



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 987 223 200
Organisasjonsform: Aksjeselskap
Foretaksnavn: HAFSLUND PRODUKSJON AS
Forretningsadresse: Kykkelsrudveien 100
1815 ASKIM

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Egil Skøien
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, 13.06.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekter	2	2 168 380 000	4 537 020 000
Annen driftsinntekt	2	5 622 000	4 906 000
Sum inntekter		2 174 002 000	4 541 926 000
Kostnader			
Varekostnad		22 905 000	-31 242 000
Avskrivning	4	51 718 000	47 235 000
Annen driftskostnad	3,5,6	189 515 000	170 500 000
Sum kostnader		264 138 000	186 493 000
Driftsresultat		1 909 864 000	4 355 433 000
Finansinntekter og finanskostnader			
Annen renteinntekt	7	99 924 000	24 159 000
Annen finansinntekt	7	-10 180 000	432 000
Sum finansinntekter		89 744 000	24 591 000
Rentekostnad til foretak i samme konsern	7		589 000
Annen rentekostnad		23 831 000	
Table Control Functionality Annen finanskostnad			
Sum finanskostnader		23 831 000	589 000
Netto finans		65 913 000	24 002 000
Ordinært resultat før skattekostnad		1 975 777 000	4 379 435 000
Skattekostnad på ordinært resultat	8	1 348 104 000	2 999 700 000
Ordinært resultat etter skattekostnad		627 673 000	1 379 735 000
Årsresultat		627 673 000	1 379 735 000
Overføringer og disponeringer			
Ordinært utbytte	9,10	620 000 000	750 000 000
Overføringer til/fra annen egenkapital	9	7 673 000	629 735 000
Sum overføringer og disponeringer		627 673 000	1 379 735 000



Resultatregnskap

Beløp i: NOK	Note	2023	2022
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Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	4	1 311 495 000	1 311 495 000
Sum immaterielle eiendeler		1 311 495 000	1 311 495 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	4	1 641 725 000	1 652 178 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	4	2 214 000	2 422 000
Sum varige driftsmidler		1 643 939 000	1 654 600 000
Finansielle anleggsmidler			
Investeringer i aksjer og andeler	6	28 608 000	30 369 000
Sum finansielle anleggsmidler		28 608 000	30 369 000
Sum anleggsmidler		2 984 042 000	2 996 464 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	10	188 482 000	705 907 000
Andre fordringer		35 905 000	3 135 000
Konsernfordringer	10	1 560 972 000	3 023 243 000
Sum fordringer		1 785 359 000	3 732 285 000
Investeringer			
Andre finansielle instrumenter	11		10 827 000
Sum investeringer			10 827 000
Sum omløpsmidler		1 785 359 000	3 743 112 000
SUM EIENDELER		4 769 401 000	6 739 576 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	9	250 000 000	250 000 000
Overkurs	9	585 195 000	585 195 000
Sum innskutt egenkapital		835 195 000	835 195 000
Opptjent egenkapital			
Annen egenkapital	9	1 870 645 000	1 862 975 000
Sum opptjent egenkapital		1 870 645 000	1 862 975 000
Sum egenkapital		2 705 840 000	2 698 170 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	8	121 198 000	84 198 000
Sum avsetninger for forpliktelser		121 198 000	84 198 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		121 198 000	84 198 000
Kortsiktig gjeld			
Leverandørgjeld		5 194 000	19 560 000
Betalbar skatt	8	1 242 117 000	2 982 216 000
Utbytte	9,10	620 000 000	750 000 000
Annen kortsiktig gjeld		75 052 000	205 432 000
Sum kortsiktig gjeld		1 942 363 000	3 957 208 000
Sum gjeld		2 063 561 000	4 041 406 000
SUM EGENKAPITAL OG GJELD		4 769 401 000	6 739 576 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 427346

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Brønnøysundregistrene, 06.06.2024



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HAFSLUND PRODUKSJON AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
1

Regnskapsprinsipper
Årsregnskapet er satt opp etter regnskapsloven.

Note

Antall årsverk i regnskapsåret
0.00

Mer om årsverk og lønn
Det er ingen ansatte i Hafslund Produksjon AS. Ressurser leies inn ved behov. Daglig leder er ansatt i Hafslund Eco Vannkraft AS.

Sum _____ Beløp

Balanseført verdi 31.12. _____ Varige driftsmidler Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap _____ Årets _____ Fjorårets _____

Samlet beløp - foretak i samme konsern _____ Årets _____ Fjorårets _____

Samlet beløp - foretak i samme konsern _____ Årets _____ Fjorårets _____

Samlet beløp - felles kontrollert virksomhet _____ Årets _____ Fjorårets _____



Pantstillelse Beløp

Note

Beholdning av egne aksjer Antall Pålydende Andel av aksjek.

Erverv

Endringer i beholdning av aksjer i løpet av regnskapsåret

Avhendelse

Endringer i beholdning av aksjer i løpet av regnskapsåret

Samvirkeforetak

Vedtaksbestemmelser/årsmøtevedtak/forslag til vedtak om medlemskapskonti

Mer om aksjer



To the General Meeting of Hafslund Produksjon AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Hafslund Produksjon AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable statutory requirements, and 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 and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

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 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 information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

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

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

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for 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. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



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, 5 March 2024

PricewaterhouseCoopers AS

Marius Thorsrud

State Authorised Public Accountant

(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

Signers:

Name	Method	Date
Thorsrud, Marius	BANKID	2024-03-12 15:53

This document package contains:

- Closing page (this page)
- The original document(s)
- The electronic signatures. These are not visible in the document, but are electronically integrated.



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List of Signatures Page 1/1

Hafslund Produksjon AS - Årsberetning og årsregnskap 2023.pdf

Name	Method	Signed at
Sande, Berit	BANKID	2024-03-11 21:49 GMT+01
Skøien, Egil	BANKID	2024-03-06 16:33 GMT+01
Lundby, Martin	BANKID_MOBILE	2024-03-06 12:37 GMT+01



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Hafslund Produksjon AS

Annual report 2023



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BOARD OF DIRECTORS' REPORT

The nature of the business

Hafslund Produksjon AS is engaged in hydropower production and is wholly owned by Hafslund Produksjon Holding AS, a subsidiary in the Hafslund Group. The company has its main base and business address in Askim in Indre Østfold Municipality. Hafslund Produksjon AS owns Hafslund power plant, Vamma power plant and FK F power plants located in the lower part of Glomma, in addition to four smaller run-of-river power plants in Andelva near Eidsvoll.

The hydropower plants have a normal annual production of approximately 3.0 TWh. The power plants are located in the price area NO1 (Southeast-Norway).

Hafslund Eco Vannkraft AS (HEV), a sister company in Hafslund Group, is the operator for the company.

Sustainability

Hafslund's vision, of which Hafslund Produksjon is a part, is "for a world in balance, with renewables". The balance in the energy system needs to be maintained, and it is more important than ever that this takes place in a sustainable manner. Regulation and standardization that make it possible to compare and ensure that capital is directed where it has the greatest effect are important, and Hafslund views the increasing focus on sustainability, for example through the introduction of CSRD, as representing an opportunity.

Hafslund's focus areas and sustainability goals are integrated with the strategy. The Group has conducted double-materiality analysis to identify which topics are most important for Hafslund to work on with regard to Hafslund's impact on people and the environment, ESG risks and opportunities. The topics identified as important to sustainability come under the three main categories of environment, social conditions and governance. Important topics under the environment category are climate change, biodiversity and ecosystems, and resource use and circular economy.

Under social conditions, the important topics are health and safety, expertise and culture, human rights and contribution to society. The important topics under governance are ethical business operations, and cyber security and preparedness. The chapter 'Strategy and Sustainability' in the Hafslund Group's annual report describes in detail how Hafslund works with strategy and sustainability. This description includes the obligation to report on corporate social responsibility efforts pursuant to Section 3-3c of the Norwegian Accounting Act.



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BOARD OF DIRECTORS' REPORT

Employees, equality and corporate governance

Work environment

Hafslund Produksjon has no employees. The general manager is hired from the sister company, Hafslund Eco Vannkraft AS (HEV). Operation and maintenance of the power plants is taken care of by HEV and the company has a high level of expertise, routines and equipment to prevent accidents at work and ensure a good working environment. Efforts are made continuously to improve the working environment. The company complies with the requirements for equality, equal opportunities and equal rights in the Equality Act, the Ethnicity Discrimination Act, the Sexual Orientation Discrimination Act and the Discrimination and Accessibility Act.

The CEO is male and is employed by the sister company Hafslund Eco Vannkraft AS. The company's board of directors consists of two members, a woman and a man.

Corporate governance

A Norwegian recommendation for corporate governance has been established, specifically aimed at companies with shares listed on the Norwegian stock exchange. Companies largely follow this recommendation. The management of the company's affairs falls under the board's authority. At the end of the year, the board consists of two shareholder-elected board representatives. The chairman of the board, Berit Sande, is CFO of Hafslund AS.

Obligation to report pursuant to the Norwegian Transparency Act

The Hafslund Group published the first report for the Norwegian Transparency Act in 2023. A report for 2024 will be published on www.hafslund.no by the deadline of 30 June 2024. More information about the Group's work on the Transparency Act can be found [here](#) and can also be found in the Hafslund Group's annual report in the subchapter 'Human Rights'.

Insurances

As part of the insurance agreement, insurance has been taken out for the board members and the general manager for their possible liability to the enterprise and third parties, with a total insurance sum of NOK 200 million.



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BOARD OF DIRECTORS' REPORT

Market and framework conditions

The power market in 2023

Following the most acute phase of the energy crisis in 2022, the power market normalized somewhat in 2023, with lower prices and better access to energy on the continent and in the Nordic region. However, in historical terms, prices remain at a high level. The energy crisis was primarily caused by the loss of Russian gas, which Europe has dealt with by importing LNG, decreased consumption and more renewable power. In addition, nuclear power in France performed better in 2023 than in 2022. Europe's gas stores were completely full at the start of the heating season in winter 2023/2024, although the situation remains sensitive to minor changes due to the strained global LNG market.

The hydrological situation in Norway was relatively normal in 2023, with minor discrepancies in the hydrological balance and close to normal inflow levels in the different parts of the country. One exception was the extreme weather event "Hans", which produced very heavy precipitation, full reservoirs and a high level of forced production from Hafslund's operated power plants in Eastern and Western Norway (price areas NO1 and NO5) in August. The extreme weather led to an extended period of very low power prices in these areas. To ensure there was space in the reservoirs for autumn rain and in the event of more extreme weather, achieved prices in parts of the autumn were zero. During the autumn and towards the end of the year, the hydrological balance normalized, and the prices moved closer to those in NO2 and on the continent.

Work with framework conditions

In recent years, renewable energy production has been high on the political agenda, both as a result of extraordinarily high price levels and the increasing pressure to succeed with the energy transition and to achieve climate targets that have been adopted. The scarcity of renewable energy means that Norway and Europe have to manage difficult situations that involve everything from national security and impact on climate and the environment to society's overall economy.

Norway has an efficient power system with a relatively high degree of flexibility and good access to new renewable resources. However, analyses carried out by Statnett in 2023 show that Norway may have a power deficit as early as the second half of the 2020s because the increase in consumption is exceeding new production.



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BOARD OF DIRECTORS' REPORT

Work with framework conditions (cont.)

The framework conditions and the licensing system for new developments are of vital importance if Norway is to succeed in increasing production of renewable energy and facilitating the emergence of new green industry in the country. In 2023, Hafslund worked on framework conditions within the following topics:

Facilitating the development of hydropower and valuable regulation capacity

From 2018 to 2022, the hydropower business in Hafslund Group participated in the development of a total of 1 TWh of new hydropower. The potential for larger hydropower projects is limited under the current framework conditions, and the increased resource rent tax that was introduced in 2022 also raises the tax burden when power prices are low and will impact the rate of investment in new hydropower. Hafslund understands that the Norwegian State wants to impose more tax on the power industry during times of high profits, although the manner in which the new taxes have been arranged is decisive to the ability of the power industry to finance new renewable power development and types of projects that will be profitable.

It was important that the extra tax on power prices above 70 øre/kWh was discontinued with effect from 1 October 2023, because this tax had a particularly inhibiting effect on optimal energy allocation, price hedging and investments in capacity. The need for output capacity and regulatory capacity will increase in the coming years because a larger proportion of the energy will come from non-dispatchable sources such as solar and wind. Facilitating investments in hydropower and output today may be crucial for there being a good and well-functioning power system in the future.

Ensure balanced assessment of environmental considerations

Important work is underway by the authorities on the development of framework conditions and measures within climate and nature policy, to ensure renewable energy production at the same time as preserving nature. National targets set the framework for Hafslund's operations, directly and indirectly. In light of ambitious strategic goals in energy and nature towards 2035, the company will be a constructive and aggressive contributor to the authority's framework conditions work in the field. The Hafslund Group has contributed input to political processes within energy, climate and nature, and will continue this work in 2024.

The company is concerned that nature intervention should be done as gently as possible. Hydropower is subject to license conditions with requirements for water flow in rivers and water levels in reservoirs. Terms revision is an authority-led process where the purpose is to assess whether the terms should be adjusted. In such cases, the company proposes knowledge-based environmental improvement measures with the least possible negative consequences for power production.



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BOARD OF DIRECTORS' REPORT

Risk management

The company is exposed to risk in a number of areas. The most central are of a financial, regulatory, political, operational and reputational nature. Hafslund Produksjon is part of the Hafslund Group's risk management, which is an integral part of the business operations and is designed to ensure the achievement of strategic, operational and financial goals. There are established guidelines and frameworks for risk management. Risk follow-up is followed up by management and the board, as part of the annual cycle and in the event of major changes. The purpose of risk management is to take the right risk based on risk appetite and ability, competence, solvency, development plans and dividend targets.

Financial risk

The company is exposed to movements in market prices. All power trading is governed by frameworks and followed up through reporting to the management and the board. Parts of future exposure are hedged within these frameworks.

Most of the power production is sold in the spot market with ongoing settlement in euros, which is continuously exchanged for Norwegian kroner. The company's costs are mainly in Norwegian kroner. As the production is sold at Nord Pool with ongoing settlement and exchange to Norwegian kroner, the currency and credit risk is considered to be limited. Historically, there have been low losses on receivables.

Regulatory and political risk

The company is impacted by changes to framework conditions within a number of areas. Regulatory and statutory amendments that have immediate or retroactive effect can have a major impact on financial results and goal attainment. As mentioned in the chapter entitled 'Market and framework conditions', this includes changes in tax levels and new or amended energy market regulations that may impact the company's business. Risks are closely monitored through continuous work on framework conditions. Hafslund Produksjon places an emphasis on risk associated with long-term framework conditions in connection with all major investment decisions. Changes to regulatory conditions could potentially also limit power production. For the business's flexible hydropower production, market regulation in the physical and financial power markets is also particularly important.

Operational risk

The operational risk is greatest within ongoing operational activities and project execution. Line management is responsible for day-to-day risk management. The operations manage operational risk through measures such as systematic maintenance, detailed procedures for activities, controls and emergency response plans. The company's infrastructure is exposed to physical risk as a result of climate change. This is witnessed not only acutely in the form of more extreme weather, but also chronically in terms of the impact that changing temperatures have on energy production and the impact on critical supply chains.



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BOARD OF DIRECTORS' REPORT

Operational risk (cont.)

The company has insurance contracts, which include damage to the production facilities and other property. Liability insurance agreements have been entered into, including dam liability insurance, which covers damage to third parties and third-party property. The company also has insurance related to lost power production in the event of interruptions.

Risk relating to security of supply is of vital importance, and cyber security is a focus area that is closely monitored. The global security situation has given rise to an intensified cyber threat landscape, and the company has been forced to adapt to the new geopolitical cyber situation. Hafslund continuously follows advice and recommendations given by government authorities and supervisory agencies and participates in both KraftCERT and the Forum for Information Security in Power Supply (FSK). KraftCERT and FSK are specialist communities within the field of cybersecurity in the power industry that assist their members with advice and management of cyber incidents that are a potential threat to security. The company did not experience cyber incidents that had serious consequences in 2023.

The Hafslund Group has established systems for the registration and reporting of censurable conditions, undesirable incidents, injuries and improvement measures. Analyses are continually carried out with the aim of assessing risk, prevention and implementing measures when necessary.

"Hans" and dam failure at Braskereidfoss

2023 was a year characterized by more heavy rainfall, and in August 2023, the extreme weather event "Hans" caused historically high levels of water to flow into the watercourses. Hydropower employees made an extraordinary effort to prevent flooding and to ensure that the volumes of water were safely managed. However, a very serious incident occurred at Braskereidfoss power plant, which is owned by the sister company Hafslund Eco Vannkraft Innlandet AS, and the dam burst due to floodgates not having been opened.

Efforts to determine the reasons for the floodgates not having been opened and the measures that can be taken to reduce the probability of similar incidents from occurring have been of vital importance in the subsequent period. DNV was promptly commissioned to conduct an investigation in order to understand the incident and to use the results for making improvements. The investigation concluded that Hafslund Eco Vannkraft had inadequate procedures and systems for managing the type of extraordinary situation caused by the extreme weather event "Hans". The company has adjusted emergency preparedness plans and procedures for managing flood risks, and "Hans" was a clear signal that more extreme weather and changing types of weather will also require a different emergency preparedness around the power plants. Measures implemented include increased staffing at the operations centre in emergency response situations, adjusted limit for water flow level for staffing the power plant, expanded monitoring function in the event of major floods and improved overview of facilities that are particularly exposed to major floods.

The Board was kept closely and continuously informed after the incident took place and is working together with management on efforts to take all possible steps to prevent similar incidents from occurring in the future.



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BOARD OF DIRECTORS' REPORT

Internal control

Internal control is a central part of risk management in the Hafslund Group, of which Hafslund Produksjon is a part. Hafslund has internal functions for monitoring risk and for compliance with laws and regulations. The Group also has an independent internal audit function, which will contribute to continual improvement and increased goal attainment by carrying out independent assessments and providing advice relating to internal control and risk management. All of the companies in the Group are governed by legislation, regulations, regulatory requirements and internal guidelines. The Group continually works to manage the risk of non-compliance with laws and regulations. Work is carried out in the line with the support of specialist functions. Internal awareness-raising programs are used to improve knowledge and ensure compliance within focus areas.

Profit and financial position

Profit, cash flow and balance sheet

Hafslund Produksjon AS's operating income amounted to NOK 2,174 million (NOK 4,542 million). Operating profit (EBIT) of NOK 1,910 million (NOK 4,355 million) is a reduction of NOK 2,445 million from last year. The reduction in operating income and operating profit is mainly due to lower power prices in southern Norway, despite high production.

Achieved power price of 61 øre per kWh in 2023, is down 113 øre per kWh from last year and contributed in isolation to NOK 2,918 million in reduced operating profit compared to 2022. In comparison, the spot price was 76 øre per kWh (193 øre per kWh) in price range NO1 (Southeast Norway). The power price achieved must, in addition to current sales in the spot market, also be seen in the context of the sale of licensed power at prices determined by the authorities and a long-term power contract (175 GWh) to the sister company Oslo Lysverker AS. Income from the sale of guarantees of origin was NOK 153 million (NOK 45 million).

Power production of 3.3 TWh in 2023 was 0.7 TWh higher than in 2022 and in line with normal production. Higher power production contributed, seen in isolation, to NOK 448 million in increased operating profit compared to 2022. There has been good operation and high availability at the power plants throughout the year.

Operating costs including depreciation were NOK 264 million in 2023, an increase of NOK 78 million from 2022. The increase must mainly be seen in the context of particularly large revenues from the energy sector in 2022 and increased property tax as a result of high power prices in recent years.



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BOARD OF DIRECTORS' REPORT

Profit, cash flow and balance sheet (cont.)

The tax cost of NOK 1,348 million (NOK 3,000 million) corresponds to an effective tax rate of 71 per cent (69 per cent) in relation to the result before tax. The high tax rate must be seen in the context of the special taxation for hydropower operations with 45 per cent basic rent tax, as well as high price contributions for the first 9 months of the year at power prices above 70 øre per kWh, in addition to general company tax of 22 per cent.

Profit after tax of NOK 628 million (NOK 1,380 million) for 2023 is a reduction of NOK 752 million from 2022, which must mainly be seen in the context of lower power prices, despite higher production.

The company's net cash flow from operational activities was NOK -750 million (NOK 3,125 million). The net change in cash pool arrangement was NOK 1,462 million (NOK -3,139 million) in 2023. The company's equity on 31 December 2023 is NOK 2,706 million (NOK 2,698 million) and the equity ratio 57% (40%).

Net profit and allocations

The Board of Directors proposes the following allocation of Hafslund Produksjon AS's annual profit after tax of NOK 627,7 million:

- Additional dividend NOK 620,0 million
- Transfers to/from other equity NOK 7,7 million
- Total transfers and allocations NOK 627,7 million.

The assumption of going concern

In accordance with the requirements of the Norwegian Accounting Act, the Board of Directors confirms that the annual accounts have been prepared on the assumption of going concern, and that this assumption is present.



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BOARD OF DIRECTORS' REPORT

Outlook

The last few years have been characterized by major changes and, to some extent, unforeseen challenges and uncertainty. At the same time, many positive developments are taking place in renewable energy, both in terms of technology and falling costs following the increases experienced in recent year. There is a clear need for an energy transition in both Norway and Europe, and this will require enormous investments in renewable energy. Ensuring a stable supply of renewable energy is at the heart of Hafslund's operations.

However, the framework conditions around the company's activities are critical to what is possible to be realized, and in recent years changes to framework conditions have had major implications for the company's activities, where taxation of power generation have had the greatest impact. The Hafslund Group engages in dialogue with policymakers and politicians to gain knowledge from the industry and to assist in finding sustainable solutions. The Group believes it is critical to find solutions for the strained energy and grid situation around the NO1 electricity price area. This situation clearly highlights the need for holistic thinking and finding opportunities across the system.

After Statnett announced that the transmission grid into Oslo, Østfold and Akershus is at full capacity, industrial companies applying for connection to the grid for electrification will be rejected and the grid will not be reinforced until around 2030-2035. Finding opportunities to relieve the grid, especially during winter when the strain on the grid is at its highest, is critical to prevent electrification from coming to a halt.

Heightened geopolitical tensions, increased volatility in commodity markets and greater uncertainty are factors that the company is prepared for in the coming years, but the company has a strong hope of seeing positive breakthroughs and less unrest. High inflation, strained supply chains and changes in framework conditions are affecting the company's projects and development activities. Moving forward, the Board will place a strong focus on risk and preparedness, preventive security measures and continuous assessment of future scenarios.

Hafslund Produksjon's overall goal is to ensure good profitability and the ability to pay a substantial dividend to the parent company, Hafslund Produksjon Holding AS. At the same time, the company wants to be a growing renewable company, which takes an active role in solving some of society's biggest challenges. The board pays tribute to all employees for the daily effort put in to run the renewable company the best way possible.



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Annual report 2023

BOARD OF DIRECTORS' REPORT

Oslo, 05 March 2024
Hafslund Produksjon AS

Board of Directors

Berit Sande
Chairman of the Board

Martin Steire Lundby
Board Member

Egil Skøten
Chief Executive Officer



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Income statement 1 January – 31 December

NOK thousand	Note	2023	2022
Sales revenue	2	2 168 390	4 537 020
Other gain/loss	2	1 843	2 827
Other operating income	2	3 779	2 079
Revenues and other income		2 174 002	4 541 926
Energy purchase and transmission		22 905	- 31 242
Property tax and other imposed costs and compensations	3	79 162	63 567
Depreciation and amortisation	4	51 718	47 235
Other operating costs	5, 6	110 353	106 933
Operating profit (EBIT)		1 909 884	4 355 433
Interest income	7	99 924	24 159
Interest paid to group companies	7	-	- 589
Interest expense		- 23 834	-
Other financial income/costs	7	- 10 180	432
Net financial items		65 910	24 002
Profit before tax		1 975 777	4 379 435
Income taxes	8	1 348 104	2 999 700
Profit for the year		627 673	1 379 735
Allocation of net profit/(loss) and equity transfer			
Dividend	9, 10	620 000	750 000
Transferred to/from other equity	9	7 673	629 735
Total allocation and equity transfer		627 673	1 379 735



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Annual report 2023

Balance sheet 31 December

NOK thousand	Note	31.12.2023	31.12.2022
ASSETS			
Intangible assets	4	1 311 495	1 311 495
Property, plant and equipment	4	1 643 939	1 654 600
Investments in joint ventures	6	28 608	30 369
Non-current assets		2 984 042	2 996 464
Trade receivables	10	188 482	705 907
Other non-interest-bearing current receivables		35 905	3 135
Current derivatives	11	-	10 827
Current group receivable	10	1 560 972	3 023 243
Current assets		1 785 359	3 743 112
Assets		4 769 401	6 739 576
EQUITY AND LIABILITIES			
Share capital	9	250 000	250 000
Share premium	9	585 195	585 195
Paid-in equity		835 195	835 195
Other equity	9	1 870 645	1 862 975
Other equity		1 870 645	1 862 975
Equity		2 705 840	2 698 170
Deferred tax liabilities	8	121 198	84 198
Non-current liabilities		121 198	84 198
Trade payables		5 194	19 560
Other current non-interest-bearing liabilities		75 052	205 432
Dividend payable	9, 10	620 000	750 000
Taxes payable	8	1 242 117	2 982 216
Current liabilities		1 942 363	3 957 208
Equity and liabilities		4 769 401	6 739 576



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Annual report 2023

Oslo, 05 March 2024
Hafslund Produksjon AS
Board of Directors

Berit Sande
Chairman of the Board

Martin Sleire Lundby
Board Member

Egil Skøien
Chief Executive Officer



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Annual report 2023

Cash flow statement 1 January – 31 December

NOK thousand	Note	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	8	1 975 774	4 379 435
Depreciations, amortisations and impairments	4	51 718	47 235
Gains/losses from divestments of assets		-	- 35
Net financial items	7	- 65 910	- 23 654
Settlement of futures contracts		-	5 507
Change in non-current receivables		-	33
Change in current receivables		486 400	- 251 460
Change in current payables	10	- 146 491	37 949
Taxes paid		- 3 051 202	- 1 070 482
Net cash flows from operating activities		- 749 711	3 124 528
CASH FLOWS FROM INVESTING ACTIVITIES			
Investments in property, plant and equipment		- 41 053	- 17 312
Sales of property, plant and equipment		-	6 417
Dividend received		-	18
Other investing activities	7	102 178	26 128
Cash flows from investing activities		61 125	15 251
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		- 23 834	- 589
Changes in cash pool arrangement	1	1 462 270	- 3 139 256
Dividends paid	1	- 750 000	-
Other financing activities		92	- 1
Cash flows from financing activities		688 528	- 3 139 846
Net changes in cash and cash equivalents		- 58	- 67
Cash and cash equivalents at 1 January		-	-
Foreign currency gains/losses on cash and cash equivalents		58	67
Effects on cash and cash equivalents at 1 January		-	-
Cash and cash equivalents at end of period		-	-



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Notes

Note 1 Accounting policies

The financial statement have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting practice in Norway (NGAAP). The annual report is published only in English.

Revenues

Revenue is recognised when it is earned, i.e. when both the risk and control have been mainly transferred to the customer. Services are recognised as revenue when the service is performed, as the work is being done. The share of sales revenue associated with future services is capitalized as unearned revenue at the time of the sale, and is then recognised as income in line with the delivery of the benefits.

Guarantee of origins are booked in the balance at nominal value (zero) when received from the authorities and recognized in the profit and loss statement when the guarantee has been delivered.

Valuation and classification of assets and liabilities

Assets intended for permanent ownership or use in the business are classified as non-current assets. Other assets are classified as current assets. Receivables due within one year are classified as current assets. The classification of current and non-current liabilities is based on the same criteria.

Current assets are valued at the lower of historical cost and fair value. Short-term liabilities are valued at nominal value.

Fixed assets are carried at historical cost, but are written down to their recoverable amount if this is lower than the carrying amount and the decline is expected to be permanent. Other long-term liabilities are valued at nominal value.

Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation and impairment. Depreciation starts when the asset is completed and available for use. Facilities under construction are reclassified to power stations and dam facilities after successful test operation, which is the time when the asset is considered available for use.

Intangible assets

Intangible assets are recognised at cost. Goodwill and intangible assets with an indefinite useful life are not amortised but tested for impairment each year.

Impairment testing

Property, plant and equipment, intangible assets and goodwill are monitored on an ongoing basis for indications of possible impairment. In the case of indications of impairment, impairment tests are carried out immediately. If the impairment tests indicate that the balance sheet values are no longer justifiable, they are written down to the recoverable amounts. At each reporting date, assessments are made for the potential reversal of previous impairments on property, plant and equipment. Impairments of goodwill are not reversed.

Cash generating units

Power plants located in the same watercourse and which are managed collectively to optimise power production are regarded as CGUs. In addition to this, each individual power plant constitutes a CGU.



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Notes

Note 1 Accounting policies

Uncertainty regarding estimates

The company is a part of a group that has significant property, plant and equipment and intangible assets which consist of power plants, dams, waterfall rights and goodwill. There is uncertainty regarding estimates related to Property, plant and equipment and intangible assets, since both valuation and estimated useful life of assets are based on future information that is encumbered by a high degree of uncertainty.

Intangible assets are considered to represent the greatest uncertainty. The value of the intangible assets is mainly derived from separate valuations and is generally capitalised in connection with business combinations.

Typical indicators of impairment can be negative shifts in future power prices, discount rates, technological or regulatory changes or other events. Whether or not these are indicators that may indicate a need for impairment is a discretionary assessment.

The calculation of value in use is based on several discretionary assessments and assumptions pertaining to future cash flows, where future power prices, production volumes, inflation expectations and the discount rate are critical factors.

Budget and forecast assumptions

A price curve for power price based on three years of observable market prices (Nasdaq) has been assumed, followed by a price curve based on the Group's long-term price expectations. In the management's view, the long-term price expectations are within a reasonable range compared with power price curves from external players and analysis agencies. Production volume is based on the Group's long-term production plans and the estimated cash flows are calculated after tax.

Results

Based on the assumptions used, the impairment tests show that the book values of property, plant and equipment, waterfall rights and goodwill for all CGUs in hydropower production can be defended.

The sensitivity analyses further indicate no potential impairment for any of the CGUs from a reduction in future power price or an increase in the discount rate.

Taxes

General information

Apart from ordinary income tax, Hafslund Produksjon's power production activities are subject to separate rules for taxation of hydropower production companies. The Group is therefore also charged resource rent tax and natural resource tax.

Ordinary income tax

The tax expense primarily consists of taxes payable and changes in deferred tax. Payable income tax is calculated at 22 per cent (22 per cent). Deferred tax is calculated based on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, as well as the tax loss carried forward, where a tax rate of 22 per cent (22 per cent) is applied.

Resource rent tax

The resource rent tax depends on the profit and is calculated based on the net resource rent income for each power plant. Resource rent income is calculated based on each power plant's production hour-by-hour, multiplied by the spot price during the corresponding hour. The achieved prices are used for deliveries of concessionary power and industry contracts with more than 7 years duration.



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Notes

Note 1 Accounting policies

The resource rent income is reduced by operating expenses, tax-related depreciation and non-taxable income to arrive at net resource rent income. Non-taxable income is stipulated based on the average tax-related value of production equipment for the year in the power plant, multiplied by a prescribed interest rate.

The resource rent tax in the profit or loss consists of this year's payable resource rent tax plus the change in deferred resource rent tax. Deferred resource rent is calculated in the same way as deferred tax on ordinary income tax, using a nominal resource rent rate.

Natural resource tax

Natural resource tax is calculated based on the individual power plant's average power production over the past seven years without regard to profitability. The maximum tax rate is set at 0.013 NOK (0.013 NOK) per kWh. Natural resource tax can be offset against taxes payable from ordinary income tax.

Natural resource tax carried forward is offset against deferred tax in the balance sheet. If it is likely that the natural resource tax represents a final payment where a set-off is not likely, it is expensed through profit or loss.

High-price contribution

With effect from 28 September 2022, a new tax, so-called "high-price contribution", was introduced for revenues from the production of power in resource rent-taxable hydropower plants. The tax was discontinued as of October 1, 2023. Hafslund Produksjon presents the high-price contribution in the accounts as a tax expense, as the contribution is expected to correlate with taxable profit and is not deductible in taxable income.

High-price contribution tax was calculated at 23 per cent (23 per cent) for the achieved average power price exceeding 70 øre/kWh for the month.

Property tax

Power production operations are also subject to property tax in a per cent of the tax base value. Property tax is recognised as an operating expense.

When calculating deferred tax, tax rates for income tax and resource rent tax are used, which at the time of financial reporting is decided to apply for future periods.

Following tax rates are used:

	2023	2022
Ordinary income tax	22%	22%
Resource rent tax	57,7 %	57,7 %
Property tax (opex)	Maximum 0,7%	Maximum 0,7%
Natural resource tax	1,3 øre per kWh	1,3 øre per kWh
High-price contribution tax	23%	23%

Foreign currency

The Nordic power markets use euro as a trading and clearing currency. Spot sales of power are recognised at the transaction rate. Settlements for financial trading are accounted for at the average price for the month.

All balance sheet items denominated in foreign currencies are translated into NOK at the exchange rate prevailing at the balance sheet date. Foreign exchange losses or foreign exchange gains on conversion at a rate on the balance sheet date are recognised as agjo/disagio.



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Notes

Note 1 Accounting policies

Basic preparation of statement of cash flows

The cash flow statement has been prepared in accordance with the indirect method. This means that the starting point of the statement is the Company's profit before tax in order to be able to present cash flows from ordinary operating activities, investing activities and financing activities, respectively.

Cash pool balance is classified as intercompany receivable and not cash in the cash flow statement.

Joint venture

Hafslund Produksjon AS has a Joint Venture in Glommens og Laagens Brukseierforening (GLB) who operates and maintain regulation and water resources. Joint ventures are arrangements where the joint venturers are entitled to the net assets and dividends of the arrangement instead of rights to dispose of their proportionate share of the power production and the obligation to cover a share of the costs. Joint ventures are accounted for using the equity method.

Hedge accounting

The company has established hedging accounting pursuant to section 7-2 of the Accounting Act for parts of its power production. The company uses cash flow hedging to reduce variability in cash flows related to the sale of physical power in Viken.

Cash flow hedging is in accordance with the Norwegian Accounting Standard 18. The fair value of the hedging instrument is determined on the basis of official market prices on the Nasdaq OMX power exchange. At year-end, the positions in the hedging portfolio are closed, and locked-in gains are accrued as the contracts go to delivery.



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Annual report 2023

Notes

Note 2 Revenues and other income

NOK thousand	2023	2022
REVENUES AND OTHER INCOME		
Power revenue	1 973 618	4 451 203
Guarantees of origin and EL-certificates	151 731	44 110
Concessional power	6 840	7 725
Group internal power income	36 191	33 982
Sales revenue	2 168 380	4 537 020
Realised gains/losses power derivatives	1 863	2 827
Other gain/loss	1 863	2 827
Other operating income	3 779	2 079
Other operating income	3 779	2 079
Revenues and other income	2 174 022	4 541 926

Note 3 Property tax and other imposed costs and compensations

NOK thousand	2023	2022
PROPERTY TAX AND OTHER IMPOSED COSTS AND COMPENSATIONS		
Property tax	53 363	40 161
License fee	6 636	6 521
Regulation costs and other compensations	19 163	16 885
Property tax and other imposed costs and compensations	79 162	63 567



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Notes

Note 4 Fixed assets and intangible assets

NOK thousand	Waterfall rights	Power stations and dams	Work in progress	Land and other property	Machines, equipment, inventory	Total
Cost at 1 January	1 311 495	4 719 599	9 422	1 483	5 777	6 047 776
Investments in ongoing operations	-	-	41 053	-	-	41 053
Transferred from plant under construction	-	6 741	-6 741	-	-	-
Disposals	-	-325	-	-	-	-325
Cost at 31 December	1 311 495	4 726 015	43 734	1 483	5 777	6 088 504
Accumulated depreciation 1 January	-	3 078 327	-	-	3 355	3 081 681
Accumulated depreciation sold operating assets	-	-325	-	-	-	-325
Depreciation for the year	-	51 505	-	-	213	51 718
Accumulated depreciations 31 December	-	3 129 507	-	-	3 563	3 133 070
Balance at 31 December	1 311 495	1 596 508	43 734	1 483	2 214	2 955 434
Depreciation period (number of years)	No depreciation	40-100	No depreciation	100/No depreciation	3-30	

The power stations are depreciated on a straight-line basis. The waterfall rights are not depreciated as there is no right of repatriation.



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Notes

Note 5 Other operating costs

NOK thousand	2023	2022
OTHER OPERATING COSTS		
Maintenance	6 603	5 562
Purchase of external services	16 744	41 023
Office expenses	1 899	1 628
Insurance	5 244	4 052
Sales and marketing expenses	12	-
Group internal costs	36 433	21 951
Other items	1 296	1 423
Development work	42 122	31 294
Other operating costs	110 353	106 933

Salary, allowance og pension costs

There are no employees in Hafslund Produksjon. Resources are hired when needed and the CEO is employed by Hafslund Eco Vannkraft AS. CEO and the board have not received compensation for 2023.

The CEO and the chairman of the board does not have any loans or provision of security in the company.

The company is not obligated to have pension schemes for its employees according to the Occupational Pensions Act.

An operator agreement has been entered between Hafslund Eco Vannkraft AS and Hafslund Produksjon AS. The power plant operator function is based on the direct cost accounting. Shared costs for administration tasks and power plant operator functions are distributed according to agreed cost allocation base. For 2023 Hafslund Eco Vannkraft AS has invoiced the company with NOK 52.4 million (NOK 25,4 million) for administration tasks and power plant operator functions which is included in the table for other operating costs. Hafslund Eco Vannkraft AS must, through the operator agreement, ensure that all matters and conditions relating to the company's operations are followed up.

	2023	2022
AUDITOR'S FEES		
Mandatory audit	185	172
Other assurance services	15	10
Other non-audit fees	-	-
Total auditor's fees	200	182



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Notes

Note 6 Investments in joint ventures

NOK thousand	31.12.2023	31.12.2022
INVESTMENT IN JOINT VENTURES		
Book value 1 January	30 368	32 337
Incorporation of equity share	- 1 761	- 1 969
Investment in joint venture	28 608	30 368

Company name	Acquired	Business office	Vote count	Voteing share
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Glommens og Laagens Bruksallforening	1918	Lillehammer	55 out of 303	18,15%
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Note 7 Financial items

NOK thousand	2023	2022
INTEREST INCOME		
Interest income	-	65
Interest income from group companies	99 924	24 094
Interest income	99 924	24 159
INTEREST EXPENSE		
Interest expense	- 23 834	-
Interest expense to group companies	-	-589
Interest expense	- 23 834	-589
OTHER FINANCIAL INCOME/COSTS		
Currency loss	- 63	-
Currency gain	120	414
Other financial income or costs	- 10 237	-
Stock dividend	-	18
Other financial income/costs	- 10 180	432
Net financial income/costs	65 910	24 002



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Annual report 2023

Notes

Note 8 Taxes

NOK thousand	2023	2022
INCOME TAX EXPENSE		
Income tax payable	438 969	959 347
Changes in deferred tax	2 388	5 235
Resource rent tax payable	787 229	1 858 952
Changes in deferred resource rent tax	34 613	13 668
Natural resource tax	37 923	36 768
Natural resource tax offset against income tax	-37 923	-36 768
Too little/much tax set aside in previous years	-79	-1 417
High-price contribution	84 984	163 916
Tax expense for the year	1 348 104	2 999 701

The company has set aside NOK 15 919 thousand related to possible payment of high-cost contributions.

NOK thousand	2023	2022
RECONCILIATION OF NOMINAL TAX RATE AGAINST EFFECTIVE TAX RATE		
Profit before tax	1 975 777	4 379 436
Profit before tax adjusted - basis for calculation of effective tax rate	1 975 777	4 379 436
22 % (22 %) of profit before tax adjusted	434 671	963 476
22 % (22 %) of permanent differences	5 463	-14
Payable resource rent tax	787 229	1 858 952
Change in deferred resource rent tax (45%)	34 613	5 284
Change in deferred resource rent tax related to change in tax rate	-	8 384
Too little/much tax set aside in previous years	-79	-1 417
High-price contribution	84 983	163 916
Other	1 224	1 120
Tax expense for the year	1 348 104	2 999 701
Effective tax rate	68%	68%



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Annual report 2023

Notes

Note 8 Taxes	31.12.2023	31.12.2022
NOK thousand	31.12.2023	31.12.2022
DEFERRED TAX		
General income tax		
Derivatives	-	10 827
Property, plant and equipment*	155 569	133 945
Provisions for liabilities	-	-294
Other differences	-235	0
Total	155 334	144 478
Tax rate	22%	22%
Deferred tax liability	34 173	31 785

NOK thousand	31.12.2023	31.12.2022
Resource rent tax		
Property, plant and equipment	184 584	118 884
Total	184 584	118 884
Deferred resource rent related income tax	-33 771	-28 048
Basis for deferred resource rent tax	150 813	90 836
Tax rate	57,7 %	57,7 %
Deferred resource rent tax, liability	87 025	52 412

NOK thousand	31.12.2023	31.12.2022
Carrying amount of deferred tax liability/-asset		
Deferred tax liability	121 198	84 197
Total	121 198	84 197

*) In previous years, the company has done a revaluation of operating assets. Deferred tax is not calculated and set aside on the revaluation as it is entered in the balance sheet with net values after tax.



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Notes

Note 9 Equity

NOK thousand	Share capital	Premium rate	Other equity	Total equity
Equity at 1 January 2022	250 000	585 195	1 233 242	2 068 437
Profit for the year	-	-	1 379 735	1 379 735
Other changes	-	-	- 2	- 2
Dividend	-	-	- 750 000	- 750 000
Equity at 31 December 2022	250 000	585 195	1 862 975	2 698 170
Profit for the year	-	-	627 670	627 670
Dividend	-	-	- 620 000	- 620 000
Equity at 31 December 2023	250 000	585 195	1 870 645	2 705 840

The share capital of NOK 250 000 000 consists of 250 000 shares of NOK 1000 each. All shares have equal rights and are owned by Hafslund Produksjon Holding AS.

The company and business office of the parent company Hafslund Produksjon Holding AS is in Hørlitzalleen 5, 0275 Oslo. It is the parent company of Hafslund Produksjon Holding AS, Hafslund AS, that prepares the group accounts. These can be obtained at the above address or from the Hafslund Group's website: <https://hafslund.no/>.

Note 10 Intercompany balances

NOK thousand	31.12.2023	31.12.2022
Intercompany balances		
Intercompany accounts receivables	187 513	704 871
Other current receivables, cash pool	1 560 973	3 023 243
Other current receivables	310	537
Sum intercompany current receivables	1 748 796	3 728 651
Accounts payable intercompany	62	206
Dividend to group companies	620 000	750 000
Sum intercompany other payables	620 062	750 206

Hafslund Produksjon AS takes part in Hafslund group's cashpool agreement with DNB. Hafslund AS has the direct balance with the bank, while receivables and payables on the subsidiaries' accounts are considered as internal debt and receivables and is present in the balance sheet as intercompany balance as of December 31, 2023.

Hafslund Produksjon AS had a net receivable of TNOK 1 560 973 that are included in the cashpool agreement which are classified as receivable to group companies.

The company had no bank deposits outside of the group account system as of 31 December, 2023.



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Notes

Note 11 Other financial instruments

In 2023, financial instruments are measured at lower of cost and market. The fair value has been set in accordance with the value observable in the market at the balance sheet date.

NOK thousand	Acquisition cost	Carrying value	Market value	Changes in value recognised in p&l
Power, price, lower of cost and market	-	-	10 519	-
NOK thousand	2024	2025	2026	2027
	2 874	7 645	-	-
				2028-2029
				-

Note 12 Financial risk

As a power producer, the company is exposed to movements in market prices and volume security. Developments in power prices, together with factors that influence production volumes, will be significant for financial results. In addition, the company is exposed to credit risk and liquidity risk, but these are considered relatively minor.

The company is part of the Hafslund Group and risk management, which is carried out at Group level, is related to the allocation of water resources in the reservoirs and the conclusion of physical and financial contracts.

Strategies, systems and reporting routines have been established for risk management related to power production. Exposure must always be kept within the approved framework and followed up through reporting to management and to the board.



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Notes

Note 13 Events after the reporting period

The financial statements are considered authorised for issue once they have been approved by the Board of Directors. After this point, the General Meeting and regulatory authorities may refuse to approve the financial statements but may not change them.

Events that take place before the financial statements are authorised for issue and related to matters that were known at the end of the reporting period, will be included in the information basis for determining accounting estimates and therefore be fully reflected in the financial statements. Events relating to matters that were not known at the end of the reporting period are disclosed if they are material.

There are no significant, known events after the balance sheet date that are expected to have an impact on the company's profit and loss account for 2023 or the financial position as of 31 December 2023.



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Skatteetaten

Vår dato
24.11.2022

Din/Deres dato
10.10.2022

Saksbehandler
Nina Gulbrandsen

800 80 000
Skatteetaten.no

Din/Deres referanse

Telefon
99796636

Org.nr
974761076

Vår referanse
2022/5873385

Postadresse
Postboks 9200 Grønland
0134 OSLO

HAFSLUND PRODUKSJON AS
Postboks 1098
2605 LILLEHAMMER

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk

Vi viser til Hafslund Produksjon AS (987 223 200) søknad om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

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

Bakgrunn

Fra søknaden siteres:

Hafslund Produksjon AS eies av Hafslund Produksjon Holding AS, som delvis eies av et selskap med utenlandske eiere, der styret og ledelse er ikke-norsk språklige. Det er derfor ønskelig at årsregnskap og årsberetning i datterselskapene utarbeides på engelsk.

Hafslund Produksjon AS har ingen ansatte eller sluttkunder, og all operativ virksomhet skjer i regi av operatøren Hafslund Eco Vannkraft AS.

Hensynet til selskapets indirekte eiere tilsier at det bør gis dispensasjon til å avlegge årsregnskap og årsberetning på engelsk. Vi kan ikke se at det foreligger skadelidende brukerinteresser ved en eventuell dispensasjon. For øvrig viser vi til at selskapet ut fra effektivitetshensyn ikke ønsker å utarbeide årsregnskap og årsberetninger på flere språk. Selskapet inngår i konsernregnskapet til majoritetseierne i Hafslund Produksjon Holding AS, Hafslund AS, som avlegges både på norsk og engelsk. Eierkretsen er begrenset, og eierne har ingen innsigelser til søknaden om dispensasjon.



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.

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, kunder 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.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det opplyst at selskapet inngår i konsernregnskapet til majoritets-eier i Hafslund Produksjon Holding AS, Hafslund AS som fortsatt vil utarbeide årsregnskap og årsrapport på norsk.

Hafslund Produksjon Holding AS indirekte eiere er engelskspråklige og vil ikke ha mulighet for å forstå årsregnskap og årsberetning på norsk. Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen



Lene Bjørkevoll
underdirektør
Innsats, storbedrift
Skatteetaten

Nina Gulbrandsen

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.