	-	-
Amortization	6	-29	-48
Loss on disposal of assets		-	-
Other operating costs	4	-45	-47
Earnings before financial items and tax		100	133
FINANCIAL INCOME AND EXPENSES			
Financial income	5	207	176
Financial expenses	5	-40,382	-66
Net financial items		-40,175	110
Profit(-Loss) before tax		-40,075	243
This year's tax expense	7	-	-
NET PROFIT FOR THE YEAR		-40,075	243
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX			
Items that will not be reclassified to profit or loss			
Pensions		-429	-
Total items that will not be reclassified to profit or loss		-429	-
Other comprehensive income for the year, net of tax		-40,504	243
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		-40,504	243



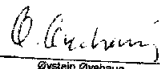
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Balance Sheet at 31 December

Figures in USD 1,000

	NOTE	2020	2019
ASSETS			
Tangible assets			
Investment in subsidiaries	6	9	38
Total non-current assets	8	80,000	120,328
Receivables			
Cash and cash equivalents	12	8,082	4,792
Total current assets	9	11,189	1,623
TOTAL ASSETS		99,280	126,781
EQUITY AND LIABILITIES			
Share capital and share premium			
Approved not registered capital	10	185,913	185,913
Other equity	10	12,546	-
Total equity	10	98,774	126,731
Pension commitments			
Total long-term liabilities	14	437	-
Current liabilities			
Total current liabilities	13	49	60
TOTAL EQUITY AND LIABILITIES		99,260	126,781

Oslo, 18 March 2021


Øystein Øyehaug
Chair


Erik Knivs
Director


Michael McWilliams
Director


Kristian Hønsberg
CEO



Agua Imara AS

Statement of Changes in Equity for the year ended 31 December

Figures in USD 1,000	NOTE	Share capital	Share premium	Approved not registered capital	Other equity	Total equity
At 31 December 2018		18,506	167,407	-	-59,426	126,487
Recognized through Profit and Loss						
Profit for the year		-	-		243	243
Recognized through Profit and Loss		-	-		243	243
Total comprehensive income for the year, net of tax		-	-		243	243
At 31 December 2019		18,506	167,407		-59,182	126,731
Transactions with shareholders						
Issue of share capital - Contribution in kind 1)				12,545		12,545
Transactions with shareholders		-	-	12,545	-	12,545
Other comprehensive income for the year, net of tax						
Pensions		-	-		-429	-429
Other comprehensive income for the year, net of tax		-	-		-429	-429
Recognized through Profit and Loss						
Profit for the year		-	-		-40,075	-40,075
Recognized through Profit and Loss		-	-		-40,075	-40,075
Total comprehensive income for the year, net of tax		-	-		-40,504	-40,504
At 31 December 2020		18,506	167,407	12,545	-99,685	98,774

1) The capital increase was approved on December 17 2020 and registered in the Brønnøysund-registry on January 27 2021



Agua Imara AS

Cash flow statement

Figures in USD 1,000	NOTE	2020	2019
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		-40,075	243
Amortization	6	29	48
Impairment of financial assets		40,328	-
Change in other receivables		2	-51
Change in accounts payable		-2	18
Change in intra-group accounts	12, 13	-838	-3,501
Change in other current assets and liabilities	12, 13	11	3
Net cash flow from operational activities		-545	-3,239
CASH FLOW FROM INVESTING ACTIVITIES			
Net cash flow to investment activities		-	-
CASH FLOW FROM FINANCING ACTIVITIES			
New paid-in equity	11	10,111	-
Net cash flow from financing activities		10,111	-
Effect of exchange rate changes on cash and cash equivalents		-	-
Net change in cash and cash equivalents		9,566	-3,239
Cash and cash equivalents at 1 January		1,623	4,862
Cash and cash equivalents at 31 December	10	11,189	1,623



Agua Imara AS

Notes to the financial statements

Note 1 - Summary of significant accounting principles

Summary of significant accounting policies

The financial statements have been presented in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act § 3-9. The financial statements consist of the statement of income and other comprehensive income, balance sheet, statement of changes in equity, statement of cash flows and notes to the financial statements.

The financial statements give a true and fair view of the financial position, the financial performance and the cash flows for the year.

Agua Imara AS is a subsidiary of SN Power AS. SN Power Group's financial statements include Agua Imara AS and its subsidiaries in accordance with the Norwegian Accounting Act § 3-7. SN Power Group's financial statements will be made available on www.snpower.com.

Classification

Assets and liabilities related to the normal operating cycle are classified as current assets and current liabilities. Receivables and liabilities not related to the normal operating cycle are classified as current if they are of a short-term nature, normally due within one year. Shares and other investments not intended for continued use or ownership are classified as current assets. Other assets are classified as fixed assets and other liabilities as long-term liabilities.

Revenue recognition

Sales of services are recognized as income when rendered. Other operating revenues are recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Foreign currency

Functional currency for the company is USD. Foreign currency monetary items are translated at the closing rate at the date of the balance sheet. Foreign currency gains and losses are reported in the income statement under the line items financial income or financial expenses.

Investments

Investments in subsidiaries are accounted for using the cost method. The investments are initially measured at the acquisition price of the shares. When it is assumed that the fair value of investments is lower than its carrying amount, the asset is written down to the recoverable amount. Previously recognized impairment loss is reversed only if there have been changes in the estimates used to determine the recoverable amount. Dividend income is recognized when the shareholder's right to receive payment has been established, normally when approved by the General Meeting.

If an appropriation exceeds the proportion of retained profit after acquisition, the excess amount represents a repayment of invested capital, and the appropriation is deducted from the value of the investment in the balance sheet.

Fixed assets

Fixed assets are measured at cost less accumulated depreciation and impairment. Fixed assets are impaired if the carrying amount exceeds the recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and the value in use. Impairment is reversed if the basis for the impairment is no longer present.

Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognized in the income statement.



Income taxes

Income tax expenses comprises current and deferred tax. It is recognized in the profit and loss except to the extent that it related to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income of loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of tax payable or receivables is the best estimate of the tax amount expected to be paid to or received from the tax authorities in each country. The tax rates and laws used to compute the amount are those that are enacted or substantially enacted by the reporting date. Current tax also includes any withholding or other taxes arising from dividends.

According to an interpretation from the Ministry of Finance, the taxable income is calculated in NOK as functional currency as opposed to USD in the financial statements.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the date of the reporting date. Deferred tax assets and deferred tax liabilities are offset within the same legal tax subject and jurisdiction.

Cash flow statement

The cash flow statement is prepared using the indirect method which reconciles the change in cash and cash equivalents to the profit before tax for the year. Cash flows are divided into cash flows from operating, investing and financing activities.

Cash and cash equivalents include bank deposits, other short-term liquid investments and bank overdrafts. Cash and cash equivalents are recognized at current values.



Agua Imara AS

Notes to the financial statements for the year ended 31 December 2020

Figures in USD 1,000

Note 2 - Sales revenues

By business area	2020	2019
Services	174	228
Total	174	228

Note 3 - Audit fee

Auditor	2020	2019
Statutory audit	-2	-2
Total fees to auditors	-2	-2

Note 4 - Other operating expenses

Other operating expenses	2020	2019
External services related to accounting	-40	-44
Other expenses	-5	-3
Total other operating expenses	-45	-47



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Notes to the financial statements for the year ended 31 December 2020

Figures in USD 1,000

Note 5 - Financial items

Financial income	IFRS 9 category	2020	2019
Interest income bank	Amortized cost	65	84
Realized currency gain	Fair value through profit and loss	3	0
Unrealized currency gain	Fair value through profit and loss	49	92
Other financial income	Amortized cost	90	0
Financial income		207	176
Financial expenses		2020	2019
Other interest expenses	Amortized cost	-5	0
Realized currency loss	Fair value through profit and loss	0	-9
Unrealized currency loss	Fair value through profit and loss	-49	-57
Impairment of financial assets	Amortized cost	-40,328	0
Other financial expenses	Amortized cost	0	0
Financial expenses		-40,382	-66
Net financial items		-40,175	110

Note 6 - Fixed Assets

Tangible assets	Office equipment	Total
Acquisition cost 1 January 2020	369	369
Acquisition cost 31 December 2020	369	369
Accumulated depreciation at 31 December 2020	-360	-360
Book value 31 December 2020	9	9
Depreciation for the year	-29	-29
Estimated economic life	3-10 yrs.	
Depreciation method	linear	



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Notes to the financial statements for the year ended 31 December 2020

Figures in USD 1,000

Note 7 - Tax

Tax expense	2020	2019
Taxes payable	0	0
Change in deferred tax	0	0
Tax expense	0	0
Tax expense	2020	2019
Profit before tax	-40,075	243
Expected tax expense at the nominal rate of 22 % (2019: 22%), the nominal rate of tax in Norway	-8,817	53
Effect on taxes of:		
Changes in temporary differences and unused tax losses not recognized as deferred taxes	-56	-62
Permanent differences caused by the functional currency being different from the tax currency	8,872	0
Other permanent differences, net	0	8
This year's tax expense	0	0
Tax rate	0	0

Temporary differences including tax loss carried forward for which no deferred tax asset is recognized in the balance sheet	2020	2019
Property, plant and equipment	3	13
Tax losses carried forward/compensation	13,357	13,609
Temporary differences including tax loss carried forward for which no deferred tax asset is recognized in the balance sheet	13,360	13,623

Deferred tax asset (DTA) not recognized in the balance sheet is related to tax losses carried forward and temporary differences. DTA is recognized on the basis of an expectation of a future taxable profit. The nature of Agua Imara AS' operations imply that future profits will not primarily be taxable. The benefits of deferred tax accordingly cannot be justified in the foreseeable future and have not been recognized in the company's balance sheet.



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Notes to the financial statements for the year ended 31 December 2020

Figures in USD 1,000

Note 8 - Subsidiaries

Company	Date of establ.	Business office	Country of registration	Main operations	Parent company	Voting share	Ownership share
Agua Imara ACA Pte. Ltd.	25 September 2009	The Netherlands	Singapore	Investments	Agua Imara AS	100.00 %	100.00 %

Company	Book value	2020	2019
Agua Imara ACA Pte. Ltd.		80,000	120,328
Total		80,000	120,328

Assessment of impairment shares in subsidiaries

The changes in shares in subsidiaries during 2020 are related to impairment charges recorded in accordance with IAS 36. The company has performed impairment testing related to the carrying amount of the investment in Agua Imara ACA Pte. Ltd which holds operations in Panama and Zambia. Based upon this testing the recoverable amount was estimated to be USD 80 million. The recoverable amount is estimated by fair value adjusting the equity in Agua Amara ACA Pte. Ltd. This adjustment is done by estimating the recoverable amounts in the underlying operations in Panama and Zambia using management's best assumptions related to both power prices, hydrology and discount rates (calculated using WACC). These assumptions involve judgements and estimates about the future that in its nature are uncertain. Based upon the work performed an impairment charges of USD 40.3 million is included in the Statement of profit or loss and other comprehensive income for the year and the shares in subsidiaries are written down with the same amount.

Sensitivity analysis of impairment testing

The recoverable amount is most sensitive to changes in the critical assumptions in the Zambia operations. Management has performed sensitivity testing:

-A 10 % positive/negative change in the hydrology levels would decrease/increase the impairment charges with 8.0 million USD

-A decrease of discount rate by 15 % will decrease the impairment charges with USD 15.0 million. Further an increase of applied WACC by 15% to 35 % would increase the impairment charges with USD 7 million



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Notes to the financial statements for the year ended 31 December 2020

Figures in USD 1,000

Note 9 - Bank deposits, cash and cash equivalents

Cash and cash equivalents:

	<u>2020</u>	<u>2019</u>
Specification of cash and cash equivalents:		
Cash and bank deposits	11,189	1,623
Total cash and cash equivalents	11,189	1,623



Agua Imara AS

Notes to the financial statements for the year ended 31 December 2020

Figures in USD 1,000

Note 10 - Share capital, shareholder information and dividend

	Share Capital	Share Premium	Paid-in capital
Paid-in equity 1 January 2020	18,506	167,407	185,913
Paid-in equity 31 December 2020	18,506	167,407	185,913

A capital increase was approved on December 17 2020 and registered in the Brønnøysund-registry on January 27 2021 with an amount of USD 12,545. The shares is presented as other equity.

Nominal value per share is NOK 10. Total issued shares are 11,144,573, of which 1,114,457 are B-shares without voting rights. All issued shares are equally entitled to dividend.

Shareholders in SN Power AS at 31 December 2020	Number of A-shares	Number of B-shares	Face value	Ownership share	Voting share
SN Power AS	10,030,116	1,114,457	NOK 10	1	1
Total	10,030,116	1,114,457		1	1

No dividend will be paid out for 2020



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Notes to the financial statements for the year ended 31 December 2020

Figures in USD 1,000

Note 11- Transactions with related parties

All subsidiaries, associated companies and joint ventures are related parties of SN Power AS, as referred to in note 24 of the SN Power Group financial statements. SN Power's Management Team and Board of Directors are also related parties of SN Power. SN Power is indirectly owned by the Norwegian government. There are no identified significant transactions and balances with the Norwegian government or companies controlled by the Norwegian government, other than the ones listed in this note and note 3.

All transactions with related parties have been carried out as part of the ordinary operations and at arm's length prices. There are no identified significant transactions with related parties other than the ones listed in this note and note 3.

The profit & loss sheet includes the following amounts resulting from transactions with related parties

Transaction type	Related party	2020	2019
Sales revenue	Agua Imara ACA Pte. Ltd.	174	223
Sales revenue	Total	174	223

The balance sheet includes the following amounts resulting from transactions with related parties

		2,020	2,019
Receivables	Agua Imara ACA Pte. Ltd.	0	710
Receivables	Lunsemfwa Hydro Power Company Ltd.	0	525
Receivables	Total	0	1,235



Agua Imara AS

Notes to the financial statements for the year ended 31 December 2020

Figures in USD 1,000

Note 12 - Receivables

	2020	2019
Intra-group receivables	8,008	4,736
Other current receivables	54	56
Total receivables	8,062	4,792

Note 13 - Other current liabilities

	2020	2019
Accounts payable	51	50
Public taxes payable	-2	0
Intra-group payables	0	0
Total other current liabilities	49	50

Note 14 - Pensions

The company does not have any employees, but one former employee has a defined benefit pension plan. The pension liability to the former employee is USD 437 per year end.

Note 15 - Events after the balance sheet date

During January 2021 the shares in Agua Imara AS were distributed as dividend in kind to Norfund. This is related to the agreement signed on 16 October 2020, when it was announced that the Oslo Stock Exchange listed entity Scatec ASA had signed a binding agreement to acquire 100% of the shares in SN Power from Norfund. Further, there are no significant events after the balance sheet date.