Småkraft AS

Base Prospectus

Joint Lead Managers:

Oslo, 8 December 2021

Important information

The Base Prospectus is based on sources such as annual reports and publicly available information and forward-looking information based on current expectations, estimates and projections about global economic conditions, as well as the economic conditions of the regions and industries that are major markets for Småkraft AS' (the Company) and Guarantors' (including subsidiaries and affiliates) lines of business.

A prospective investor should consider carefully the factors set forth in Chapter 1 Risk factors, and elsewhere in the Prospectus, and should consult his or her own expert advisers as to the suitability of an investment in the bonds.

IMPORTANT – EEA AND UK RETAIL INVESTORS - If the Final Terms in respect of any bonds includes a legend titled "Prohibition of Sales to EEA Retail Investors" and/or "Prohibition of Sales to UK Retail Investors", the bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ('EEA') and/or in the United Kingdom (the "UK"). Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended) (the PRIIPs Regulation) (and for UK, as it forms part of domestic law by virtue of the EUWA (the UK PRIIPs Regulation)) for offering or selling the bonds or otherwise making them available to retail investors in the EEA and/or the UK has been prepared and therefore offering or selling the bonds or otherwise making them available to any retail investor in the EEA and/or the UK may be unlawful under the PRIIPs Regulation and/ or the UK PRIIPS Regulation.

MiFID II product governance and/or **UK MiFIR product governance** – The Final Terms in respect of any bonds will include a legend titled "MiFID II product governance" and/or "UK MiFIR product governance" which will outline the target market assessment in respect of the bonds and which channels for distribution of the bonds are appropriate. Any person subsequently offering, selling or recommending the bonds (a "distributor") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

This Base Prospectus is subject to the general business terms of the Joint Lead Managers, available at their websites (www.dnb.no, www.nordea.no and www.seb.no).

The Joint Lead Managers and/or any of their affiliated companies and/or officers, directors and employees may be a market maker or hold a position in any instrument or related instrument discussed in this Base Prospectus and may perform or seek to perform financial advisory or banking services related to such instruments. The Joint Lead Managers' corporate finance department may act as manager or co-manager for this Company and/or Guarantors in private and/or public placement and/or resale not publicly available or commonly known.

Copies of this Base Prospectus are not being mailed or otherwise distributed or sent in or into or made available in the United States. Persons receiving this document (including custodians, nominees and trustees) must not distribute or send such documents or any related documents in or into the United States.

Other than in compliance with applicable United States securities laws, no solicitations are being made or will be made, directly or indirectly, in the United States. Securities will not be registered under the United States Securities Act of 1933 and may not be offered or sold in the United States without registration or an applicable exemption from registration requirements.

The distribution of the Base Prospectus may be limited by law also in other jurisdictions, for example in non-EEA countries. Approval of the Base Prospectus by Finanstilsynet (the Norwegian FSA) implies that the Base Prospectus may be used in any EEA country. No other measures have been taken to obtain authorisation to distribute the Base Prospectus in any jurisdiction where such action is required.

The Base Prospectus dated 8 December 2021 together with a Final Terms and any supplements to these documents constitute the Prospectus.

The content of this Base Prospectus does not constitute legal, financial or tax advice and potential investors should seek legal, financial and/or tax advice.

Unless otherwise stated, this Base Prospectus is subject to Norwegian law. In the event of any dispute regarding the Base Prospectus, Norwegian law will apply.

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1 Risk factors

Investing in bonds issued by Småkraft AS and guaranteed by the Guarantors involves inherent risks.

As the Company is the parent company of the Småkraft Group, the risk factors for the Småkraft Group are deemed to be equivalent for the purpose of this Base Prospectus.

For the purpose of this Registration Document, the risk factors for the Company and the Guarantors are deemed to be equivalent.

The risks and uncertainties described in the Prospectus are risks of which the Company is aware and that the Company considers to be material to its business. If any of these risks were to occur, the Company's and/or the Guarantors' business, financial position, operating results or cash flows could be materially adversely affected, and the Company and/or Guarantors could be unable to pay interest, principal or other amounts on or in connection with the bonds. Prospective investors should carefully consider, among other things, the risk factors set out in this Base Prospectus, before making an investment decision.

An investment in the bonds is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of their investment.

Risks related to the business

Technological changes in the Energy Market and Oversupply of Electricity
The Energy Market faces rapid changes in technology and sees significant growth in Renewable Energy. Technological changes may introduce new more efficient sources of energy, disrupting the energy market. This may lead to future surplus of energy in the electricity market. This may have a negative impact on the value of the Småkraft Group's Commodities and as such a material reduction in the valuation of the Småkraft Group's business, financial conditions, and results.

Electricity price level
The Småkraft Group's business is exposed to fluctuations in the electricity prices. The electricity prices fluctuate rapidly and are in its nature volatile. This may in turn have a material adverse effect on the Småkraft Group's financial condition, business, prospects and results of operations.

Elcert price level
The Småkraft Group's business is exposed to fluctuations in the el- cert prices. Over the last year, the spot-prices have fluctuated between 2 SEK/MWh and 27 SEK/Mwh.

It is impossible to predict future price movements, and there is a particular risk when committing to long- term contracts or acquisitions based on assumed future elcert prices. The Småkraft Group can give no assurance that future elcert prices will be sufficient to generate an economic return and decline in such prices could result in reduced cash flows from the Småkraft Group's operations and reduced valuation of the Småkraft Group's business. This may in turn have a material adverse effect on the Småkraft Group's financial condition, business, prospects and results of operations.

Counterparty risks
In its business, the Småkraft Group has contractual arrangements with suppliers, customers and other counterparts that expose the Småkraft Group to counterparty and contractual risks. There is no assurance that the Småkraft Group will not face financial losses as a result of default by one or more of these customers or other counterparties.

Hydrology and Meteorology
Hydrology and Meteorology impacts production. Small scale hydro power depends on the actual water running in the river, as small scale hydro power plants normally have limited reservoir capacity. Low winter temperatures or dry summers could thus have an adverse impact on the Issuer's ability to service its financial obligations.

Refinancing
The Småkraft Group assumes that it will be able to refinance its bank debt ahead of maturity in 2024, its bond issue of 50 million EUR raised in 2018 ahead of maturity in 2023 and its bond issue of 50 million EUR raised in 2021 ahead of maturity in 2026. However, there is no assurance that the Småkraft Group will obtain such refinancing.

Grid risk
The grid owner can impose periodic stop in operation of individual powerplants to maintain the grid and related infrastructure. Such grid stops may have adverse effect on the Småkraft Group´s cash flow.

Liquidity
It is the Småkraft Group´s policy to make sure that it has sufficient funds to meet its financial obligations. However, the Småkraft Group can give no assurance that it has sufficient liquidity to meet the financial obligations as they fall due.

Operational production risk
The Småkraft Group´s powerplants are mainly based on run of river with limited, if any, reservoir. Powerplants may shut down for several technical and operational reasons, with consequential losses in production. The Småkraft Group has insurance covering production losses, however this may not cover all financial losses from such loss of production. This may have adverse effects on the Småkraft Group's revenue and cash flow.

Landowner agreements
The Småkraft Group is party to numerous landowner agreements with several landowners throughout Norway, and the Småkraft Group's counterparty in these landowner agreements change when the ownership to the applicable property change. The Småkraft Group risks that some landowners, f.ex. following transfer of the applicable property, may dispute
the agreements or the present interpretation of the agreements, which may lead to legal costs/enforcement costs or which may otherwise have adverse effect on the Småkraft Group's revenue and/or operational costs.

Energy Policies
As the Småkraft Group operates within the energy sector, the Småkraft Group's activities may be affected by changes in relevant rules and regulations, such as the rules regulating the Norwegian Energy Sector, the electricity market, the transmission of electricity, other related infrastructure, the additional tax regime that hydro power production in Norway is subject to etc. Changes in such regulations may have material adverse effects on the Småkraft Group's financial condition and results.

Acquisition risk
The Småkraft Group has signed acquisitions and plan to sign further such acquisitions in the future. Such acquisitions lead to new powerplants in the Småkraft Group. New powerplants may not produce as assumed, because of different hydrology than expected, different technical condition on the powerplant than expected or different legal conditions than expected. While the Småkraft Group performs external and internal due diligences on hydrology, technical condition and legal matters, there is no assurance that the Småkraft Group will not face financial losses as a result of acquisitions.

Financing risk
As the Småkraft Group has signed acquisitions and plan to sign further such acquisitions in the future, the Småkraft Group has an obligation to pay the acquisition price upon closing of the relevant agreement. While the Småkraft Group has a financial policy that the purchase price is settled by new equity and new debt, there is no assurance that the Småkraft Group in the future not will come in a position where planned financing is not in place at closing and that the obligation will have a material, adverse effect on liquidity, cash flow and the Småkraft Group's general financial condition.

Substantial indebtedness
Following the issuance of Bonds, the Småkraft Group will have substantial indebtedness which could affect its ability to obtain additional financing, cause vulnerability to general adverse economic and industry conditions, cause a competitive disadvantage, limit its ability to refinance indebtedness and adjust to changing market conditions and therefore have negative consequences for the Bond investors.

Interest rate risk
The Småkraft Group has several loans with fully or partly floating interests. Changed interest rates will have an effect on the Småkraft Group's financial condition, cash flows and financial results.

Natural disaster risk
Natural disasters such as floodings, storms and hurricanes, landslides, avalanches, etc., may affect the Småkraft Group´s installations significantly. While general public Natural Disaster Compensations normally will be relevant, there is no assurance that such compensations will cover all future natural disasters outside the normal insurance.

Currency risk
The Småkraft Group has electricity revenue and PPA/ EPA revenue in EUR, el- cert revenue in NOK and several cost items in NOK. The Småkraft Group has a policy to balance the EUR- revenue with EUR- loans. There is no assurance that EUR- loans balance the EUR- revenue perfectly. Adverse currency fluctuations may adversely affect the Småkraft Group's general financial condition.

Technical risk
The Småkraft Group has some valuable installations such as dams, penstocks, electromechanical equipment, etc. Such installations will be affected by wear and tear over time. Even with good and proactive maintenance,

installations may at some point face malfunctions, errors or breakdowns. While insurances in general cover for such errors, the insurance may in some instances not fully cover all losses in production and/ or the full adverse financial effect of the error. Such financial effects will have an impact on the Småkraft Group's financial conditions.

Safety
The Småkraft Group's powerplants are subject to large electrical, mechanical and hydrological power. This power represents a risk, if it is not handled properly. The Småkraft Group has implemented mitigating safeguards such as physical barriers, safety procedures, etc. However, it is impossible to eliminate all risks.

Risk related to the bonds

Limited public market
The liquidity of any market for the Bonds will depend on the number of holders of those Bonds, investor interest at large and relative to the Company and its business segment in particular and the interest in securities dealers in making a market in those securities and other factors. The Bonds may trade at prices that may be lower than the principal amount or purchase price. If an active market does not develop or is not maintained, the price and liquidity of the Bonds may be adversely affected.

The market price of the Bonds may be volatile
The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Company's operating result and those of its competitors, adverse business developments, changes to the regulatory environment in which the Småkraft Group operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Bonds, as well as other factors. Consequently, it may prove challenging to dispose of the Bonds. The Bonds may not be a suitable investment for all investors.

The price of the Bonds are subject to risk of interest rate and currency fluctuation
The price of a single Bond will fluctuate in accordance with the interest rate and credit markets in general, the market view of the credit risk of this particular Bond issue, and the liquidity of these bonds in the market. Further, the Bonds are denominated in EUR and any investor outside of the EU wishing to invest in the Bonds, or to sell Bonds, will be subject to an exchange rate risk which may cause additional costs to the investor.

The Company's ability to services its indebtedness depends on many factors beyond its control
The Company's ability to make payments on, or to refinance its obligations under, the Bonds will depend upon the Småkraft Group's financial and operating performance which, in turn, will be subject to prevailing economic and competitive conditions and to financial and business factors, many of which may be beyond its control.

Liquidity risk
The Småkraft Group's policy on overall liquidity is to ensure that there are sufficient funds in place to meet its financial obligations, however there can be no assurance that there will in the future be sufficient liquidity to meet the financial obligations as they fall due.

Refinancing
The Småkraft Group's has in its forecasts assumed that the Bonds will be refinanced in 2023 and 2026. However, there can be no assurance that such refinancing will be obtained.

Value and enforcement of security
The value of the collateral securing the Bonds may not be sufficient to satisfy the Company's obligations under the Bonds. There can be no assurance that the bond trustee will be able to monetise any of the security, without delays or that the proceeds obtained will be sufficient to pay all of the secured obligations. Furthermore, there can be no assurance that the bond trustee will be able to enforce or realize any or all of the security.

Change of control – the Company's ability to redeem the Bonds with cash may be limited
Upon the occurrence of a change of control event, each individual bondholder shall have a right of prepayment of the Bonds plus accrued and unpaid interest to the date of redemption. However, it is possible that the Company will not have sufficient funds at the time of the change of control event to make the required redemption of Bonds. The Company's failure to redeem tendered Bonds would constitute an event of default under the bond terms relating to the Bonds (the "Bond Terms").

Mandatory prepayment events may lead to a prepayment of the Bonds in circumstances where an investor may not be able to reinvest the prepayment proceeds at an equivalent rate of interest: The Bond Terms may contain terms and conditions whereby the Bonds are subject to mandatory prepayment by the Company on the occurrence of certain specified events. Following any early redemption after the occurrence of a mandatory

prepayment event, it may not be possible for bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to do so at a significantly lower rate.

Modifications, waivers and or authorizations without the consent of the bondholders
The Bond Terms will contain provisions for calling meetings of bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all bondholders, including bondholders who did not attend and vote at the relevant meeting and bondholders who voted in a manner contrary to the majority. The bond trustee may agree, without the consent of the bondholders, to certain modifications to the Bond Terms and other finance documents.

Restricting conditions in the Bond Terms
The terms and conditions of the Bond Terms will impose certain operating and financial restrictions, which may prevent the Småkraft Group from capitalizing on business opportunities and taking some actions.

Transfer restrictions
The Bonds are being offered and sold pursuant to an exemption from registration under United States and applicable state securities laws. Therefore, the Bonds may be transferred or resold in the United States only in a transaction registered under.

2 Definitions

Additional Plant Owning Companies	Means any Plant Owning Companies acquired for the purpose of acquiring and owning New Hydro Power Plants.
Annual Report 2020	Småkraft AS' financial statements for the year ended 31 December 2020.
Annual Report 2019	Småkraft AS' financial statements for the year ended 31 December 2019.
Articles of Association	The articles of association of Småkraft AS or the Guarantors, as amended and currently in effect.
Base Prospectus	This document dated 8 December 2021. The Base Prospectus has been approved by the Norwegian FSA, as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Base Prospectus.
Board or Board of Directors	The board of directors in the Issuer or the Guarantors.
Bond Terms	Means the bond terms agreed between the Issuer and Nordic Trustee AS for each issuance of bonds, including all attachments which form an integrated part of the bond terms, in each case as amended and/or supplemented from time to time.
CICERO	Center for International Climate and Environmental Research - Oslo
Companies Registry	The Norwegian Registry of Business Enterprises (*Foretaksregisteret*)
Company/Issuer	Småkraft AS
Final Terms	Document to be prepared for each new issue of bonds under the Prospectus. The template for Final Terms is included in the Base Prospectus as Annex 3. The template for Final Terms has been approved by the Norwegian FSA, as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this template for Final Terms as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this template for Final Terms. Investors should make their own assessment as to the suitability of investing in the securities.
Group	For the purpose of listing "Småkraft AS 1.875% senior secured EUR 100,000 green bonds 2021/2026" with ISIN code NO0010968449, the Group means the Issuer, Småkraft Green Bond 2 AS and each of Småkraft Green Bond 2 AS' subsidiaries from time to time
Group Company	Any person that is a member of the Group.
Guarantors	For the purpose of listing "Småkraft AS 1.875% senior secured EUR 100,000 green bonds 2021/2026" with ISIN code NO0010968449, the Guarantors means Småkraft Green Bond 2 AS with registration number 825 750 932 and Salvasskardelva Kraftverk AS with registration number 820 804 112 and Sagåna Kraft AS with registration number 924 868 678.
Salvasskardaleva Kraftverk AS Annual Report 2019	Salvasskardaleva Kraftverk AS' financial statements for the year ended 31 December 2019.

Salvasskardaleva Kraftverk AS Annual Report 2020	Salvasskardaleva Kraftverk AS' financial statements for the year ended 31 December 2020.
Salvasskardaleva Kraftverk AS Articles of Association	The articles of association of Salvasskardaleva Kraftverk AS, as amended and currently in effect.
Salvasskardaleva Kraftverk AS Interim Report 1st half 2021	Salvasskardaleva Kraftverk AS AS financial statements for the first half of 2021.
Småkraft Green Bond 2 AS Annual Report 2020	Småkraft Green Bond 2 AS' financial statements for the year ended 31 December 2020.
Småkraft Green Bond 2 AS Articles of Association	The articles of association of Småkraft Green Bond 2 AS, as amended and currently in effect.
Småkraft Green Bond 2 AS Interim Report 1st half 2021	Småkraft Green Bond 2 AS financial statements for the first half of 2021.
Sagåna Kraft AS Annual Report 2020	Sagåna Kraft AS' financial statements for the year ended 31 December 2020.
Sagåna Kraft AS Articles of Association	The articles of association of Sagåna Kraft AS, as amended and currently in effect.
Sagåna Kraft AS Interim Report 1st half 2021	Sagåna Kraft AS financial statements for the first half of 2021.
Hydro Power Plants	Means the hydroelectric power plants (small scale hydro power as run-of-the-river hydro power plants, i.e. also including plants larger than 2 GWh, if they are based on run-of-the-river with or without reservoirs) owned by the Group from time to time.
Independent Auditor Report 2020	Report from the Issuer's independent auditor regarding the financial statements for 2020
IFRS	International Financial Reporting Standards
Interim Report 1st half 2021	Småkraft AS' financial statements for the first half of 2021
ISIN	International Securities Identification Number
Joint Lead Managers	DNB Bank ASA, Nordea Bank Abp, Norwegian branch and Skandinaviska Enskilda Banken AB (publ)
NOK	Norwegian kroner
NVE	The Norwegian Water Resources and Energy Directorate
Plant Owning Companies	Means: (a) the Group Companies being owners of the Hydro Power Plants (each a "Plant Owning Company") as set out in Annex 2 (Power Plant Companies and Hydro Power Plants) hereto; and (b) each Additional Plant Owning Company.
Småkraft Group	Means the Issuer and the consolidated subsidiaries
VPS or VPS System	The Norwegian Central Securities Depository, Verdipapirsentralen ASA

3 Persons responsible

3.1 Persons responsible for the information

Persons responsible for the information given in the Base Prospectus are as follows:
Småkraft AS, P.O. Box 2389, Solheimsviken, N-5824 Bergen, Norway

3.2 Declaration by persons responsible

Småkraft AS declares that to the best of its knowledge, the information contained in the Base Prospectus is in accordance with the facts and that the Base Prospectus makes no omission likely to affect its import.

Bergen, 8 December 2021

4 Statutory Auditors

The statutory auditors for the Issuer and the Guarantors for the period covered by the historical financial information are given in the table below.

The auditors are member of the Norwegian Institute of Public Accountants ("Den norske Revisorforening").

Company	Year	Auditor	Auditor's address
Småkraft AS	2019 and 2020	Pricewaterhouse-Coopers AS	Dronning Eufemias gt 71, N-0194 Oslo, Norway
Småkraft Green Bond 2 AS	2020	Pricewaterhouse-Coopers AS	Dronning Eufemias gt 71, N-0194 Oslo, Norway
Salvasskardaleva Kraftverk AS	2019 and 2020	Pricewaterhouse-Coopers AS	Dronning Eufemias gt 71, N-0194 Oslo, Norway
Sagåna Kraft AS	2020	Pricewaterhouse-Coopers AS	Dronning Eufemias gt 71, N-0194 Oslo, Norway

5 Information about the Issuer and the Guarantors

5.1 Legal and commercial name, domicile and legal form

Both the Issuer and the Guarantors are private limited liability companies domiciled in Norway.

Legal name	Commercial name
Småkraft AS	Småkraft
Småkraft Green Bond 2 AS	Småkraft Green Bond 2
Salvasskardelva Kraftverk AS	Salvasskardelva Kraftverk
Sagåna Kraft AS	Sagåna Kraft

5.2 Place of registration, registration number and LEI code

Both the Issuer and the Guarantors are registered in the The Norwegian Companies Registry.

Legal name	Registration number	LEI code
Småkraft AS	984 616 155	549300IG13IP3OK19V41
Småkraft Green Bond 2 AS	825 750 932	636700W7X0VUHCWDLE71
Salvasskardelva Kraftverk AS	820 804 112	6367000LZVU58IUP1G07
Sagåna Kraft AS	924 868 678	636700RFA304OGC1BN32

5.3 Country of incorporation, date of incorporation and legislation

Both the Issuer and the Guarantors are incorporated in Norway under the laws of Norway, including the Private Limited Liability Companies Act.

Legal name	Date of incorporation
Småkraft AS	24 April 2002
Småkraft Green Bond 2 AS	14 August 2020
Salvasskardelva Kraftverk AS	13 April 2018
Sagåna Kraft AS	05 March 2020

5.4 Address, telephone and website

Legal name	Address
Småkraft AS	Solheimsgaten 15, N-5058 Bergen, Norway
Småkraft Green Bond 2 AS	Solheimsgaten 15, N-5058 Bergen, Norway
Salvasskardelva Kraftverk AS	Solheimsgaten 15, N-5058 Bergen, Norway
Sagåna Kraft AS	Solheimsgaten 15, N-5058 Bergen, Norway

Both the Issuer and the Guarantors have telephone +47 55 60 74 00 and website https://smaakraft.no.

The information on the website does not form part of the Base Prospectus unless that information is incorporated by reference into the Base Prospectus.

5.5 Objects and purposes

The Company's business is commercial exploitation of small powerplants, and everything associated with this business, such as rehabilitation, buying, engineering, building, financing, operating and maintaining powerplants, as well as buying and selling power production and the right to be certified as renewable energy. The company will also have the right to enter into agreements on power purchases and rights to certify existing power plants as renewable energy producer, according to the Issuer Articles of Association § 3.

The Småkraft Green Bond 2 AS' business is procuction of renewable energy, and everything associated with this business, such as owning, leasing, operating, maintaining and rehabilitation powerplants for renewable energy

production, as well as buying and selling power production and certificates associated with this production. The business could be operated alone, in cooperation with other companies or persons or by owing other companies, according to the Småkraft Green Bond 2 AS Articles of Association § 3.

The Salvasskradelva Kraftverk AS' business is building and operating of Salvasskardelva powerplant and everything associated with this business, according to the Salvasskradelva Kraftverk AS Articles of Association §3.

The Sagåna Kraft AS' business is activities in connection with the design, building and operating of Sagåna small powerplant and everything associated with this business, according to the Sagåna Kraftverk AS Articles of Association §2.

5.6 Changes in borrowing and funding structure since the last financial year

There have been no significant changes in Småkraft AS or Småkraft Group's borrowing and funding structure since the last financial year. Subsequent to yearend, the following refinancing have taken place:

- In june 2021 Småkraft AS refinanced a bank debt facity with the leading Nordic banks Nordea, DNB and SEB. The EUR 160m bank debt facility amortizes over 40 year and has a three-year duration with option to expand with an additional two years.
- Småkraft also refinanced a bank debt facility in the 100% owned subsidiary Holmen Kraft AS. The EUR 20m bank debt facility amortizes over 30 years and has a five-year duration.
- During 2021 Småkraft AS has acquired in total 20 powerplant owning companies. In some of the acquired companies existing bank debt facility is continued.

5.7 Expected financing of activities

Småkraft or companies partly of fully owned by Småkraft continuously sign contracts acquiring new powerplants. Småkraft has a financial policy to finance new acquisitions with 50-70% equity. Existing owners of Småkraft are committed to grow the firm and finance new acquisitions. Dutch pension asset manager APG (majority owner) has committed an additional EUR 250m Equity to sustain growth.

Småkraft has build access to various types of debt-funding locally, nationally and internationally. Today the Småkraft Group has a strong and robust financial position, and the management is continuously working on financing activites. Småkraft will continue to diversify debt financing sources across different debt classes and banks. Småkraft assumes that it will be able to refinance it's main bank debt facility ahead of maturity in 2024. When acquiring new companies, the plan is to issue new debt or take over existing bank debt in acquired companies. The plan is also to enter into new long-term bilateral loan agreements or issue new green bonds.

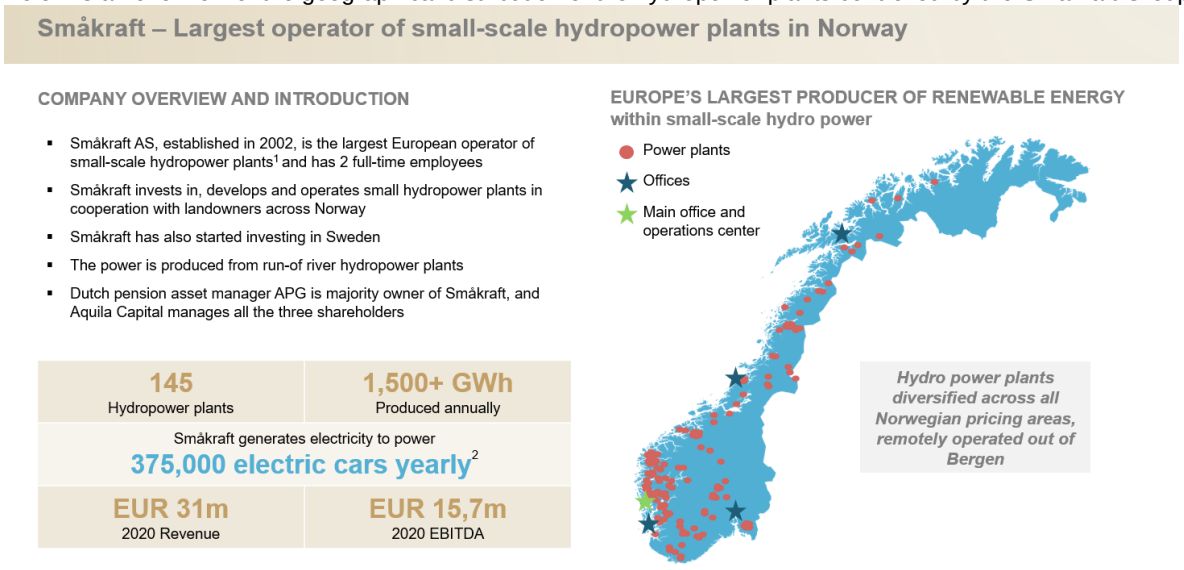
6 Business overview

6.1 Main categories of products sold and/or services performed

Småkraft AS is a renewable energy producer. The Småkraft Group is the largest Norwegian operator of small-scale hydropower plants with 145 power plants and a production capacity exceeding 1.5 Twh. The Småkraft Group is also Europe's largest owner and operator of small-scale power plants (the Company's estimate) The power plants are located in Norway and Sweden.

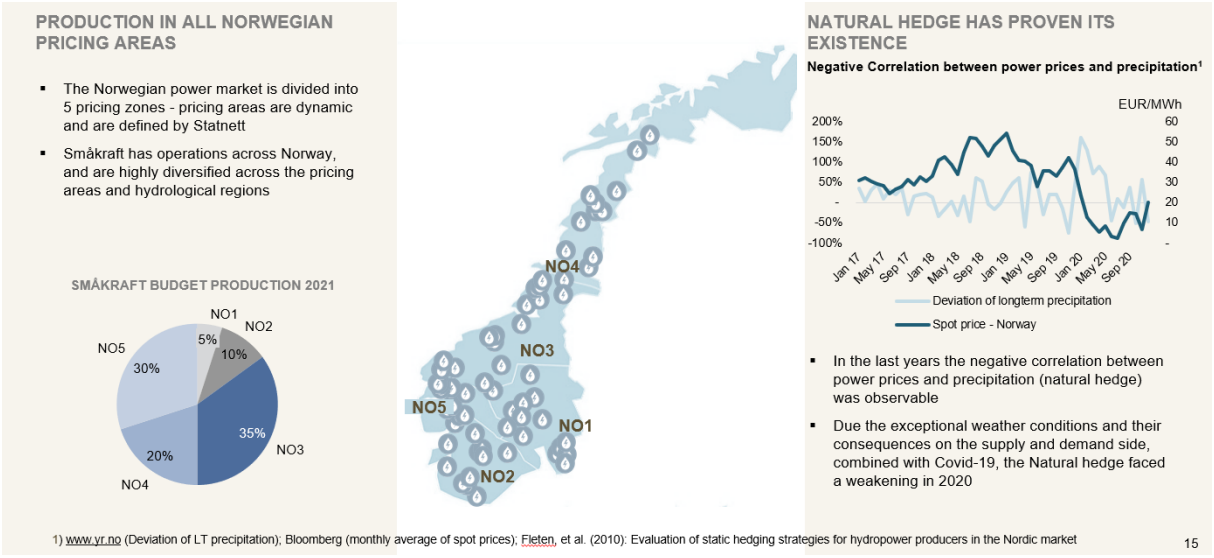
Small-scale hydropower plants use the natural topography to produce sustainable and renewable electricity from river streams that naturally flows through its power stations. The electricity produced is then transported out on the electricity grid and consumed. Småkraft's model for the development of small-scale power plants in cooperation with landowners is based on the fact that Norway has private ownership of water rights. Småkraft enters into water right lease agreements with the landowners owning the water rights, agreements which entitle the Company to utilize the water in the rivers typically for a period varying from 40 to 100 years. The agreements are normally entered into when the power plant is put into commercial operation.

Below is an overview of the geographical distribution of the hydropower plants controlled by the Småkraft Group:



1) A small hydropower plant is defined by NVE as a plant from 1 MW to 10MW capacity 2) Assuming 4,000 KWh p.a

The Norwegian power market is divided into 5 pricing zones as defined by Statnett, where pricing is dependent on each regions supply/demand and transferring capacity. Småkraft's operations are highly diversified across these 5 pricing regions. There is a negative correlation between hydrological conditions (being the characteristics of surfase water runoff including the direction of flow, flow rate and volume of water) and the electricity regional spot price, implying that more than half of the price variations in Norway are determined by the hydrological conditions.



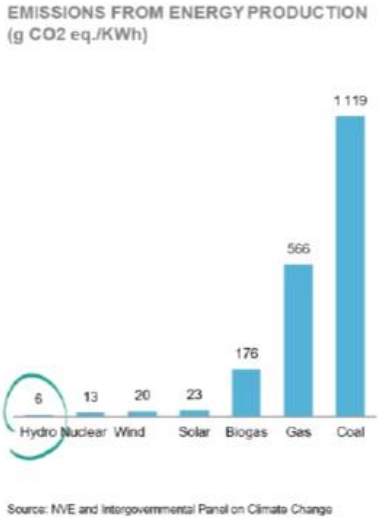
6.1.1 Småkraft AS

The Company is dedicated to a sustainable business model providing and developing the green energy supply. Småkraft achieves high scores in sustainability benchmarks. All of Småkraft's operations are related to run-of-river hydropower plants, where electricity is generated by the flow of the river. Such hydropower plants do not burn any fossil fuels or pollute the air. Since hydropower plants do not use fuel, Småkraft's power generation only produces insignificant amounts of carbon dioxide.

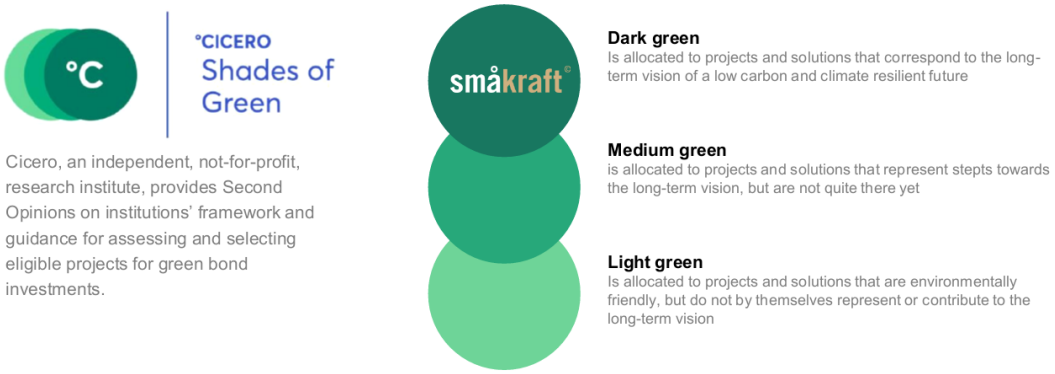
The information below sets forth further details regarding Småkraft's green energy production.

1)ESG- Framework is public

The Company's green business model (as described in the chart below) has been awarded the highest validation by the independent climate and environment research institute Cicero, which is an organization that identifies and grades green bond investments.



The Cicero green bond investment rating scale (Shades of Green) is shown below and shows the awarded dark green validation for Småkraft AS.



Småkraft has achieved the highest score in the annual Global ESG Benchmark(GRESB) sustainability assessment within its peer group. Småkraft received the highest rating, with 94 of 100 possible points, and has achieved the highest score among participating hydropower companies in the assessment.

6.1.2 Småkraft Green Bond 2 AS

Småkraft Green Bond 2 AS is the owner of 24 Hydro Power plants where 22 of them are owned directly and two are owned through Salvasskardelva Kraftverk AS and Sagåna Kraft AS. See Annex2. The powerplants are diversified across all Norwegian pricing areas. The total production capacity of the Hydro Power plants is 273 Gwh.

6.1.3 Salvasskardelva Kraftverk AS

Salvasskardelva Kraftverk AS is the owner of the powerplant Salvasskardelva. The powerplant is in the municipality Bardu in Troms and Finnmark county. The powerplant started production in January 2021. The average production of the powerplant is 21,6 Gwh.

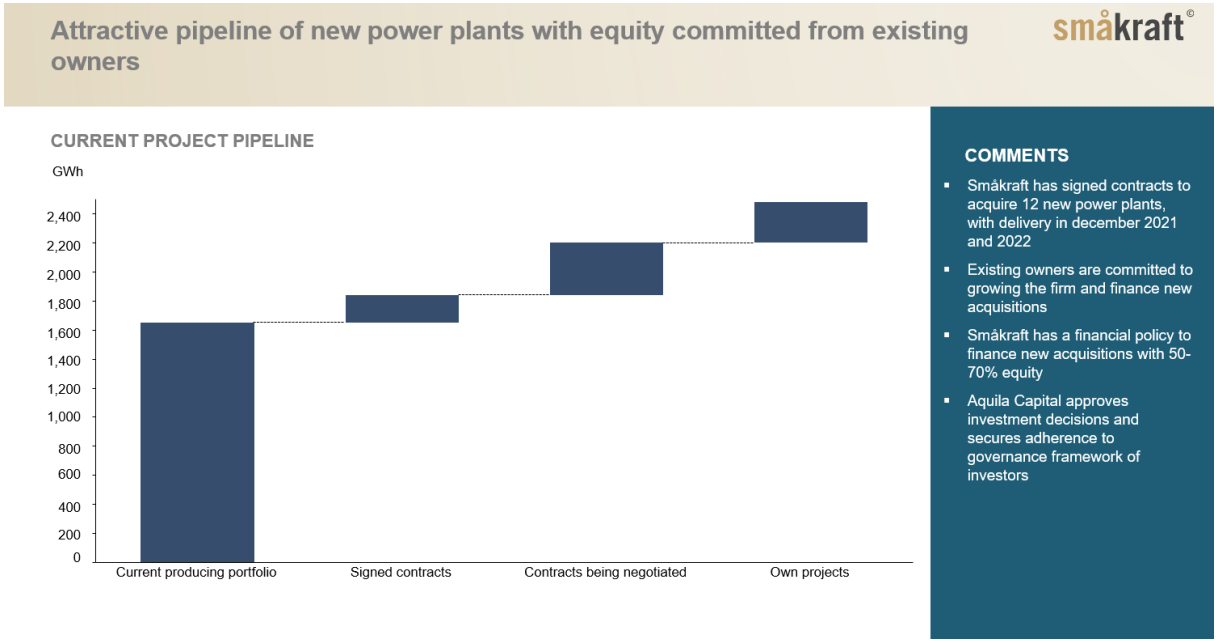
6.1.4 Sagåna Kraft AS

Sagåna Kraft AS is the owner of the powerplant Sagåna. The powerplant is in the municipality Hjelmeland in Rogaland county. The powerplant is a newbuild powerplant, and started production in November 2021. The expected yearly production of the powerplant is 10,9 Gwh.

6.2 Significant new products or activities

Current project pipeline is shown in the figure below, together with information about ownership and financing for the acquired powerplants to be delivered in desember 2021 and 2022.

The Company has secured close to 1,9TWh production capacity. Furthermore, there are new market opportunities both for organic growth and acquisitions in the years to come.



6.3 Principal markets in which the issuer competes

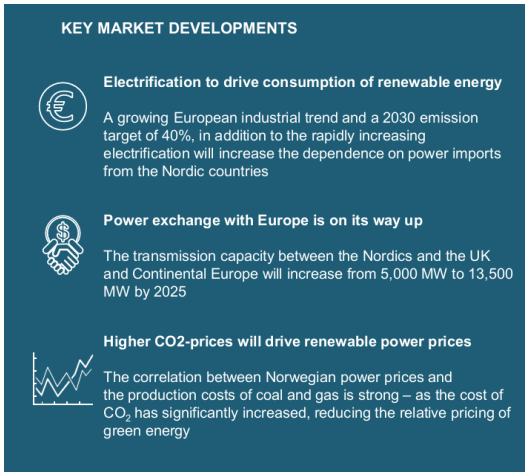
6.3.1 Markets

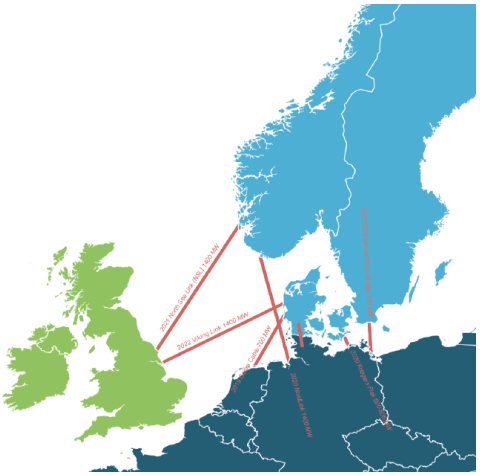
Småkraft AS is the largest operator of small hydro power plants in Europe (based on Company estimates), and the geographical distribution of these plants is shown in section 6.1.

The produced electricity is sent onto the electricity grid, the grid enables electricity to be transported from producers to consumers. The grid also connects Norway's power system to other countries' grid systems. Electricity produced by Småkraft and its Guantor is sold in the spot market on Nordpool. The market for the Guarantors is the same for Småkraft AS and for the Guarantors.

6.3.2 Market development

The green shift and megatrends imply positive market conditions for green energy sources such as hydropower. Key market developments indicating this growing trend are shown below:





7 Organisational structure

7.1 Description of Issuer

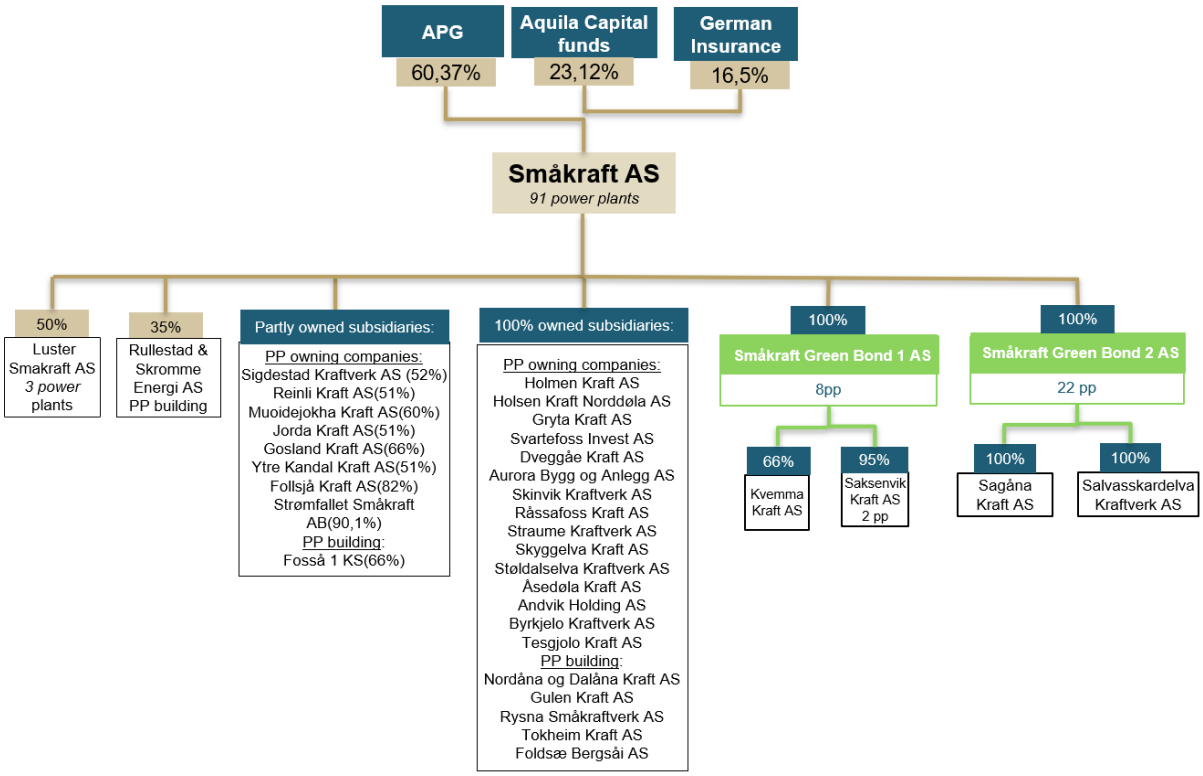
Småkraft AS is a limited liability company, incorporated and domiciled in Norway.

Småkraft AS is the parent company of the Group and the Småkraft Group, in addition to being the main entity within the groups for sale of electric energy, electricity-certificates and guarantees of origin. All energy and currency derivatives are entered into by the Company on behalf of itself and the groups.

The Group consists of the Issuer, Småkraft Green Bond 2 AS and each of Småkraft Green Bond 2 AS' subsidiaries from time to time.

The Småkraft Group consists of the Issuer and the consolidated subsidiaries. See Annex 1 for a list of associated companies and subsidiaries of the Issuer.

Figure 7.1 Organizational structure Småkraft Group as of the date of the Prospectus



7.2 Dependence upon other entities

The Company receives interest from loans provided to its associates and joint ventures, as well as income from investments in its subsidiaries. Therefore, the Company is dependent on the results of the operations of the Company's associates and joint ventures.

The Guarantors receives funding from the Company. Therefore, the Guarantors is dependent on the results of the operations of their parent company.

8 Trend information

8.1 Prospects and financial performance

There has been no material adverse change in the prospects of the Issuer or the Guarantors since the date of its last published audited financial statements.

There has been no significant change in the financial performance of the Småkraft Group since the end of the last financial period for which financial information has been published to the date of the Base Prospectus.

8.2 Known trends, uncertainties, demands, commitments or events

The power sector is complex, and the market is to a large extent politically controlled. The global shift to renewable energy and the 2030 emission target of 40% indicate that Europe will increase the dependence on power imports from the Nordic countries. The transmission capacity between the Nordics and the UK and the Continental Europe is expected to increase towards 2025.

The correlation between Norwegian power prices and the production costs of coal and gas is strong as the cost of CO2 has significantly increased, reducing the relative pricing of green energy. Fueled by strong CO2- prices, new interconnectors and weak hydrology, the average monthly spot prices in the Nordics have seen a significant increase in 2021.

The Småkraft Group's operations may be exposed to significant changes and extraordinary events outside the Småkraft Groups Control. Changes in the general tax regime or specific tax regimes within hydropower or renewable energy may have significant adverse effects on Småkrafts business. Hydropower is subject to detailed regulatory requirements within fields such as health, safety, environment, property, energy and grid- legislation. Changes in these and other regulations may have significant effect on Småkraft business.

The Småkraft Group's operations may also be exposed to significant changes and extraordinary events outside the Småkraft Groups Control. Technological changes within renewable energy may have significant negative effect on Småkraft's business.

9 Administrative, management and supervisory bodies

9.1 Information about persons

9.1.1 Småkraft AS

Board

The table below set out the names of the members of the Board of the Company.

Name	Position
Tor Syverud	Chairman
Annette Malm Justad	Board memer
Joakim Johnsen	Board member
Oldrik Verloop	Board member
Christian Heidfeld	Board member

The business adress of the members of the Board of the Company is Solheimsgaten 15, N-5058 Bergen, Norway.

Tor Syverud

- PhD in mechanical engineering from the Norwegian University of Science and Technology
- 3 years as Head of Hydropower at Aquila Capital
- 10 years as CEO/Head of energy division at Tinfos
- 5 years as Head of Hydro

Annette Malm Justad

- Master in Technology Management and Master in Chemical Engineering.
- More than 25 years of operational experience from Yara and Norsk Hydro, including shipping, and as CEO of listed EMS ASA. Today, chair and board member of several liisted and private companies

Joakim Johnsen

- MBA and BSc from the University of Manchester Institute of Science and Technology.
- 18 years of experience within hydropower and other renewables.
- Head of Merchant Desk within Aquila Capital

Oldrik Verloop

- LL.M. in Dutch Civil Law, Leiden University and MBA from St. Gallen University
- 8 years at Aquila Capital, Co-Head of hydropower and with asset management roles
- Advisor and board member to international private companies

Christian Heidfeld

- MSc in Management and Technology from Technische Universität München
- 3 years of experience within hydropower
- Head of Asset Management, Hydropower, Aquila Capital
- 2 years as consultant from EY

Management

The table below set out the names of the members of the Management of the Company.

Name	Position
Terje Vedeler	Chief executive officer
Erik Røysem Sterud	Chief financial officer
Jørgen Hundven	Chief operating officer
Karina Birkelund	Chief commercial officer

The business adress of the members of the management of the Company is Solheimsgaten 15, N-5058 Bergen, Norway.

Terje Vedeler

- MSc. in Hydropower Engineering from Norwegian University of Science and Technology
- 30 years of experience in leading positions in companies as Framo, FMC, Aker Solutions and Frydenbø Industrier.

- 2 years as CEO at Småkraft

Erik Røysem Sterud

- Certified Public Accountant, Master of Accounting and Auditing, Norwegian School of Economics and Dipl. Kaufm. Business and Administration from the University of Passau
- 5 years as CFO at Småkraft and Norsk Grønnkraft
- 6 years at PwC within auditing, accounting, tax and law

Jørgen Hundven

- MSc. in Electrical Engineering from Norwegian University of Science and Technology
- 20 years of experience from multination companies such as Simens, Equinor, Bergen Group and Aker Solutions
- 1 year as COO at Småkraft

Karina Birkelund

- MSc. Business Norwegian School of Economics, MBA within strategy and finance Norwegian School of Economics
- 12 years of banking experience from DnB
- 1 year as business developer in BKK
- 1 year as CCO at Småkraft

9.1.2 Småkraft Green Bond 2 AS

Board

The table below set out the names of the members of the Board of Småkraft Green Bond 2 AS.

Name	Position
Erik Røysem Sterud	Chairman

The business adress of the members of the Board of Småkraft Green Bond 2 AS is Solheimsgaten 15, N-5058 Bergen, Norway.

Erik Røysem Sterud

See description in clause 9.1.1.

Management

The table below set out the names of the members of the Management of Småkraft Green Bond 2 AS.

Name	Position
Lars Jacob Haugom	Managing Director

The business adress of the members of the management of Småkraft Green Bond 2 AS is Solheimsgaten 15, N-5058 Bergen, Norway.

Lars Jacob Haugom

- MSc. in Petroleum Engineering from Norwegian University of Science and Technology
- 17 years experience in leading positions in companies as Smith Bits, Altus Intervention and Nowe AS
- 4 years as Director of Business Development and Leader M&A's at Småkraft AS.

9.1.3 Salvasskardelva Kraftverk AS

Board

The table below set out the names of the members of the Board of Salvasskardelva Kraftverk AS.

Name	Position
Terje Vedeler	Chairman
Dag Eilif Tønjum	Board member
Erik Røysem Sterud	Board member

The business adress of the members of the Board of Salvasskardelva Kraftverk AS is Solheimsgaten 15, N-5058 Bergen, Norway.

Terje Vedeler
See description in clause 9.1.1.

Dag Eilif Tønjum

- Master of Business Administration from the Aarhus School of Business
- 33 years of experience from finance function in various companies. Last 17 years in Småkraft AS

Erik Røysem Sterud
See description in clause 9.1.1.

Management
The table below set out the names of the members of the Management of Salvasskardelva Kraftverk AS.

Name	Position
Tina Haaland Rasmussen	Managing Director

The business adress of the members of the management of Salvasskardelva Kraftverk AS is Sandakerveien 138, N-0484 Oslo, Norway.

Tina Haaland Rasmussen

- BBA Norwegian Business School, MBA Iowa State University
- 6 years of Procurement consulting experience from Interpro AS
- 6 years as Procurement leader at Mesta Entreprenør AS
- 12 years as Controller at Småkraft AS

9.1.4 Sagåna Kraft AS

Board
The table below set out the names of the members of the Board of Salvasskardelva Kraftverk AS.

Name	Position
Dag Eilif Tønjum	Chairman

The business adress of the members of the Board of Sagåna Kraft AS is Solheimsgaten 15, N-5058 Bergen, Norway.

Dag Eilif Tønjum
See description in clause 9.1.3

Management
The table below set out the names of the members of the Management of Salvasskardelva Kraftverk AS.

Name	Position
Lars Jacob Haugom	Managing Director

The business adress of the members of the management of Sagåna Kraft AS is Solheimsgaten 15, N-5058 Bergen, Norway.

Lars Jacob Haugom
See description in clause 9.1.2

9.2 Administrative, management and supervisory bodies conflicts of interest

There are no potential conflicts of interest between any duties to the Issuer or the Guarantors of the persons referred to in item 9.1 and their private interests and/or other duties.

10 Major shareholders

10.1 Ownership

The Issuer
The share capital of Småkraft AS is NOK 213,790,800 divided into 4,275,816 shares at a nominal value of NOK 50 each.

The Company is owned by APG (60,37 %), Aquila Capital (23,12 %) and German Insurance (16,5 %). The Company has only one class of shares.

There are no specific measures in place (beyond ordinary legal requirements as set out by the Norwegian Limited Liability Act – Norwegian: Aksjeloven) to ensure that the control the shareholders have through their ownership is not abused.

Småkraft Green Bond 2 AS
The share capital of Småkraft Green Bond 2 AS is NOK 1.100.000 divided into 1 000 shares at a nominal value of 1 100 each.

The company is wholly owned by Småkraft AS. Småkraft Green Bond 2 AS has only one class of shares.

Salvasskradelva Kraftverk AS
The share capital of Salvasskradelva Kraftverk AS is NOK 100 000 divided into 1000 shares at a nominal value of NOK 100 each.

The company is wholly owned by Småkraft Green Bond 2 AS. Salvasskradelva Kraftverk AS has only one class of shares.

Sagåna Kraft AS
The share capital of Saåna Kraft AS is NOK 30 000 divided into 600 shares at a nominal value of NOK 50 each.

The company is wholly owned by Småkraft Green Bond 2 AS. Salvasskradelva Kraftverk AS has only one class of shares.

10.2 Change of control of the company

There are no arrangements, known to the Company, the operation of which may at a subsequent date result in a change in control of the Company.

11 Financial information concerning the Company's assets and liabilities, financial position and profits and losses

11.1 Historical Financial Information

Småkraft AS
Småkraft AS' consolidated and non-consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations from International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU and further requirements in Norwegian Accounting Law (Regnskapsloven).

The Småkraft Group's accounting policies are shown in Annual Report 2020, pages 13-19, note 2. The Company's accounting policies are shown in Annual Report 2020, pages 59-63, note 2.

According to the Regulation (EU) 2017/1129 of the European Parliament and of the Council, the historical financial information and financial statements are incorporated by reference to the Annual Report 2019, Annual Report 2020 and Interim Report 1st half 2021, see Cross Reference List for complete web addresses.

	Interim Report	Annual Report	
	1st half 2021	2020	2019
Småkraft AS Consolidated			
Consolidated Income Statement	7	13	7
Consolidated Statement of Financial Position	8-9	14-15	8-9
Consolidated statement of cash flow	11	17	11
Notes to the consolidated financial statements	14-22	19-52	13-44
Småkraft AS			
Statement of profit and loss	---	54	52
Statement of financial position	---	55-56	53-54
Statement of cashflow	---	58	56
Notes to the accounts	---	59-85	58-85

Småkraft Green Bond 2 AS
Småkraft Green Bond 2 AS' financial statements have been prepared in accordance with Norwegian GAAP.

The Småkraft Green Bond 2 AS' accounting policies are shown in Småkraft Green Bond 2 AS Annual Report 2020, page 4.

According to the Regulation (EU) 2017/1129 of the European Parliament and of the Council, the historical financial information and financial statements are incorporated by reference to the Småkraft Green Bond 2 AS Annual Report 2020 and Småkraft Green Bond 2 AS Interin Report 1st half 2021, see Cross Reference List for complete web addresses.

	Småkraft Green Bond 2 AS Interim Report	Annual Report
	1st half 2021	2020
Småkraft Green Bond 2 AS	1	1
Statement of profit and loss	2-3	2-3
Statement of financial position	4	10
Statement of cashflow	5-8	4-6
Notes to the accounts		

Salvasskardelva Kraftverk AS
Salvasskardelva Kraftverk AS' financial statements have been prepared in accordance with Norwegian GAAP.

The Salvasskardelva Kraftverk AS' accounting policies are shown in Salvasskardelva Kraftverk AS Annual Report 2020, page 4.

According to the Regulation (EU) 2017/1129 of the European Parliament and of the Council, the historical financial information and financial statements are incorporated by reference to the Salvasskardelva Kraftverk AS Annual Report 2019, Salvasskardelva Kraftverk AS Annual Report 2020 and Salvasskardelva Kraftverk AS Interim Report 1st half 2021, see Cross Reference List for complete web addresses.

	Salvasskardelva Kraftverk AS Interim Report	Annual Report	
	1st half 2021	2020	2019
Salvasskardelva Kraftverk AS	1	1	1
Statement of profit and loss	2-3	2-3	2-3
Statement of financial position	4	12	12
Statement of cashflow	5-8	4-8	4-7
Notes to the accounts			

Sagåna Kraft AS
Sagåna Kraft AS' financial statements have been prepared in accordance with Norwegian GAAP.

The Sagåna Kraft AS' accounting policies are shown in Salvasskardelva Kraftverk AS Annual Report 2020, page 4.

According to the Regulation (EU) 2017/1129 of the European Parliament and of the Council, the historical financial information and financial statements are incorporated by reference to the Sagåna Kraft AS Annual Report 2020 and Sagåna Kraft AS Interim Report 1st half 2021 see Cross Reference List for complete web addresses.

	Sagåna Kraft AS Interim Report	Annual Report
	1st half 2021	2020
Sagåna Kraft AS	1	1
Statement of profit and loss	2-3	2-3
Statement of financial position	4	11
Statement of cashflow	5-8	4-7
Notes to the accounts		

11.2 Auditing of historical annual financial information

11.2.1 Statement of audited historical financial information

Småkraft AS
The audit has been conducted in accordance with laws, regulations, and auditing standards and practises generally accepted in Norway, including International Standards on Auditing (ISAs).

A statement of audited historical financial information is given in the Independent Auditor Report 2020 and the Annual Report 2019, pages 88-92.

The financial information for first half of 2021 has not been audited.

Småkraft Green Bond 2 AS
The audit has been conducted in accordance with laws, regulations, and auditing standards and practises generally accepted in Norway, including International Standards on Auditing (ISAs).

A statement of audited historical financial information is given in the Annual Report 2020, pages 7-8 and pages 11-12.

The financial information for first half of 2021 has not been audited.

Salvasskardelva Kraftverk AS
The audit has been conducted in accordance with llaws, regulations, and auditing standards and practises generally accepted in Norway, including International Standards on Auditing (ISAs).

A statement of audited historical financial information is given in the Annual Report 2020, pages 9-10 and 13-14 and Annual Report 2019, pages 9-10 and 13-14.

The financial information for first half of 2021 has not been audited.

Sagåna Kraft AS
The audit has been conducted in accordance with llaws, regulations, and auditing standards and practises generally accepted in Norway, including International Standards on Auditing (ISAs).

A statement of audited historical financial information is given in the Annual Report 2020, pages 8-9 and 12-13.

The financial information for first half of 2021 has not been audited.

11.2.2 Other audited information
No other information in this Base Prospectus has been audited.

11.3 Age of latest financial information

11.3.1 Last year of audited financial information

The last year of audited financial information is 2020 for both the Issuer and the Guarantors.

11.4 Legal and arbitration proceedings

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer, the Guarantors and/or Småkraft Group's financial position or profitability.

11.5 Significant change in the Company's financial position

There has not occurred any significant change in the financial position of the Company or the Guarantors since the end of the last financial period for which audited financial information has been published.

12 Documents available

The following documents (or copies thereof) may be inspected for the life of the Base Prospectus at the headquarters of the Company, Solheimsgaten 15, N-5058 Bergen, Norway, or at https://www.smaakraft.no:

(a) the up to date memorandum and articles of association of the Company;

(b) all reports, letters, and other documents, valuations and statements prepared by any expert at the Company's request, any part of which is included or referred to in the Base Prospectus;

13 Financial instruments that can be issued under the Base Prospectus

The Base Prospectus, as approved in accordance with the EU Prospectus Regulation 2017/1129, allows for offer to subscribe and listing of Bonds.

This chapter describes the form, type, definitions, general terms and conditions, return and redemption mechanisms, rating and template for Final Terms associated with the Bonds.

Risk factors related to the Bonds are described in Chapter 1 Risk Factors.

13.1 Securities Form

A Bond is a financial instrument as defined in the Norwegian Securities Trading Act (Verdipapirhandelloven) § 2-2.

The Bonds are electronically registered in book-entry form with the Securities Depository.

13.2 Security Type

Borrowing limit – tap issue
The Loan may be either open or closed for increase of the Borrowing Amount during the tenor. A tap issue can take place until five banking days before the Maturity Date. If the issue is open, the First Tranche and Borrowing Limit will be specified in the Applicable Final Terms.

Return
Fixed Rate (FIX)
A Bond issue with a fixed Interest Rate will bear interest at a fixed rate as specified in the applicable Final Terms.

The Interest Rate will be payable annually or semi-annually on the Interest Payment Dates as specified in the applicable Final Terms.

Floating Rate (FRN)
A Bond issue with a floating Interest Rate will bear interest equal to a Reference Rate plus a fixed Margin for a specified period (3 or 6 months). Interest Rate or Reference Rate may be deemed to be zero. The period lengths are equal throughout the term of the Loan, but each Interest Payment Date is adjusted in accordance with the Business Day Convention. The Interest Rate for each forthcoming period is determined two Business Days prior to each Interest Payment Date based on the then current value of the Reference Rate plus the Margin.

The Interest Rate will be payable quarterly or semi-annually on the the Interest Payment Dates as specified in the applicable Final Terms.

The relevant Reference Rate, the Margin, the Interest Payment Dates and the then current Interest Rate will be specified in the applicable Final Terms.

Redemption
The Loan will mature in full at the Maturity Date at a price equal to 100 per cent. of the nominal amount.

The Issuer may have the option to prematurely redeem the Loan in full at terms specified in the applicable Final Terms.

The Bondholders may have the right to require that the Issuer purchases all or some of the Bonds held by that Bondholder at terms specified in the applicable Final terms.

Security
The Bonds may be either secured or unsecured. Details will be specified in the applicable Final Terms.

Negative pledge
The Bonds may have negative pledge clause. Details will be specified in the applicable Final Terms.

13.3 Definitions

This section includes a summary of the definitions set out in any Bond Terms as well as certain other definitions relevant for this Prospectus. If these definitions at any point in time no longer represents the correct understanding of the definitions set out in the Bond Terms, the Bond Terms shall prevail.

Additional Bonds:	Means the debt instruments issued under a Tap Issue, including any Temporary Bonds.
APG:	Means Stichting Depositary APG Infrastructure Pool 2012 and Stichting Depositary APG Infrastructure Pool 201711, foundations (Dutch "Stichting"), incorporated under the laws of the Netherlands, acting in its capacity as legal titleholder of APG Infrastructure Pool 2012 or APG Infrastructure Pool 2017 II (as appropriate), and having its registered office at Oude Lindestraat 70, 6411 EJ, Heerlen, the Netherlands, registered with the trade register of the Dutch Chambers of Commerce under number 54499151.
Attachment:	Means any schedule, appendix or other attachment to the Bond Terms.
Base Prospectus:	This document. Describes the Issuer and predefined features of Bonds that can be listed under the Base prospectus, as specified in the Prospectus Regulation (EU) 2017/1129. Valid for 12 months after it has been published. In this period, a prospectus may be constituted by the Base Prospectus, any supplement(s) to the Base Prospectus and a Final Terms for each new issue.
Bond Issue/Bonds/ Notes/the Loan:	Means (i) the debt instruments issued by the Issuer pursuant to the Bond Terms, including any Additional Bonds, and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.
Bond Terms:	The terms and conditions, including all Attachments which form an integrated part of the Bond Terms, in each case as amended and/or supplemented from time to time.
Bondholder:	A person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to the Bondholders' rights in the Bond Terms.
Bondholders' decisions:	The Bondholders' Meeting represents the supreme authority of the Bondholders community in all matters relating to the Bonds and has the power to make all decisions altering the terms and conditions of the Bonds, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes. At the Bondholders' meeting each Bondholder may cast one vote for each voting bond owned at close of business on the day prior to the date of the Bondholders' meeting in the records registered in the Securities Depository. In order to form a quorum, at least half (1/2) of the voting bonds must be represented at the Bondholders' meeting. See also the clause for repeated Bondholders' meeting in the Bond Terms. Resolutions shall be passed by simple majority of the votes at the Bondholders' Meeting, however, a majority of at least 2/3 of the voting bonds represented at the Bondholders' Meeting is required for any waiver or amendment of any terms of the Bond Terms. (For more details, see also the clause for Bondholders' decisions in the Bond Terms)
Bondholders rights:	Bondholders' rights are specified in the Bond Terms. By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by the Bond Terms.
Bond Trustee:	Nordic Trustee AS, Postboks 1470 Vika, 0116 Oslo, or its successor(s) Website: https://nordictrustee.com The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of the Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.

	The Bond Trustee shall represent the Bondholders in accordance with the finance documents. The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer or any other obligor unless to the extent expressly set out in the Bond Terms, or to take any steps to ascertain whether any event of default has occurred. The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the finance documents.
Borrowing Limit – Tap Issue and Borrowing Amount/First Tranche	Borrowing Limit is the maximum issue amount for an open Bond issue. Borrowing Amount/First Tranche is the borrowing amount for a closed Bond Issue, eventually the borrowing amount for the first tranche of an open Bond Issue. Borrowing Limit – Tap Issue and Borrowing Amount/First Tranche will be specified in the Final Terms.
Business Day:	Means a day on which both the relevant CSD settlement system is open, and the relevant currency of the Bonds settlement system is open.
Business Day Conventon:	If the last day of any Interest Period originally falls on a day that is not a Business Day, the Interest Payment Date will be as follow: If Fixed Rate, the Interest Payment Date shall be postponed to the next day which is a Business Day (Following Business Day convention). If FRN, the Interest Period will be extended to include the first following Business Day unless that day falls in the next calendar month, in which case the Interest Period will be shortened to the first preceding Business Day (Modified Following Business Day convention).
Calculation Agent:	The Bond Trustee, if not otherwise stated in the applicable Final Terms.
Call Option:	The Final Terms may specify that the Issuer is entitled to redeem (all or some of) the Outstanding Bonds prior to the Maturity Date. In such case the Call Date(s), the Call Price(s) and the Call Notice Period will be specified in the Final Terms.
Change of Control Event:	Means if APG (together in its relevant funds) ceases directly or indirectly to: (a) hold beneficially at least 1/3 of the issued share capital of the Issuer; or (b) have the power to cast, or control the casting of, at least 1/3 of the maximum number of votes that might be cast at a general meeting of the Issuer.
Currency:	The currency in which the bond issue is denominated. Currency will be specified in the Final Terms.
Day Count Convention:	The convention for calculation of payment of interest; a) If Fixed Rate, the interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis), unless: (i) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30–day month; or (ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month. (b) If FRN, the interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
Decisive Influence:	Means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly): (a) a majority of the voting rights in that other person; or (b) a right to elect or remove a majority of the members of the board of directors of that other person.

Denomination – Each Bond:	The nominal amount of each Bond. Denomination of each bond will be specified in the Final Terms.
Disbursement Date / Issue Date	Date of bond issue. On the Issue Date the bonds will be delivered to the Bondholder's VPS-account against payment or to the Bondholder's custodian bank if the Bondholder does not have his/her own VPS-account. The Issue Date will be specified in the Final Terms.
Early redemption option due to a tax event:	The Final Terms may specify that the Issuer is entitled to redeem all (but not only some) of the Outstanding Bonds prior to the Maturity Date due to a tax event. In such case the terms of the early redemption option will be specified in the Final Terms.
Event of Default	Means any of the events or circumstances specified in the Bond Terms (Events of Default).
Exchange:	Means: (a) Oslo Børs (the Oslo Stock Exchange); or (b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).
Final Terms:	Document describing securities as specified in Prospectus Regulation (EU) 2017/1129, prepared as part of the Prospectus. Final Terms will be prepared for each new security as specified in Prospectus Regulation (EU) 2017/1129, issued by the Issuer.
Guarantee:	Means unconditional Norwegian law guarantee and indemnity (Norwegian: "selvskyldnerkausjon") issued by each of the Guarantors in respect of the Secured Obligations.
Interest Determination Date(s):	In the case of NIBOR: Second Oslo business day prior to the start of each Interest Period. Interest Determination Date(s) for other Reference Rates, see Final Terms.
Interest Payment Date(s):	The Interest Rate is paid in arrears on the last day of each Interest Period. Any adjustment will be made according to the Business Day Convention. The Interest Payment Date(s) will be specified in the Final Terms.
Interest Period:	The first Interest Period runs from and including the Issue Date to but excluding the first Interest Payment Date. The subsequent Interest Periods run from and including an Interest Payment Date to but excluding the next Interest Payment Date. The last Interest Payment Date corresponds to the Maturity Date.
Interest Rate:	Rate of interest applicable to the Bonds; (i) If Fixed Rate, the Bonds shall bear interest at the percentage rate per annum (based on the Day Count Convention) (ii) If FRN, the Bonds shall bear interest at a rate per annum equal to the Reference Rate plus a Margin (based on the Day Count Convention). Interest Rate or Reference Rate may be deemed to be zero. The Interest Rate is specified in Final Terms.
Interest Rate Adjustment Date:	Date(s) for adjusting of the interest rate for bond issue with floating interest rate. The Interest Rate Adjustment Date will coincide with the Interest Payment Date.
ISIN:	International Securities Identification Number for the Bond Issue. ISIN is specified in Final Terms.
Issuer:	Småkraft AS is the Issuer under the Base Prospectus.

Issuer's Bonds:	Means any Bonds which are owned by the Issuer or any affiliate of the Issuer.
Issue Price:	The price in percentage of the Denomination, to be paid by the Bondholders at the Issue Date. Issue price will be specified in Final Terms.
Joint Lead Manager:	The bond issue's joint lead manager(s), as specified in the Final Terms.
LEI-code:	Legal Entity Identifier (LEI), is a 20-character reference code to uniquely identify legally distinct entities that engage in financial transactions. LEI-code is specified in Final Terms.
Listing:	Listing of a bond issue on an Exchange is due to the Base Prospectus, any supplement(s) to the Base Prospectus and a Final Terms. An application for listing will be sent after the Disbursement Date and as soon as possible after the Prospectus has been approved by the Norwegian FSA. Bonds listed on an Exchange are freely negotiable. See also Market Making.
Market Making:	For Bonds listed on an Exchange, a market-maker agreement between the Issuer and a Bookrunner may be entered into. This will be specified in the Final Terms.
Margin:	The margin, specified in percentage points, to be added to the Reference rate. Margin will be specified in the Final terms.
Maturity Date:	The date the bond issue is due for payment, if not already redeemed pursuant to Call Option, Put Option or a Early redemption option due to a tax event. The Maturity Date coincides with the last Interest Payment Date and is adjusted in accordance with the Business Day Convention. The Maturity Date is specified in the Final Terms.
Outstanding Bonds:	Means any Bonds not redeemed or otherwise discharged. The Issuer will issue on the Issue date the first tranche of the bond issue as specified in Final Terms. During the term of the bond issue, new tranches may be issued up to the Borrowing Limit, as specified in Final Terms.
Paying Agent:	The entity designated by the Issuer to manage (maintain the Issuer Account for) the bond issue in the Securities Depository. The Paying Agent is specified in the Final Terms.
Principal amount:	Outstanding amounts under the Loan from time to time.
Prospectus:	The Prospectus consists of the Base Prospectus, any supplement(s) to the Base Prospectus and the relevant Final Terms prepared in connection with application for listing on an Exchange.
Put Option:	The Final Terms may specify that upon the occurrence of a Put Option Event, each Bondholder will have the right to require that the Issuer purchases all or some of the Bonds held by that Bondholder. In such case the exercise procedures, the repayment date and redemption price will be specified in the Final Terms.
Put Option Event:	Means a Change of Control Event.
Redemption:	The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100 per cent. of the Nominal Amount, if not

	already redeemed pursuant to Call Option, Put Option or Early redemption option due to a tax event.
Redemption Price:	The price determined as a percentage of the Denomination to which the bond issue is to be redeemed at the Maturity Date. Redemption Price is 100 per cent of Denomination – Each Bond.
Reference Rate:	For FRN, the Reference Rate shall be NIBOR or any other rate as specified in the Final Terms, which appears on the Relevant Screen Page as at the specified time on the Interest Determination Date in question. The Reference Rate, the Relevant Screen Page, the specified time, information about the past and future performance and volatility of the Reference Rate and any fallback provisions will be specified in Final Terms.
Relevant Screen Page:	For FRN, an internet address or an electronic information platform belonging to a renowed provider of Reference Rates. The Relevant Screen Page will be specified in the Final Terms.
Securities Depository /CSD:	The securities depository in which the bonds are registered, in accordance with the Norwegian Act of 2019 no. 6 regarding Securities depository. Unless otherwise specified in the Final Terms, the following Securities Depository will be used: Norwegian Central Securities Depository ("Verdipapirsentralen" or "VPS"), P.O. Box 4, 0051 Oslo.
Tap Issues:	The Issuer may, provided that the conditions set out in the Bond Terms are met, at one or more occasions up until, but excluding, the Maturity Date or any earlier date when the Bonds have been redeemed in full, issue Additional Bonds until the aggregate nominal amount of the Bonds outstanding equals in aggregate the maximum issue amount (less the aggregate nominal amount of any previously redeemed Bonds) If N/A is specified in the Borrowing Limit in the Final Terms, the Issuer may not make Tap issues under the Bond Terms.
Temporary Bonds:	If the Bonds are listed on an Exchange and there is a requirement for a new prospectus in order for the Additional Bonds to be listed together with the Bonds, the Additional Bonds may be issued under a separate ISIN (such Bonds referred to as the "Temporary Bonds"). Upon the approval of the prospectus, the Issuer shall (i) notify the Bond Trustee, the Exchange and the Paying Agent and (ii) ensure that the Temporary Bonds are converted into the ISIN for the Bonds.
Yield:	Dependent on the Market Price for bond issue with floating rate. Yield for the first interest period can be determined when the interest is known, normally two Business Days before the Issue Date. For bond issue with fixed rate, yield is dependent on the market price and number of Interest Payment Date. The yield is calculated in accordance with «Anbefaling til Konvensjoner for det norske sertifikat- og obligasjonsmarkedet» prepared by Norske Finansanalytikeres Forening in January 2020: https://www.finansanalytiker.no/wp-content/uploads/2020/02/Rentekonvensjon-pr-januar-2020-v2.pdf Yield is specified in Final Terms.

13.4 General terms and conditions

These general terms and condtions summarize and describe the general terms and conditions set out in any Bond Terms. If these general terms and conditions at any point in time no longer represents the correct understanding of the general terms and conditions set out in the Bond Terms, the Bond Terms shall prevail.

13.4.1 Use of proceeds

(a) The Issuer will use the net proceeds from the Initial Bond Issue for:
    (i) repayment in full of the Existing Debt; and
    (ii) for general corporate purposes of the Group (including Distributions).
(b) The Issuer will use the net proceeds from the issuance of any Additional Bonds for the acquisition of New Hydro Power Plants (being an Eligible Project (as defined in the Green Bonds Framework)).

Other use of proceeds will be specified in the Final Terms.

13.4.2 Publication

The Base Prospectus, any supplement(s) to the Base Prospectus and the Final Terms will be published on Issuer's website https://smaakraft.no, or on the Issuer's visit address, Solheimsgaten 15, N-5058 Bergen, Norway, or their successor (s).

The Prospectus will be published by a stock exchange announcement.

13.4.3 Redemption

Matured interest and matured principal will be credited each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of 18 May 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.

13.4.4 Fees, Expenses and Tax legislation

The tax legislation of the investor's Member State and of the Issuer's country of incorporation may have an impact on the income received from the securities.

The Issuer shall pay any stamp duty and other public fees in connection with the loan. Any public fees or taxes on sales of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise decided by law or regulation. The Issuer is responsible for withholding any withholding tax imposed by Norwegian law.

13.4.5 Security Depository and secondary trading

The Bonds are electronically registered in book-entry form with the Securities Depository, see also the definition of "Securities Depository". Securities Depository is specified in the Final Terms.

Secondary trading will be made over an Exchange for Bonds listed on a marketplace. See also definition of "Market Making".

Prospectus fee for the Base Prospectus including templates for Final Terms is NOK 123,000. In addition, there is a listing fee for listing of the Bonds in accordance with the current price list of the Exchange. The listing fees will be specified in the Final Terms.

13.4.6 Status of the Bonds and Security

The Bonds will constitute senior debt obligations of the Issuer. The Bonds will rank pari passu between themselves and will rank at least pari passu with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

Please see Bond Terms for definitions. The kind of security will be specified in th Final Terms.

13.4.7 Bond Terms

The Bond Terms has been entered into between the Issuer and the Bond Trustee. The Bond Terms regulates the Bondholders' rights and obligations in relations with the bond issue. The Bond Trustee enters into the Bond Terms on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Terms.

By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by the Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.

The Bond Terms will be attached to the Final Terms for each Bond issue and is also available through the Joint Bookrunner(s), Issuer and the Bond Trustee.

13.4.8 Legislation

The Bond Terms is governed by and construed in accordance with Norwegian law. The Issuer and the Guarantors are subject to Norwegian legislation, the most relevant law for the Småkraft Group's operations is the Private Limited Liability Companies Act, the Norwegian Securities Trading Act and the Norwegian Stock Exchange Regulations.

13.4.9 Approvals

The Bonds will be issued in accordance with the Issuer's Board of Directors approval.

The date of the Issuer's Board of Directors approval will be specified in the Final Terms

The Base Prospectus has been submitted to the Norwegian Financial Supervisory Authority (Finanstilsynet) before listing of the Bonds takes place.

Final Terms will be submitted to Finanstilsynet for information purposes in connection with an application for listing of a Bond Issue.

The Base prospectus will not be the basis for offers for subscription in bonds that are not subject to a prospectus obligation.

13.4.10 Restrictions on the free transferability of the securities

Any restrictions on the free transferability of the securities will be specified in the Final Terms.

13.5 Return and redemption

Bonds may have return and redemption mechanisms as explained below. The relevant Final Terms refer to these mechanisms and provide relevant parameter values for the specific bond issue.

13.5.1 Bonds with floating rate

13.5.1.a Return (interest)
The Interest Rate is specified in Interest Rate ii). Payment of the Interest Rate is calculated on basis of the Day Count Convention (b).

Interest Rate or Reference Rate may be deemed to be zero.

The period lengths are equal throughout the term of the Loan, but each Interest Payment Date is adjusted in accordance with the Business Day Convention. The Interest Rate for each forthcoming period are determined two Business Days prior to each Interest Payment Date based on the then current value of the Reference Rate plus the Margin.

The Interest Rate is paid in arrears on each Interest Payment Date. The first Interest Period runs from and including the Issue Date to but excluding the first Interest Payment Date. The subsequent Interest Periods run from and including an Interest Payment Date to but excluding the next Interest Payment Date. The last Interest Payment Date corresponds to the Maturity Date.

The relevant Reference Rate, the Margin, the Interest Payment Dates and the then current Interest Rate will be specified in the applicable Final Terms.

Interest calculation method for secondary trading is given by act/360, modified following.

13.5.1.b Redemption
Redemption is made in accordance with Redemption.

13.5.2 Bonds with fixed rate

13.5.2.a Return (interest)
The interest rate is specified in Interest Rate (i). Payment of the the Interest Rate is calculated on basis of the Day Count Convention (a).

The Interest Rate is paid in arrears on each Interest Payment Date. The first Interest Period runs from and including the Issue Date to but excluding the first Interest Payment Date. The subsequent Interest Periods run from and including an Interest Payment Date to but excluding the next Interest Payment Date. The last Interest Payment Date corresponds to the Maturity Date.

The Interest Rate and the Interest Payment Dates will be specified in the applicable Final Terms.

Interest calculation method for secondary trading is given by act/365 for bond issue with fixed rate.

13.5.2.b Redemption
Redemption is made in accordance with Redemption.

13.6 Rating

The Issuer has not been rated.

The Bonds have not been rated.

13.7 Final Terms

Template for Final Terms for fixed and floating bond issue, see Appendix 2.

14 Third party information and statement by experts and declarations of any interest

14.1 Third party information

Part of the information given in this Base Prospectus has been sourced from a third party. It is hereby confirmed that the information has been accurately reproduced and that as far as Småkraft AS is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The following table lists such third parties:

Kind of information	Publicly available	Name of third party	Business address	Qualifications	Material interest in the Company
Cicero dark green rating(cited in 6.1.1)	Yes	Cicero	Gaustadalleen 21, 0349 OSLO CICERO Shades of Green	Rating agency	None
GRESB Sustainability benchmark for Renewable Energy Generators' ranking(cited in section 6.1.1)	No Subsription to ESG datasets is necessary	GRESB	Barbara Strozzilaan 101, 1083 HN Amsterdam, The Netherlands https://gresb.com/nl-en/	Rating agency	None

If not otherwise indicated, Småkraft AS is the source of any other information in this Base Prospectus.

Cross reference list

Reference in Base Propectus	Refers to	Details
11.1 Financial statements	Annual Report 2020, available at https://smaakraft.no/wp-content/uploads/2021/03/annual-report-2020-smakraft-signed.pdf	Småkraft AS consolidated accounting policies, pages 19-25, note 2 Småkraft AS accounting policies, page 59-63, note 2
	Småkraft Green Bond 2 AS Annual Report 2020, available at https://smaakraft.no/wp-content/uploads/2021/11/smakraft-green-bond-2-as-2020.pdf	Småkraft Green Bond 2 AS accounting policies, pages 4
	Salvasskardelva Kraftverk AS Annual Report 2020, available at https://smaakraft.no/wp-content/uploads/2021/11/salvasskardelva-kraftverk-as-2020.pdf	Salvasskardelva Kraftverk AS accounting policies, pages 4
	Sagåna Kraft AS Annual Report 2020, available at https://smaakraft.no/wp-content/uploads/2021/11/sagaana-kraft-as-2020.pdf	Sagåna Kraft AS accounting policies, pages 4
	Interim Report 1st half 2021, available at https://smaakraft.no/wp-content/uploads/2021/08/2021-08-27-interim-report-1st-half-2021-smakraft-as-1.pdf	**Småkraft AS Consolidated** Consolidated Income Statement page 7 Consolidated Statement of Financial Position pages 8-9 Consolidated statements of cash flow page 11 Notes to the consolidated financial statements pages 14-22
	Småkraft Green Bond 2 AS Interim Report 1st half 2021, available at https://smaakraft.no/wp-content/uploads/2021/08/2021-08-27-interim-report-1st-half-2021-smakraft-as-1.pdf	Income statement page 1 Statement of Financial Position pages 2-3 Cash flow page 4 Notes to the financial statements 5-8
	Salvasskardelva Kraftverk AS Interim Report 1st half 2021, available at https://smaakraft.no/wp-content/uploads/2021/11/salvasskardelva-kraftverk-as-interim-report.pdf	Income statement page 1 Statement of Financial Position pages 2-3 Cash flow page 4 Notes to the financial statements 5-8
	Sagåna Kraft AS Interim Report 1st half 2021, available at https://smaakraft.no/wp-content/uploads/2021/11/sagana-kraft-as-interim-report-1-half-2021.pdf	Income statement page 1 Statement of Financial Position pages 2-3 Cash flow page 4 Notes to the financial statements 5-8
	Annual Report 2020, available at https://smaakraft.no/wp-content/uploads/2021/03/annual-report-2020-smakraft-signed.pdf	**Småkraft AS Consolidated** Consolidated Income Statement page 13 Consolidated Statement of Financial Position pages 14-15 Consolidated statement of cash flow page 17 Notes to the consolidated financial statements pages 19-52 **Småkraft AS** Statement of profit and loss page 54 Statement of financial position pages 55-56 Statement of cashflow page 58 Notes to the accounts pages 59-85
	Småkraft Green Bond 2 AS Annual Report 2020, available at https://smaakraft.no/wp-content/uploads/2021/11/smakraft-green-bond-2-as-2020.pdf	Income statement page 1 Statement of Financial Position pages 2-3 Cash flow page 10 Notes to the financial statements 4-6
	Salvasskardelva Kraftverk AS Annual Report 2020, available at https://smaakraft.no/wp-	Income statement page 1 Statement of Financial Position pages 2-3 Cash flow page 12 Notes to the financial statements 4-8

	content/uploads/2021/11/salvasskardelva-kraftverk-as-2020.pdf	
	Sagåna Kraft AS Annual Report 2020, available at https://smaakraft.no/wp-content/uploads/2021/11/sagaana-kraft-as-2020.pdf	Income statement page 1 Statement of Financial Position pages 2-3 Cash flow page 11 Notes to the financial statements 4-7
	Annual Report 2019, available at https://smaakraft.no/wp-content/uploads/2020/03/smkraft-as-annual-report-including-audit-opinion.pdf	**Småkraft AS Consolidated** Consolidated Income Statement page 7 Consolidated Statement of Financial Position pages 8-9 Consolidated statement of cash flow page 11 Notes to the consolidated financial statements pages 13-44 **Småkraft AS** Statement of profit and loss page 52 Statement of financial position pages 53-54 Statement of cashflow page 56 Notes to the accounts pages 58-85
	Salvasskardelva Kraftverk AS Annual Report 2019, available at https://smaakraft.no/wp-content/uploads/2021/11/salvasskardelva-kraftverk-as-2019.pdf	Income statement page 1 Statement of Financial Position pages 2-3 Cash flow page 12 Notes to the financial statements 4-7
11.2 Auditing of historical annual financial information	Independent Auditor Report 2020, available at https://smaakraft.no/wp-content/uploads/2021/03/annual-report-2020-smakraft-signed.pdf	Auditors report
	Småkraft Green Bond 2 AS Annual Report 2020, available at https://smaakraft.no/wp-content/uploads/2021/11/smakraft-green-bond-2-as-2020.pdf	Auditors report pages 7-8 and pages 11-12
	Salvasskardelva Kraftverk AS Annual Report 2020, available at https://smaakraft.no/wp-content/uploads/2021/11/salvasskardelva-kraftverk-as-2020.pdf	Auditors report pages 9-10 and pages 13-14
	Sagåna Kraft AS Annual Report 2020, available at https://smaakraft.no/wp-content/uploads/2021/11/sagaana-kraft-as-2020.pdf	Auditors report pages 8-9 and pages 12-13
	Annual Report 2019, available at https://smaakraft.no/wp-content/uploads/2020/03/smkraft-as-annual-report-including-audit-opinion.pdf	Auditors report pages 88-92
	Salvasskardelva Kraftverk AS Annual Report 2019, available at https://smaakraft.no/wp-content/uploads/2021/11/salvasskardelva-kraftverk-as-2019.pdf	Auditors report pages 9-10 and pages 13-14

References to the above mentioned documents are limited to information given in “Details”, e.g. that the non-incorporated parts are either not relevant for the investor or covered elsewhere in the prospectus.

Joint Lead Managers' disclaimer

DNB Bank ASA, Nordea Bank Abp, filial i Norge and Skandinaviska Endkilda Banken AB (publ), the Joint Lead Managers, have assisted the Company in preparing the Base Prospectus. The Joint Lead Managers have not verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and the Joint Lead Managers expressly disclaim any legal or financial liability as to the accuracy or completeness of the information contained in this Base Prospectus or any other information supplied in connection with the issuance or distribution of bonds by Småkraft AS.

This Base Prospectus is subject to the general business terms of the Joint Lead Managers, available at their respective websites. Confidentiality rules and internal rules restricting the exchange of information between different parts of the Joint Lead Managers may prevent employees of the Joint Lead Managers who are preparing this Base Prospectus from utilizing or being aware of information available to the Joint Lead Managers and/or any of their affiliated companies and which may be relevant to the recipient's decisions.

Each person receiving this Base Prospectus acknowledges that such person has not relied on the Joint Lead Managers, nor on any person affiliated with it in connection with its investigation of the accuracy of such information or its investment decision.

Oslo, 8 December 2021

DNB Bank ASA (www.dnb.no)	Nordea Bank Abp, filial i Norge (www.nordea.no)	Skandinaviska Enskilda Banken AB (publ) (www.seb.no)

Annex 1 Associated companies and subsidiaries of the Issuer

Subsidary	Date of acquisition/ Establishment	Registered office	Ownership share	Voting share
Holmen Kraft AS	2016	Bergen	100%	100%
Follsjå Kraft AS	2016	Notodden	82%	82%
Muoidejohka Kraft AS	2010	Beiarn	60%	60%
Reinli Kraft AS	2005	Sør-Aurdal	51%	51%
Jorda Kraft AS	2012	Nord-Fron	51%	51%
Sigdestad Kraftverk AS	2018	Oslo	52%	52%
Småkraft Green Bond 1 AS	2018	Bergen	100%	100%
Gulen Kraft AS	2019	Bergen	100%	100%
Nordåna og Dalaåna AS	2019	Bergen	100%	100%
Tesjolo Kraftverk AS	2020	Bergen	100%	100%
Andvik Holding AS	2020	Bergen	100%	100%
Ytre Kandal Kraft As	2020	Sandane	51%	51%
Gosland Kraft AS	2020	Voss	66%	66%
Gryta Kraft AS	2020	Bergen	100%	100%
Svartefoss Invest AS	2020	Bergen	100%	100%
Foldsæ Bergsåi AS	2020	Bergen	100%	100%
Holsen Kraft Nordøla AS	2020	Bergen	100%	100%
Fossåa 1 K AS	2020	Sør- Fron	66%	66%
Rysna Småkraftverk AS	2020	Bergen	100%	100%
Tokheim Kraft AS	2020	Bergen	100%	100%
Småkraft Green Bond 2 AS	2020	Bergen	100%	100%
Byrkjelo Kraftverk AS	2021	Bergen	100%	100%
Råssafoss Kraft AS	2021	Bergen	100%	100%
Straume Kraftverk AS	2021	Bergen	100%	100%
Skyggelva Kraft AS	2021	Bergen	100%	100%
Støldalselva Kraftverk AS	2021	Bergen	100%	100%
Salvasskardelva Kraft AS	2021	Bergen	100%	100%
Skinvik Kraftverk AS	2021	Bergen	100%	100%
Åsedøla Kraft AS	2021	Bergen	100%	100%
Aurora Bygg og Anlegg AS	2021	Bergen	100%	100%
Deveggåe Kraft AS	2021	Bergen	100%	100%
Strømfallet Småkraft AB	2021	Uppsala	90.1%	100%
Subsidiaries owned by Småkraft Green Bond 1 AS				
Kvemma Kraft AS	2013	Lærdal	66%	66%
Saksenvik Kraft AS	2016	Bergen	96%	96%
Subsidiaries owned by Småkraft Green Bond 2 AS				
Salvasskardelva Kraft AS	2021	Bergen	100%	100%
Sagåna Kraft AS	2021	Bergen	100%	100%
Subsidiaries owned by Strømfallet Småkraft AB				
Strømfallet AB	2021	Uppsala	100%	100%
Strømfallet Tunafors AB	2021	Uppsala	100%	100%
Streamgate North AB	2021	Uppsala	100%	100%

Associated company	Date of acquisition	Registered office
Luster Småkraft AS	2005	Gaupne
Rullestad & Skromme AS	2006	Etne

Annex 2 Hydro Power Plants and Plant Owning Companies owned by Småkraft Green Bond 2 AS

Hydro Power Plants	Production Capacity (GWH)	Operation sit	Plant Owning Companies	Registered Address and Registration No.
Bordalselva	7	2020	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Duvedalen	10	2020	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Fivelandselva	9	2020	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Harstveitbekken	8	2008	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Heggtveit	4	2015	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Helgåa	7	2019	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Skorgeelva	18	2021	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Joka	7	2005	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Kvamselva	7	2016	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Løkkebø	6	2020	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Malmeelva	6	2020	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Røfsdalselva	13	2019	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Røyrvik	5	2020	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Sagåna	10.9	2021	Sagåna Kraft AS	Solheimsgaten 15, 5058 Bergen Reg.no. 924 868 678
Salvasskardelva	19	2021	Salvasskardelva Kraftverk AS	Solheimsgaten 15, 5058 Bergen Reg.no. 820 804 112
SOKS	7	2009	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Spilling	4	2008	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Stølselva	6	2020	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Storelva	9	2020	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Svartdalen	25	2006	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Valdra	9	2020	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Veiåni	2	2008	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Veiski	22	2021	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932
Venna	8	2012	Småkraft Green Bond 2 AS	Solheimsgaten 15, 5058 Bergen Reg.no. 825750932

Annex 3 Template for Final Terms for fixed and floating rate Bonds

[Annex 3]

Final Terms

for

[Title of the bond issue]

Oslo, [Date]

Terms used herein shall be deemed to be defined as such for the purpose of the conditions set forth in the Base Prospectus clauses 2 Definitions and 13.3 Definitions, these Final Terms and the attached Bond Terms and the attached Guarantee agreement.

[*In case MiFID II identified target market are professional investors and eligible counterparties, insert the following:*]
[**MIFID II product governance / Professional investors and eligible counterparties (ECPs) only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended) (**MiFID II**); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Bonds (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MiFIR product governance / Professional investors and eligible counterparties only (ECPs) target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Bonds (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation (as defined below). Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended) (the **PRIIPs Regulation**) for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); (ii) a customer within the meaning of the provisions of FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No. 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[In case MiFID II identified target market are retail investors, professional investors and eligible counterparties, insert the following:]
[**MIFID II product governance / Retail investors, professional investors and eligible counterparties (ECPs) target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended) (**MiFID II**); *EITHER* [and (ii) all channels for distribution of the Bonds are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services]] *OR* [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Bonds to retail clients are appropriate – investment advice[,/and] portfolio management[,/

and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Bonds (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable].]

[**UK MiFIR product governance / Retail investors, professional investors and eligible counterparties target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is retail clients, as defined in point (8) of Article 2 of Regulation (EU) 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**), and eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA (**UK MiFIR**); EITHER [and (ii) all channels for distribution of the Bonds are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] OR [(ii) all channels for distribution to eligible counterparties and professional clientsare appropriate; and (iii) the following channels for distribution of the Bonds to retail clients are appropriate – investment advice[,/and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor's (as defined below) suitability and appropriateness obligations under COBS, as applicable]]. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Bonds (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under COBS, as applicable].]

This document constitutes the Final Terms of the Bonds described herein pursuant to the Regulation (EU) 2017/1129 and must be read in conjunction with the Base Prospectus dated 8 December 2021 and [the supplement[s] to the Base Prospectus dated [date]].

The Base Prospectus dated 8 December 2021 [and the supplement[s] to the Base Prospectus dated [date]] [together] constitute[s] a base prospectus for the purposes of the Regulation (EU) 2017/1129 ([together,] the "Base Prospectus").

Final Terms include a summary of each Bond Issue.

These Final Terms and the Base Prospectus [and the supplement[s] to the Base Prospectus] are available on the Issuer's website https://smaakraft.no, or on the Issuer's visit address, Solheimsgaten 15, N-5058 Bergen, Norway, or their successor (s).

1 Summary

The below summary has been prepared in accordance with the disclosure requirements in Article 7in the Regulation (EU) 2017/1129 as of 14 June 2017.

Introduction and warning

Disclosure requirement	*Disclosure*
Warning	This summary should be read as introduction to the Base Prospectus. Any decision to invest in the securities should be based on consideration of the Base Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national law, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Base Prospectus, or where it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.
Name and international securities identification number ('ISIN') of the securities.	[●]
Identity and contact details of the issuer, including its legal entity identifier ('LEI').	**Issuer:** Småkraft AS, Solheimsgaten 15, N-5058 Bergen, Norway Telephone +47 55 60 74 00 Registration number 984 616 155 in the Norwegian Companies Registry LEI-code (legal entity identifier): 549300IG13IP3OK19V41. **Guarantors:** Småkraft Green Bond 2 AS, Solheimsgaten 15, N-5058 Bergen, Norway Telephone +47 55 60 74 00 Registration number 825 750 932 in the Norwegian Companies Registry LEI-code (legal entity identifier): 636700W7X0VUHCWDLE71. Salvasskardelva Kraftverk AS, Solheimsgaten 15, N-5058 Bergen, Norway Telephone +47 55 60 74 00 Registration number 820 804 112 in the Norwegian Companies Registry LEI-code (legal entity identifier): 6367000LZVU58IUP1G07. Sagåna Kraft AS, Solheimsgaten 15, N-5058 Bergen, Norway Telephone +47 55 60 74 00 Registration number 924 868 678 in the Norwegian Companies Registry LEI-code (legal entity identifier): 636700RFA304OGC1BN32.
Identity and contact details of the offeror or of the person asking for admission to trading on a regulated market.	There is no offeror, the Base Prospectus has been produced in connection with listing of the securities on an Exchange. The Issuer is going to ask for admission to trading on a regulated market.
Identity and contact details of the competent authority that approved the prospectus	Financial Supervisory Authority of Norway (Finanstilsynet), Revierstredet 3, 0151 Oslo. Telephone number is +47 22 93 98 00. E-mail: prospekter@finanstilsynet.no.
Date of approval of the prospectus.	The Base Prospectus was approved on 8 December 2021.

Key information on the Issuer

Disclosure requirements	*Disclosure*

Who is the issuer of the securities	Småkraft AS
Domicile and legal form	The Company is a private limited liability company incorporated in Norway and organized under the laws of Norway, including the Private Limited Liability Companies Act
Principal activities	Småkraft AS is a renewable energy producer. The Småkraft Group is the largest Norwegian operator of small-scale hydropower plants with 145 power plants and a production capacity exceeding 1.5 Twh. The Småkraft Group is also Europe's largest owner and operator of small-scale power plants. The power plants are located in Norway and Sweden.
Major shareholders	

The Company is owned by APG (60,37 %), Aquila Capital (23,12 %) and German Insurance (16,51 %).

Småkraft Green Bond 2 AS is wholly owned by Småkraft AS.

Salvasskardelva Kraftverk AS is wholly owned by Småkraft Green Bond 2 AS.

Sagåna Kraft AS is wholly owned by Småkraft Green Bond 2 AS.

There are no arrangements, known to the Company, the operation of which may at a subsequent date result in a change in control of the Company.

Management

The management of the Company and the Guarantor can be seen below:

Småkraft AS	
Name	**Position**
Terje Vedeler	Chief executive officer
Erik Røysem Sterud	Chief financial officer
Jørgen Vedeler	Chief operating officer
Karina Birkelund	Chief commercial officer

Småkraft Green Bond 2 AS	
Name	**Position**
Lars Jacob Haugom	Managing Director

Salvasskardelva Kraftverk AS	
Name	**Position**
Tina Haaland Rasmussen	Managing Director

Sagåna Kraft AS	
Name	**Position**
Lars Jacob Hauom	Managing Director

Statutory auditors	PricewaterhouseCoopers AS
What is the key financial information regarding the issuer	
Key financial information	

Småkraft AS Consolidated

Amounts in EUR thousan	Interim Report	Annual Report	
	1st half 2021	2020	2019
Operating profit	-14,235	4,017	17,013
Net financial debt (long term debt plus short term debt minus cash)	260 672	270 921	196 224
Net Cash flows from operating activities	7,114	1,513	11,710

Net Cash flows from financing activities	77,966	26,616	1,797
Net Cash flow from investing activities	-53,646	-55,620	-33,151

Småkraft AS

Amounts in EUR thousand	Annual Report	
	2020	2019
Operating profit	7,303	12,796
Net financial debt (long term debt plus short term debt minus cash)	227 512	175 888
Net Cash flows from operating activities	4,642	16,047
Net Cash flows from financing activities	27,453	17,508
Net Cash flow from investing activities	-59,859	-52,213

Småkraft Green Bond 2 AS

Amounts in NOK	Interim Report	Annual Report
	1st half 2021	2020
Operating profit	2 879 482	-80
Net financial debt (long term debt plus short term debt minus cash)	143 487 736	-29 953
Net Cash flows from operating activities	- 8488 238	-47
Net Cash flows from financing activities	7 506 366	30 000
Net Cash flow from investing activities	19 762 000	0

Salvasskardelva Kraftverk AS

Amounts in NOK	Interim Report	Annual Report	
	1st half 2021	2020	2019
Operating profit	--228 991	-36 984 416	-51 000
Net financial debt (long term debt plus short term debt minus cash)	156 674 653	140 100 378	53 226 230
Net Cash flows from operating activities	-5 129 078	-3 961 256	8 022 928
Net Cash flows from financing activities	16 000 000	82 000 000	45 000 000
Net Cash flow from investing activities	-11 445 197	-82 912 891	-48 260 374

Sagåna Kraft AS

Amounts in NOK	Interim Report	Annual Report
	1st half 2021	2020
Operating profit	-27 303	0
Net financial debt (long term debt plus short term debt minus cash)	37 941 778	22 985 086
Net Cash flows from operating activities	1 074 665	1 775 625
Net Cash flows from financing activities	14 500 000	26 530 000
Net Cash flow from investing activities	-16 004 357	-24 790 711

There is no description of any qualifications in the audit report for the Annual Report 2020.

What are the key risk factors that are specific to the issuer	-Hydrology and Meteorology -Electricity price level -Technical risk -Energy policies -Operational production risk -Adverse market disruption -Counterparty risks -Acquisition risk -Financing risk -Currency risk -Technological changes in the Energy Market and Oversupply of Electricity

Key information on the securities

Disclosure requirements	Disclosure
What are the main features of the securities	
Description of the securities, including ISIN code.	[●]
Currency for the bond issue	[●]
Borrowing Limit and Borrowing Amount [● tranche]	[●]
Denomination – Each Bond	[●]
Any restrictions on the free transferability of the securities.	[●]
Description of the rights attached to the securities, limitations to those rights and ranking of the securities.	[●]
Information about Issue and Maturity Date, interest rate, instalment and representative of the bondholders	[●]
Status of the bonds and security	[●]
Where will the securities be traded	
Indication as to whether the securities offered are or will be the object of an application for admission to trading.	[●]
What are the key risks that are specific to the securities	
Most material key risks	-Limited public market -The market price of the bonds may be volatile -The price of the bonds are subject to risk of interest rate and currency fluctuation -Liquidity risk -Value and enforcement of security -Change of control – the Company's ability to redeem the Bonds with cash may be limited

Key information on the admission to trading on a regulated marked

Disclosure requirements	Disclosure
Under which conditions and timetable can I invest in this security?	[●] The estimate of total expenses related to the admission to trading, please see clause 13.4.5 in the Base Prospectus. [/ Other: (specify)] Listing fee Oslo Børs [●] Registration fee Oslo Børs [●]
Why is the prospectus being produced	In connection with listing of the securities on the Oslo Børs.
Reasons for the admission to trading on a regulated marked and use of.	Use of proceeds [●] Estimated net amount of the proceeds [●]
Description of material conflicts of interest to the issue including conflicting interests.	[●]

2 Detailed information about the security

Generally:

ISIN code:	[ISIN]
The Loan/The Bonds:	[Title of the bond issue]
Borrower/Issuer:	Småkraft AS registered in the Norwegian Companies Registry with registration number 984 616 155. The Company's LEI code is 549300IG13IP3OK19V41.
Group:	For the purpose of listing "Småkraft AS 1.875% senior secured EUR 100,000 green bonds 2021/2026" with ISIN code NO0010968449, the Group means the Issuer, Småkraft Green Bond 2 AS and each of Småkraft Green Bond 2 AS' subsidiaries from time to time
Group Company:	Any person that is a member of the Group.
Guarantors:	Means Småkraft Green Bond 2 AS with registration number 825 750 932 Salvasskardelva Kraftverk AS with registration number 820 804 112 and Sagåna Kraft AS with registration number 924 868 678. The LEI codes are 636700W7X0VUHCWDLE71, 6367000LZVU58IUP1G07 and 636700RFA304OGC1BN32.
Security Type:	[Un]secured [open] bond issue with [fixed/floating] rate
Borrowing Limit – Tap Issue:	[Currency] [Amount borrowing limit]
Borrowing Amount [●] tranche:	[Currency] [Amount [●] tranche]
Denomination – Each bond:	[Currency] [Amount denomination] - each and ranking pari passu among themselves
Securities Form:	As set out in the Base Prospectus clause 13.1.
Publication:	As specified in the Base Prospectus section 13.4.2.
Issue Price:	[*As defined in the Base Prospectus section 13.3* [Issue price] %
Disbursement Date/Issue Date:	[*As defined in the Base Prospectus section 13.3* [Issue date]
Maturity Date:	[*As defined in the Base Prospectus section 13.3* [Maturity Date]
Guarantee:	As defined in the Base Prospectus section 13.3. [terms of the Guarantee] [The Guarantee Agreement is attached to this Final Terms.]

Interest Rate:

Interest Bearing from and Including:	[Issue date / *Other: (specify)*]
Interest Bearing To:	[*As defined in the Base Prospectus section 13.3* [Maturity Date] / *Other: (specify)*]

Reference Rate:	[*As defined in the Base Prospectus section 13.3* *Floating rate:* [NIBOR] [3 / 6 / 12] months [*description of Reference Rate*] Relevant Screen Page: [*Relevant Screen Page*] Specified time: [*specified time*] Information about the past and future performance and volatility of the Reference Rate is available at [*Relevant Screen Page* / *other: (specify)*] Fallback provisions: [*Provisions*] */ Other: (specify)*] / *Fixed Rate:* N/A]
Margin:	[*As defined in the Base Prospectus section 13.3* *Floating Rate:* [Margin] % p.a. / *Fixed Interest:* N/A / Other*: (specify)*]
Interest Rate:	[*Bond issue with floating rate (as defined in the Base Prospectus section 13.3):* [Reference Rate + Margin] % p.a. Current Interest Rate: [*current interest rate*] / *Bond Issue with fixed rate (as defined in the Base Prospectus section 13.3):* [Interest rate] % p.a.
Day Count Convention:	[*Floating Rate:* As defined in the Base Prospectus section 13.3 */ Fixed Rate:* As defined in the Base Prospectus section 13.3
Day Count Fraction – Secondary Market:	[*Floating Rate:* As specified in the Base Prospectus section 13.5.1.a */ Fixed Rate:* As specified in the Base Prospectus section 13.5.2.a
Interest Determination Date:	[*Floating Rate:* As defined in the Base Prospectus section 13.3. Interest Rate Determination Date: [Interest Rate Determination Date(s)] each year. / *Fixed rate:* N/A */ Other: (specify)*]
Interest Rate Adjustment Date:	[*Floating Rate:* As defined in the Base Prospectus section 13.3. */ Fixed rate:* N/A]
Interest Payment Date:	As defined in the Base Prospectus section 13.3 and specified in the Base Prospectus section 13.5.1 (FRN) / section 13.5.2 (fixed rate) Interest Payment Date: [Date(s)] each year. The first Interest Payment Date is [Date].
#Days first term:	[Number of interest days] days

Yield:	As defined in the Base Prospectus section 13.3. The Yield is [*yield*]
Business Day:	As defined in the Base Prospectus section 13.3. */ Other: (specify)*]
Amortisation and Redemption:	
Redemption:	As defined in the Base Prospectus section 13.3 and as specified in the Base Prospectus section 13.4.3, 13.5.1.b and 13.5.2.b. The Maturity Date is [*maturity date*]
Call Option:	As defined in the Base Prospectus section 13.3. [*terms of the call option*] Call Date(s): [*call date(s)*] Call Price(s): [*call price(s)*] Call Notice Period: [*call notice period*]
Put Option:	As defined in the Base Prospectus section 13.3. [*terms of the put option*]
Early redemption option due to a tax event:	As defined in the Base Prospectus section 13.3. *[terms of the early redemption option]*
Obligations:	
Issuer's special obligations during the term of the Bond Issue:	As specified in the Base Prospectus section 13.4.6. */ Other: (specify)*]
Listing:	
Listing of the Bond Issue/Marketplace:	As defined in the Base Prospectus section 13.3 and specified in the Base Prospectus section 13.4.5. Exchange for listing of the Bonds: [*Exchange*] / The Bonds will not be applied for listing on any Exchange. / *Other: (specify)*]
Any restrictions on the free transferability of the securities:	As specified in the Base prospectus section 13.4.10. Restrictions on the free transferability of the securities: [*specify*]
Purpose/Use of proceeds:	As specified in the Base Prospectus section 13.4.1. Estimated total expenses related to the offer: [*specify*] Estimated net amount of the proceeds: [*specify*] Use of proceeds: [*specify*] [*Other: (specify)*]
Prospectus and Listing fees:	As defined in the Base Prospectus section 13.3 and specified in the Base Prospectus section 13.4.5. Listing fees: [*specify*]

	/ *Other: (specify)*]
Market-making:	As defined in the Base Prospectus section 13.3. [A market-making agreement has been entered into between the Issuer and [*name of market maker*]] / *Other: (specify)*]
Approvals:	As specified in the Base Prospectus section 13.4.9. Date of the Board of Directors' approval: [*date*] / Other: (specify)]
Bond Terms:	As defined in the Base Prospectus section 13.3 and specified in the Base Prospectus section 13.4.7. By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by the Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party. / *Other: (specify)*]
Status and security:	As specified in the Base Prospectus section 13.4.5. / *Other: (specify)*]
Bondholders' meeting/ Voting rights:	As defined in the Base Prospectus section 13.3. / *Other: (specify)*]
Availability of the Documentation:	https://smaakraft.no
Joint Lead Managers:	[*name of Joint Lead Managers*]
Bond Trustee:	As defined in the Base prospectus section 13.3.
Paying Agent:	As defined in the Base prospectus section 13.3. The Paying Agent is [*name of the Paying Agent*]
Securities Depository / CSD:	As defined in the Base Prospectus section 13.3 and specified in the Base Prospectus section 13.4.5 */ Other: (specify)*]
Calculation Agent:	[As defined in the Base Prospectus section 13.3 / *Other: (specify)*]
Listing fees:	Prospectus fee for the Base Prospectus including template for Final Terms is NOK 123,000. [*Listing and other fees at the Exchange: (specify)* */ No listing:* N/A]

3 Additional information

Advisor
The Issuer has mandated [*name of Joint Lead Managers*] as Joint Lead Managers for the issuance of the Loan. The Joint Lead Managers have acted as advisor[s] to the Issuer in relation to the pricing of the Loan.

The Joint Lead Managers will be able to hold position in the Loan.

/ *Other: (specify)*]

Interests and conflicts of interest
[The involved persons in the Issuer or offer of the Bonds have no interest, nor conflicting interests that are material to the Bond Issue.

/ *Other: (specify)*]

Rating
[There is no official rating of the Loan.

The Issuer is rated as follows:
Standard & Poor's: [•]
Moody's: [•]

/ *Other: (specify)*]

Listing of the Loan:
[*As defined in the Base Prospectus section 13.3*]

The Prospectus will be published in [*country*]. An application for listing at [*Exchange*] will be sent as soon as possible after the Issue Date. Each bond is negotiable.

Statement from the Joint Lead Managers:
[*name of Joint Lead managers*] have assisted the Issuer in preparing the prospectus. The Joint Lead Managers have not verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made, and the Joint Lead Managers expressively disclaim[s] any legal or financial liability as to the accuracy or completeness of the information contained in this prospectus or any other information supplied in connection with bonds issued by the Issuer or their distribution. The statements made in this paragraph are without prejudice to the responsibility of the Issuer. Each person receiving this prospectus acknowledges that such person has not relied on the Joint Lead Managers nor on any person affiliated with them in connection with its investigation of the accuracy of such information or its investment decision.

[*place*], [*date*]

[*name of Joint Lead Managers*]
[*web address of Joint Lead Managers*]