småkraft

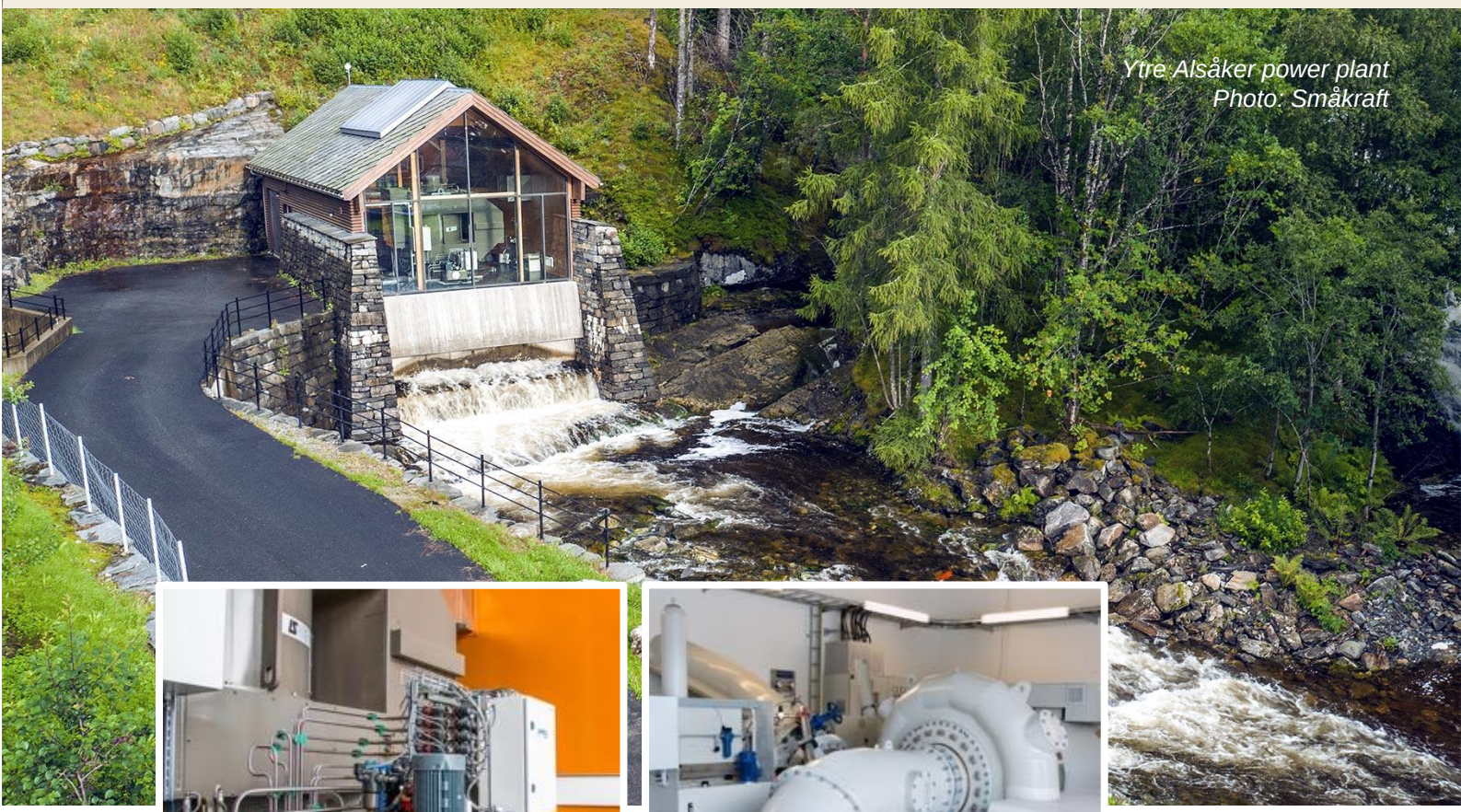
SMÅKRAFT AS

INTERIM REPORT

1ST HALF 2021

Årvik power plant
Photo: Småkraft

WHAT WE DO



Ytre Alsåker power plant
Photo: Småkraft

Småkraft is a producer of renewable energy. Our fleet of 140 hydropower plants is spread across Norway and delivers a mean annual production capacity exceeding 1,5 TWh, making Småkraft Europe's largest owner and operator within its niche.

Small-scale hydropower borrows water which naturally flow in the river and utilizes the topography of the landscape to produce renewable and sustainable electricity. A minimum water level is maintained in the original river and the water used to produce electricity is returned once it passes through the turbine. The electricity grid transports and distributes our electricity out to consumers.

The values created are shared with our stakeholders including owners, creditors & debt investors, local landowners, local municipalities, local societies and society in general. For more than 15 years, Småkraft has invested heavily in the generation of new renewable energy for the Nordic and European power markets. Our contribution to one of the biggest challenges of our time, the transformation to a renewable and sustainable society powered by renewable energy, is to continue our commitment to grow.

småkraft©

VISION

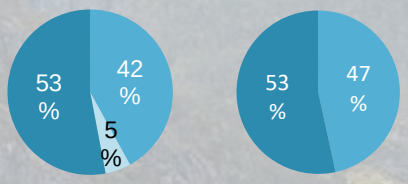
Create sustainable values for the next generation

Honest Sustainable Creative

Landowners on Årvik power plant
Photo: Småkraft

SMÅKRAFT AT A GLANCE

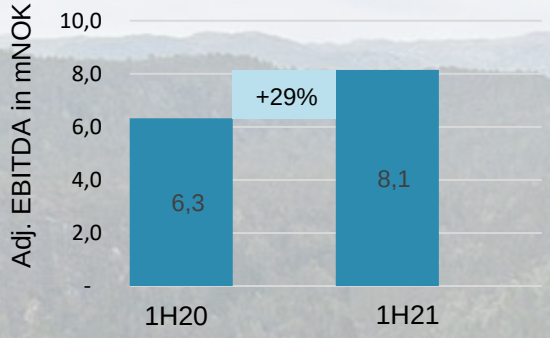
Stable ratios, as growth financed by equity and issuance of second green bond



31.12.2020 30.06.2021

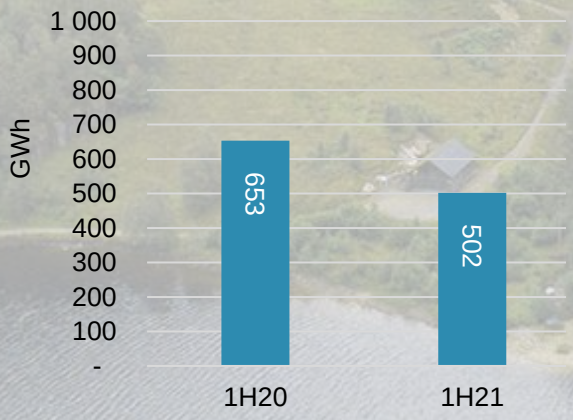
Equity
Subordinated Shareholder loan
Debt

1H21 EBITDA* surpasses H120 by 29%, due to higher power prices and increased capacity



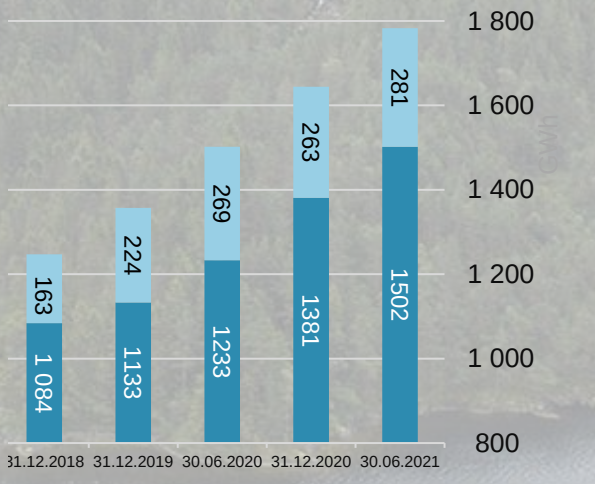
*Adj. EBITDA = operating profit + impairments + depreciations + unrealized hedge gain or loss

Low precipitation decreased production in 1H21compared to 1H20



Net production delivered on the grid, excluding grid losses, consumption, and bilateral agreements.

9% capacity growth in 1H21



Signed contracts for new powerplants (GWh)
Current production capacity (GWh)

Blådalselva Power Plant

Photo: Heiko Kübler

HIGHLIGHTS 1ST HALF OF 2021

Renewable Power Production

Weak hydrology gave precipitation approximately 30% behind a normal year. This gave a production of 502 GWh in the first half year, 23% behind the production in the first half year of 2020.

Sustainability

Småkraft issued its third Sustainability Report in May 2021. For the first time the report was aligned with TCFD and GRI. Our Climate Reporting gained great interest as it transparently shows how climate changes may affect precipitation and production patterns in the years to come.

During the reporting period, Småkraft experienced no material Health, Safety and Environmental-(HSE) incident.

Market update

Fueled by strong CO2- prices, new inter-connectors and weak hydrology, the average monthly spot prices in the Nordics increased from 11 EUR/ MWh in 2020 to 44 EUR/ MWh.

However, limited interconnector capacity from the Northern parts to the Southern parts of Norway gave significant price differences between the Norwegian price areas. The strongest price area had an average monthly spot price of more than 48 EUR/ MWh, while the weakest one had 29 EUR/ MWh.

Company Developments

In January 2021, Karina Halstensen Birkelund started as its new Head of Commercial.

During the period, Småkraft has acquired and developed in total 12 powerplants of in total 122 GWh.

Småkraft AS issued its second green bond and refinanced several of its debt tranches during the period.

REPORT FROM THE BOARD OF DIRECTORS

Power prices rebound and Småkraft improves cash flows and adj. EBITDA
Revenues came in at 18,4 mEUR, compared to 8,9 mEUR in 1H20. Other operating income includes unrealized hedges of -15,3 mEUR in 1H21, compared to +18,6 mEUR in 1H20.

Total operating costs increased 10% to 16,3 mEUR compared to 14,8 mEUR in H1 2020. Water right costs and transmission costs increase in line with increased revenue. New power plants add to operating expenses, payroll, and property tax. Total operating costs developed in line with Småkraft's long- term strategy.

Småkraft had operational cash flow of 7,1 mEUR in H1 2021, compared to 0,8 mEUR in 2020. Adjusted EBITDA grew from 6,3 mEUR in H1 2020 to 8,1 in H1 2021, despite 23% lower production.

Unrealized hedge effects hampered net income
Småkraft has several non- cash movements in its net financial expenses and its financial income. Firstly, Småkraft's assets are based in NOK, while the reporting currency is EUR. This leads to large non- cash changes in EUR for the assets, when the EUR/ NOK fluctuates. Secondly, Småkraft enters currency forwards for future transactions, as the transactions have settlement in NOK, while the equity contribution is in EUR. According to IFRS, we do not use hedge accounting for these currency forwards which may have effects on the financial income and financial expenses for each period, based on movements in the EUR/ NOK currency. Thirdly, we may have considerable unrealized effects on future power price hedges, when power prices increase and decrease.

In total, negative unrealized effect of power price hedges in other operating income of -15,3 mEURwas higher than the positive unrealized value changes in financial income of in total 10,9 mEUR. In total, this had a dampening effect on profit before tax of -4,4 mEUR leading to a loss of 5,2 mEUR during the period, while the total comprehensive income was 0,5 mEUR positive.

Refinancing of several debt tranches and new Green Bond Issue strengthens Småkraft's financing position
During the period, Småkraft has refinanced its main debt facility with leading Nordic banks, issued its second Green Bond and refinanced several subsidiary debt facilities. These initiatives diversify maturities, increases the overall loan duration, and reduce overall margins. Combined, these initiatives strengthen Småkraft's financing position.

Hydrology and power price remain determinant risk factors
Main risk factors for the upcoming periods include hydrology that affect the production and movements in power prices. Småkraft's financial statements may also be affected by currency exchange and interest rate changes. Please see annual report for full summary of risk factors.

Developments in 2H21
Early July, Småkraft finalized the acquisitions of Kråkenes and Stølsdalselva power plants, adding 30 GWh.

Småkraft has been able to operate its power plants safely and efficiently during the pandemic with zero lost time incidents for 30 consecutive months.

Oslo, Norway, 27th 08 2021
The Board of Directors, Småkraft AS

Tor Søve Syverud
Chairman of the board

Annette Beate Wacknitz Malm Justad
Member of the Board

Joakim Johnsen
Member of the Board

Oldrik Nicolaas Frits Verloop
Member of the board

Christian Heidfeld
Member of the board

Terje Vedeler
Managing Director

Consolidated Income Statement and Consolidated Statement of Other Comprehensive Income

Amounts in EUR thousand	*Note*	Unaudited 6 months ended 30.06.2021	Unaudited 6 months ended 30.06.2020	12 months ended 31.12.2020
Revenue		18 431	8 869	11 926
Other operating income		-16 412	18 640	19 215
Total operating income	4	**2 019**	**27 510**	**31 141**
Water rights costs		1 416	499	920
El-certs costs		859	3 798	3 892
Transmission costs		1 647	868	1 403
Payroll and related costs		1 179	993	2 686
Depreciation of fixed assets and intangible assets		7 114	5 532	11 454
Impairment of fixed assets and intangible assets		-	-	271
Property tax and license fees		1 188	1 010	1 921
Other operating expenses		2 853	2 104	4 578
Total operating expenses		**16 254**	**14 804**	**27 124**
Operating profit/(loss)		**-14 235**	**12 706**	**4 017**
Financial income		10 953	1 149	3 061
Financial expenses		-3 658	-30 266	-20 066
Net financial items	6	7 295	-29 117	**-17 004**
Profit/(loss) before tax		-6 940	-16 411	**-12 987**
Tax expense (income		1 731	4 097	3 225
Profit (loss)		**-5 209**	**-12 314**	**-9 762**
Profit/(loss) is attributable to:				
Equity holders of the parent company		-5 149	-12 024	-9 186
Non-controlling interests		-60	-290	-576
Other comprehensive income:				
Presentation currency effects		5 782	-19 882	-11 732
Total other comprehensive income		**5 782**	**-19 882**	**-11 732**
Total comprehensive income for the year		**573**	**-32 196**	**-21 494**
Total comprehensive income is attributable to:				
Equity holders of the parent company		287	-31 406	-20 764
Non-controlling interests		286	-790	-730

Consolidated Statement of Financial Position

Non - current assets

Amounts in EUR thousand	*Note*	Unaudited **30.06.2021**	Unaudited **30.06.2020**	**31.12.2020**
Goodwill		7 820	7 305	7 605
Intangible Assets		111 212	48 928	77 775
Property, plants and equipment		427 730	323 141	384 341
Deferred tax assets		5 276	2 867	3 200
Investments, recognised under the eq.method		1 571	1 146	1 526
Long-term receivables		11 842	25 366	10 382
Total non-current assets		**565 450**	**408 751**	**484 829**
Current assets				
Inventory		120	60	67
Inventory EL certificates		101	201	162
Trade receivables		2 741	1 697	1 334
Other receivables		2 420	1 982	3 526
Derivatives	5	2 382	8 731	8 083
Other current assets		95	88	92
Cash and Cash equivalents		51 906	17 748	19 870
Total current assets		**59 766**	**30 506**	**33 135**
Total assets		**625 215**	**439 258**	**517 964**

Shareholders equity		**Unaudited**	**Unaudited**	
Amounts in EUR thousand	*Note*	**30.06.2021**	**30.06.2020**	**31.12.2020**
Share capital		19 238	15 121	16 706
Other equity		13 666	4 296	-
Share-premium reserve		251 196	159 226	188 722
Retained earnings		-4 425	-1 859	798
Total shareholders equity		**279 674**	**176 784**	**206 226**
Minority interests		12 082	8 271	11 796
Total equity		**291 756**	**185 056**	**218 022**
Non-current liabilities				
Deferred tax liability		1 610	-	1 564
Borrowings		302 832	239 076	82 431
Lease liability		841	-	-
Derivatives	5	99	393	287
Other non-current liabilities		49	-	-
Total non-current liabilities		**305 432**	**239 470**	**84 282**
Current liabilities				
Accounts payable		2 005	842	2 587
Taxes payable		-0	636	-
Public duties payable		1 866	40	229
Lease liability		-	85	-
Derivatives	5	9 496	2 354	490
Borrowings		9 746	8 776	208 360
Other current liabilities		4 915	2 000	3 993
Total current liabilities		**28 028**	**14 732**	**215 660**
Total liabilities		**333 459**	**254 202**	**299 942**
Total equity and liabilities		**625 215**	**439 258**	**517 964**

Consolidated Statement of Equity (unaudited)

Amounts in EUR thousand	**Share capital**	**Share premium**	**Not registered capital increase**	**Retained earnings**	**Total share-holders equty**	**Non-controlling interests**	**Total equity**
Equity at 31.12.2019	**16 221**	**131 452**	**45 202**	**11 085**	**203 960**	**5 372**	**209 332**
Net profit				-9 186	**-9 186**	-576	**-9 762**
Currency presentation effect	-945	-9 294	-472	-867	**-11 578**	-154	**-11 732**
Total comprehensive income for the period	**-945**	**-9 294**	**-472**	**-10 053**	**-20 764**	**-730**	**-21 494**
Capital increase previous period registered current period	502	44 228	-44 730		**0**		**0**
Capital increase current period	928	22 336			**23 264**		**23 264**
Capital increase current period not registered					**0**	7 265	**7 265**
Dividend					**0**	-112	**-112**
Other changes				-235	**-235**	-	**-235**
Equity at 31.12.2020	**16 706**	**188 722**	**0**	**798**	**206 226**	**11 796**	**218 022**
Net profit				-5 149	**-5 149**	-60	**-5 209**
Currency presentation effect	467	4 948	1	20	**5 436**	346	**5 782**
Total comprehensive income for the period	**467**	**4 948**	**1**	**-5 129**	**287**	**286**	**573**
Capital increase current period	2 065	57 525			**59 590**		**59 590**
Capital increase current period not registered			13 664		**13 664**		**13 664**
Other changes				-94	**-94**	-	**-94**
Equity at 30.06.2021	**19 238**	**251 196**	**13 665**	**-4 426**	**279 673**	**12 082**	**291 755**

Consolidated Statement of cash flow (unaudited)

Amounts in EUR thousand	Unaudited 6 months ended 30.06.2021	Unaudited 6 months ended 30.06.2020	12 months ended 31.12.2020
Cash Flow from operations			
Profit (-loss) before tax	-6 940	-16 411	-12 987
Taxes paid for the period	-	-1 034	-1 132
Depreciation, amortization, impairment	7 114	5 532	11 725
Change in unrealized currency gains/losses	-7 748	23 176	13 181
Change in unrealized derivatives	14 761	-9 633	-10 683
Change in inventory	15	809	851
Change in working capital	-87	-1 671	558
Net cash flow from operations	**7 114**	**768**	**1 513**
Cash flow from investment activities			
Outflows due to purchases of fixed assets	-10 194	-2 675	-25 638
Outflows due to investments in subsidiaries	-42 977	-7 651	-39 984
Outflows due to investments in others	-	-1 119	-1 119
Outflows from loans to others	-475	-4 195	-91
Inflows from loans to others	-		11 211
Net cash flow from investment activities	**-53 646**	**-15 640**	**-55 620**
Cash flow from financing activities			
Capital increases	72 595	4 370	23 172
Dividend payments	0	-15 848	-15 969
Inflows from loan raising	50 882	-	24 416
Outflows from loan payments	-45 511	-2 467	-5 003
Net Cash Flow from financing activities	**77 966**	**-13 945**	**26 616**
Currency translation effects	603	-4 407	-3 610
Net change in bank deposits and cash	31 433	-28 817	-27 491
Bank deposits and cash at beginning of period	19 870	50 971	50 971
Bank deposits and cash at end of period	**51 906**	**17 748**	**19 870**

Oslo, Norway, 27.08.2021
The Board of Directors
Småkraft AS

Tor Syverud
Chairman of the board

Annette Malm Justad
Member of the Board

Joakim Johnsen
Member of the Board

Oldrik Verloop
Member of the board

Christian Heidfeld
Member of the board

Terje Vedeler
Managing Director

Notes (unaudited)

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1. Basis of preparations

The Småkraft group comprises Småkraft AS and the consolidated subsidiaries (Småkraft Group or the Group). Småkraft's head office is located in Bergen, with local offices in Harstad, Flatanger and Oslo, Norway. The Group employs 20 people. Småkraft is a supplier of renewable energy based on small scale hydro power plants situated in Norway.

The interim consolidated financial statements for the first half year 2021, ending 30 June 2021, were prepared in accordance with IAS 34 Interim Financial Reporting.

The interim consolidated financial statements need to be read together with the annual financial statements with notes for 2020 prepared in accordance with IFRS. If not stated here the accounting principles in this interim report follows the accounting principles described in the notes to the annual financial statements 2020.

The Board of Directors and the CEO authorised these interim IFRS financial statements for issue on 27th of August 2021.

2. Transactions and events in H1 2021

Acquisitions

Småkraft AS acquired 12 companies during first half 2021:

Company	Owner	Purchase date	Voting rights/ share-holding acquired through the acquisition
Rk. Kraftverk AS	Småkraft Green Bond 2 AS	05.02.2021	100 %
Soks Kraftverk AS	Småkraft Green Bond 2 AS	05.02.2021	100 %
Veiåni Minikraftverk AS	Småkraft Green Bond 2 AS	05.02.2021	100 %
Joka Kraft AS	Småkraft Green Bond 2 AS	05.02.2021	100 %
Aurora Bygg og Anlegg AS	Småkraft AS	26.02.2021	100 %
Harstveitbekken Kraft AS	Småkraft Green Bond 2 AS	04.03.2021	100 %
Skinvik Kraftverk AS	Småkraft AS	07.04.2021	100 %
Åsedøla Kraft AS	Småkraft AS	26.03.2021	100 %
Råssåfoss Kraft AS	Småkraft AS	19.04.2021	100 %
Straume Kraftverk AS	Småkraft AS	30.04.2021	100 %
Salvasskardelva Kraft AS	Småkraft Green Bond 2 AS	26.02.2021	100 %
Veiski Kraft AS	Småkraft Green Bond 2 AS	26.02.2021	100 %

New Green Bond

On the 13th of April, Småkraft successfully issued a new secured green bond of EUR 50 mEUR with maturity 13th of April 2026. The bond issue was placed with a fixed coupon of 1,875% p.a. with semi- annual interest payments.

3. Alternative Performance Measures (APM)

EBITDA is defined as operating profit (-loss) + depreciation of fixed assets and intangible assets + impairment of fixed assets and intangible assets. This APM is widely used by analysts comparing Norwegian Hydropower companies. Småkraft uses this APM to visualize performance over time irrespective of price. This APM is included as new APM during 2020.

Adjusted EBITDA is defined as operating profit (-loss) + depreciation of fixed assets and intangible assets + impairment of fixed assets and intangible assets – unrealised value change on energy derivatives. Småkraft uses this APM to measure performance from operational activities. Unrealised value on energy derivatives is deducted in the adjusted figures as the value

change on these derivatives usually be negatively correlated to value changes in future power production that is not recognised, thus creating an accounting mismatch that is not alleviated through hedge accounting. Adjusted EBITDA should not be considered as an alternative to operating profit/loss and profit/loss before tax as an indicator of the company's operations in accordance with generally accepted accounting principles. Nor is adjusted EBITDA underlying an alternative to cash flow from operating activities in accordance with generally accepted accounting principles.

EBIT is defined as operating profit/ loss. This is an APM used to measure performance from operational activities and compare against similar companies in the same sector.

Adjusted EBIT is an APM used to measure performance from operational activities, excluding unrealized hedge effects. Småkraft sets up this APM, as some of its peers are using hedge accounting, which excludes unrealized hedge effects.

ROACE is operating profit/loss divided by capital employed. Capital employed is total assets excluding current liabilities. Småkraft uses this APM to measure performance and compare against similar companies in the same sector.

Adjusted ROACE is defined as operating profit/loss (adjusted EBIT) divided by capital employed. ROACE is calculated on a rolling 12 month average (LTM- Last-twelve- months) and is used to measure return from the operational activities as well as benchmarking performance. Småkraft uses this APM to measure performance and compare against similar companies uses hedge accounting.

TEUR	**H1 2021**	**H1 2020**	**LTM2020**
Operating profit (loss)	-14 235	12 706	4 017
+ Depreciation of fixed assets and intangible assets	7 114	5 532	11 454
+ Impairment of fixed assets and intangible assets	0	0	271
EBITDA	**-7 121**	**18 238**	**15 742**
- Unrealised value change on energy derivatives	15 268	-11 916	-9 698
Adjusted EBITDA	**8 147**	**6 322**	**6 044**

TEUR	**H1 2021**	**H1 2020**	**LTM2020**
Operating profit (loss)	-14 235	12 706	4 017
EBIT	**-14 235**	**12 706**	**4 017**
+ Impairment of fixed assets and intagible assets	0	0	271
- Unrealised value change on energy derivatives	15 268	-11 916	-9 698
Adjusted EBIT	**1 033**	**790**	**-5 410**

TEUR	**H1 2021**	**H1 2020**	**LTM2020**
EBIT	-14 235	12 706	4 017
Average capital employed	449 746	429 261	296 572
ROACE	**-3,2 %**	**3,0 %**	**1,4 %**

TEUR	**H1 2021**	**H1 2020**	**LTM2020**
Adjusted EBIT	1 033	790	-5 410
Average capital employed	449 746	429 261	296 572
Adjusted ROACE	**0,2 %**	**0,2 %**	**-1,8 %**

4. Revenues and other income

Sale of electric energy
The revenues originate from the generation of hydropower.

Electricity-certificates(EL-certificates)
The EL certificate scheme is a market-based support scheme. In this system, producers of renewable electricity receive one certificate per MWh of electricity they produce for a period of up to 15 years.

Power derivatives
Småkraft uses financial hedging contracts and currency futures to hedge future revenue. The Group does not apply hedge accounting for the hedging of power revenues. Realised and unrealised changes in value related to these derivatives are recognised as Other operating income. See also Note 5 Financial instruments.

Amounts in EUR thousand	**6 months ended 30.06.2021**	**6 months ended 30.06.2020**	**12 months ended 31.12.2020**
Power revenue	17 482	4 953	7 602
Elcertificates	847	3 798	3 892
Guarantees of origin	102	118	432
Revenues	**18 431**	**8 869**	**11 926**
Other operating revenues	1 792	-21	206
Unrealized value change on energy derivatives	-15 268	11 916	9 698
Realized gains and losses on energyderivatives	-3 505	6 433	8 712
Public grants, Elcertificates	570	312	599
Other operating income	**-16 412**	**18 640**	**19 215**
Total operating income	**2 019**	**27 510**	**31 141**

5. Financial instruments

The group holds the following financial instruments:

Amounts in EUR thousand	**30.06.2021**	**30.06.2020**	**31.12.2020**
Financial assets			
Financial assets at amortized costs			
Other long term receivables	11 842	25 366	10 382
Trade receivables	2 741	1 697	1 334
Other short term receivables	2 420	1 982	3 526
Assets and liabilities held to fair value through profit and loss			
Short term investment in marked based securitites	95	88	92
Derivative financial instruments			
Used for hedging without hedge accounting	2 382	8 731	8 083

Amounts in EUR thousand	**30.06.2021**	**30.06.2020**	**31.12.2020**
Financial liabilities			
Financial liabilities at amortized costs			
Convertible debt	-		25 000
Debt to financial institutions	212 578	197 853	215 791
Bond debt	100 000	50 000	50 000
Trade and other payables*	6 921	2 926	6 580
Derivative financial instruments			
Used for hedging without hedge accounting	9 595	2 747	778

* excluding non-financial liabilitites

Accounts receivables and accrued revenue

Amounts in EUR thousand	**30.06.2021**	**30.06.2020**	**31.12.2020**
Accounts receivables at amortized costs	1 440	308	172
Loss allowance	-	-200	-
Earned revenue, not invoiced	1 301	1 589	1 162
Sum	**2 741**	**1 697**	**1 334**

Borrowings

Lenders	Maturity	Currency	30.06.2021	31.12.2020
Sparebank1 Telemark	30.06.2023	NOK	3 598	3 555
Sparebanken Narvik	15.06.2051	NOK	1 838	-
DnB	15.12.2042	NOK	2 897	-
Sparebanken Vest	15.12.2021	NOK	913	-
Sparebanken Vest	17.07.2045	EUR	5 109	-
Sparebanken Vest	23.08.2023	NOK	4 402	4 367
Sparebanken Sogn og Fjordane	25.06.2049	NOK	6 199	6 129
DnB	12.12.2028	NOK	-	4 042
Sparebank 1 SMN	10.07.2044	NOK	-	2 393
Sparebanken Sogn og Fjordane	23.04.2043	NOK	1 131	1 098
Sparebanken Vest	25.08.2023	NOK	-	1 433
SEB/Nordea/DNB	01.09.2021	EUR	160 000	162 380
Rindal Sparebank	04.12.2039	NOK	1 095	1 084
Sparebanken Vest	15.06.2021	EUR	19 719	20 088
Sparebank1 Gudbrandsdalen	31.12.2043	NOK	1 677	1 665
Sparebanken Sogn og Fjordane	01.11.2043	NOK	-	2 020
Sparebanken Vest	15.02.2024	NOK	973	997
Sparebank1 Telemark	19.09.2046	NOK	-	1 383
DnB	24.06.2022	NOK	3 474	3 448
Sparebank1 MidtNorge	30.06.2025	NOK	492	478
Subtotal			**213 516**	**216 561**
Convertible debt from owners		EUR	-	25 000
Bond debt1	01.11.2023	EUR	50 000	50 000
Bond debt2	30.04.2026	EUR	50 000	-
Agent commission SEB/Nordea		NOK	-938	-769
Total			**312 578**	**290 791**
Total long term debt			302 832	82 431
Total short term debt			9 746	208 360
Total			**312 578**	**290 791**

Maturity profile for financial liabilities

Amounts in EUR thousand

Lenders	Maturity	30.06.2021	1 year	2 years	3 years	4 years	5 years	After 30.06.2026
Sparebank1 Telemark	30.06.2023	3 598	205	3 393	-	-	-	0
Sparebanken Narvik	15.06.2051	1 838	108	107	105	103	102	1 532
DnB	15.12.2042	2 897	191	188	185	183	180	2 274
Sparebanken Vest	15.12.2021	913	913	-	-	-	-	-
Sparebanken Vest	17.07.2045	5 109	326	321	317	312	307	4 066
Sparebanken Vest	23.08.2023	4 402	306	301	3 796	-	-	-
Sparebanken Sogn og Fjodane	25.06.2049	6 199	370	365	360	354	349	5 090
DnB	12.12.2028	-	-	-	-	-	-	-
Sparebank 1 SMN	10.07.2044	-	-	-	-	-	-	-
Sparebanken Sogn og Fjodane	23.04.2043	1 131	28	82	81	79	78	915
Sparebanken Vest	25.08.2023	-	-	-	-	-	-	-
SEB/Nordea/DNB	01.09.2021	160 000	5 474	5 437	153400	-	-	0
Rindal Sparebank	04.12.2039	1 095	85	83	82	80	79	820
Sparebanken Vest	15.06.2021	19 719	330	1 067	1 055	1 042	1 030	16 770
Sparebank1 Gudbrandsdalen	31.12.2043	1 677	111	109	107	106	104	1 300
Sparebanken Sogn og Fjordane	01.11.2043	-	-	-	-	-	-	-
Sparebanken Vest	15.02.2024	973	40	40	893	-	-	-
Sparebank1 Telemark	19.09.2046	-	-	-	-	-	-	-
DnB	24.06.2022	3 474	201	3 348	-	-	-	-
Sparebank1 MidtNorge	30.06.2025	492	-	-	-	-	-	492
Bond Debt1	01.11.2023	50 000	688	733	50 190	-	-	-
Bond Debt2	30.04.2026	50 000	938	938	938	938	50 781	-
Agent commission SEB/Nordea/ DnB		-938	-568	-163	-113	-94	-	-
Total		**312 578**	**9 746**	**16 349**	**211 396**	**3 104**	**53 010**	**193 259**

The table shows undiscounted cash flows for each interval and shows both payments of principal and interests.

Derivatives

The Group has derivatives related to the hedging of income from future power production, as well as interest rate swaps in connection with interest bearing debt:

31.12.2020	31.12.2020 Assets		31.12.2020 Liabilities		12 months ended 31.12.2020	
	Long term	Short term	Long term	Short term	P&L	Tax effect
Over FVPL - Interest rates swaps	-	-	287	144	182	-40
Over FVPL - Currency derivatives	-	1 823	-	346	-1 057	233
Over FVPL - Power derivatives	-	6 260	-	-	18 410	-4 050
Sum derivatives	**-**	**8 083**	**287**	**490**	**17 535**	**-3 858**

30.06.2021	30.06.2021 Assets		30.06.2021 Liabilities		6 months ended 30.06.2021	
	Long term	Short term	Long term	Short term	P&L	Tax effect
Over FVPL - Interest rates swaps	-	-	99	40	305	-67
Over FVPL - Currency derivatives	-	2 322	-	251	550	-121
Over FVPL - Power derivatives	-	60	-	9 205	- 18 773	- 4 130
Sum derivatives	**-**	**2 382**	**99**	**9 496**	**- 17 918**	**- 3 942**

Fair value

30.06.2021 *Amounts in EUR thousand* **Financial assets measured at fair value**	**Level 1**	**Level 2**	**Level 3**	**Total fair value**	**Carrying amount**
Currency derivatives	-	2322	-	2322	2322
Power derivatives	-	60	-	60	60
Total financial assets measured at fair value	**-**	**2382**	**-**	**2382**	**2382**
Financial liabilities measured at fair value					
Interest rate derivatives	-	139	-	139	139
Currency derivatives	-	251	-	251	251
Power derivatives	-	9 205	-	9 205	9 205
Total financial liabilities measured at fair value	**-**	**9595**	**-**	**9595**	**9595**

31.12.2020 *Amounts in EUR thousand* **Financial assets measured at tair value**	**Level 1**	**Level 2**	**Level 3**	**Total fair value**	**Carrying amount**
Currency derivatives		1823		1 823	1 823
Power derivatives		6260		6 260	6 260
Total financial assets measured at fair value	**-**	**8 083**	**-**	**8 083**	**8 083**
Financial liabilities measured at fair value					
Interest rate derivatives		432		432	432
Currency derivatives		346		346	346
Total financial liabilities measured at fair value	**-**	**778**	**-**	**778**	**778**

6. Financial result

Financial income

Amounts in EUR thousand	6 months ended 30.06.2021	6 months ended 30.06.2020	12 months ended 31.12.2020
Income from investments in associates	-		325
Agio on borrowings in foreign currency	7 748		-
Unrealized non-cash effect on interest swaps	855	66	182
Other financial income and agio	2 349	1 083	2 555
Total	**10 953**	**1 149**	**3 061**

Financial expenses

Amounts in EUR thousand	6 months ended 30.06.2021	6 months ended 30.06.2020	12 months ended 31.12.2020
Interest expenses	3 223	2 286	4 907
Disagio on borrowings in foreign currency	-	23 176	13 181
Unrealized non-cash effect on foreign exchange forwards	-	4 131	1 057
Other financial expenses and disagio	435	673	921
Total	**3 658**	**30 266**	**20 066**

RESPONSIBILITY STATEMENT

In the best judgement of the Board and the CEO, the interim financial statements for 1st half 2021 have been prepared in accordance with current applicable accounting standards, and the information in the financial statements provide a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company and the group taken as a whole. In the best judgement of the Board and the CEO the Board of Directors' Report includes a true and fair view of the development and performance of the business and the position of the parent company and the group, together with a description of the principal risks and uncertainties facing the parent company and the group.

Oslo, Norway, 27.08.2021
The Board of Directors
Småkraft AS

Chairman of the Board
Tor Syverud

Member of the Board
Annette Malm Justad

Member of the Board
Joakim Johnsen

Member of the Board
Oldrik Verloop

Member of the Board
Christian Heidfeld

Terje Vedeler
General Manager

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