Cloudberry

First half-year 2020 report

Cloudberry Clean Energy AS

Content

CEO message:

Delivering on our growth strategy

Cloudberry was formed in early 2020 by people with substantial experience and drive to develop hydro- and wind power in the Nordics. Shortly after bringing Cloudberry to life, we listed on Oslo stock exchange's Merkur Market to finance growth and to provide investors with the opportunity to invest in the renewable sector.

Our listing took place in early April, at a time with extraordinary market and macroeconomic uncertainty due to the coronavirus outbreak. But at Cloudberry, our owners, board and management were confident that we had to move forward with our plans. We are faced with serious consequences of climate change and Europe urgently needs new renewable energy production capacity. The Nordics with its rich hydro and wind power opportunities will be an important part of the solution.

Cloudberry has a clear ambition of contributing substantially to hydro- and wind power growth in our region. We will realise this growth through organic greenfield developments and by taking part in structural changes in the Nordic renewable energy industry.

Since April, we have moved fast and continued building our growth platform by attracting new assets, partners, people and capital. We have both increased our project backlog and our production capacity, we have teamed up with new partners and are in discussions with more. Furthermore, we have strengthened both our development team and balance sheet.

Year to date, Cloudberry has continued to develop our own project portfolio within hydro- and wind power projects, on- and offshore in the Nordics. Several of our projects are moving forward toward concession or an investment decision. From February to September we have increased our project backlog from 778 gigawatt hours per year to above 1.6 terrawatt hours per year. After confirming a successful offer for the 100 megawatt offshore wind project "Rewind Vänern" in September, we announced our bold ambition to develop 2,500 megawatt offshore wind power in Sweden by 2030.

Cloudberry has also strengthened our production capacity by acquiring an important stake in a hydro power portfolio of 13 hydro power plants and a portfolio of wind power projects, bringing production from 12 gigawatt per year at the beginning of the year to a capacity of 160 gigawatt per year by

September 2021. A small step within the industry, yes, but an important step forward for Cloudberry as we have just started our journey.

What a year 2020 has been for Cloudberry so far! Our progress is especially motivating considering the purpose of our business: Providing clean renewable energy for future generations, developing a sustainable society for the long-term and at the same time create value for our stakeholders.

Creating stakeholder value today without compromising future generations' opportunities or needs must happen by finding the balance between environmental, social and economic elements in a good way. This is what sustainability is all about. Knowing that we are in a sustainable business, producing competitive and affordable energy from hydropower and wind power in Norway and Sweden, we also want to set high standards when it comes to transparency and reporting.

We are proud that we have delivered on our strategy and purpose with a very active 2020 to date. Our ambitions are much higher, this is only the beginning. We hope that many more will join our Nordic renewables growth platform in the years ahead and help Cloudberry and our stakeholders be part of a sustainable, value creating energy future.

Cloudberry has a clear ambition of contributing substantially to hydro- and wind power growth in our region.

Anders J. Lenborg
Chief Executive Officer

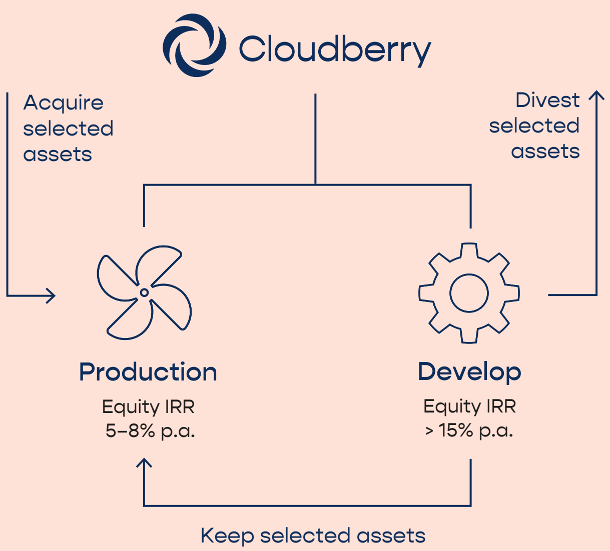
About Cloudberry Clean Energy

Cloudberry is a Nordic renewable energy company. We provide growth and value creation by owning, developing and operating renewable energy in Norway and Sweden. Our purpose is to provide clean renewable energy for future generations, developing a sustainable society for the long term and creating value for our stakeholders. We believe in a fundamental long-term demand for renewable energy in the Nordics and Europe.

Our business model

We have a bifocal business model, where Cloudberry both completes in-house developments of wind and hydropower assets to ready-to-build phase, in addition to owning and operating selected producing assets. We have low overhead cost, and source external capacity for construction, operations and maintenance.

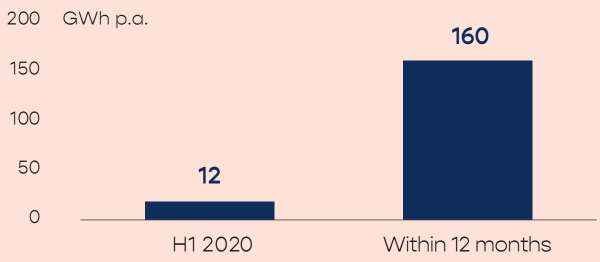
Our Nordic clean renewable platform



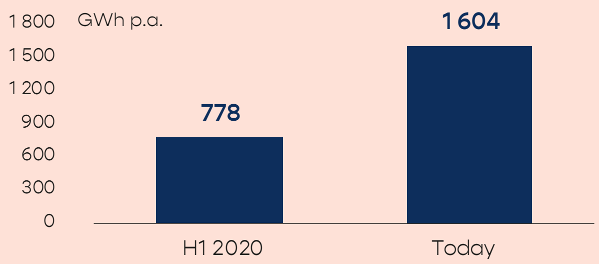
Cloudberry has a growth strategy

The current portfolio consists of one hydro- and one wind power asset and represents a significant growth and market potential, ranging from energy production to the company's project backlog. With the assets currently in the portfolio, Cloudberry`s secured annual production capacity will be 160 GWh coming on-stream by September 2021, up from 12 GWh today. Our growth strategy has two value creation pillars, organic developments and inorganic opportunities.

Net production capacity



Project backlog



Highlights

First half-year 2020

- Acquisition of Scanergy AS and CB Nordic Renewable & Infra Fund I AS
- Capital raise NOK 158 million (gross proceeds) private placement at a price of NOK 11.1 per share
- Publicly listed on Merkur Market at Oslo Børs 2 April 2020
- Signed a sales and purchase agreement for acquisition of 34% of a Norwegian hydropower portfolio of 85 GWh annual production. Completion of the transaction is subject to certain conditions being fulfilled, and is expected to be finalized during fourth quarter 2020
- Total production from two producing assets of 5.3 GWh in the first-half 2020
- The construction of two ongoing hydropower plant projects progressed as planned

Subsequent events

- In July, Cloudberry raised NOK 200 million in gross proceeds through a private placement at a price of NOK 12.0 per share.
- In August, Cloudberry signed a letter of intent to buy 100% of Åmotsfoss Kraft, a hydropower plant in Norway with expected annual production of 22.5 GWh. The transaction was completed in September. Construction of the power plant has commenced, and it is scheduled to be in operation from May 2021. The hydropower plant produces from a reservoir with storage capacity.
- In September, Cloudberry acquired the small-scale wind power development company Skogvind AS
- In September, Cloudberry received 100% acceptance for its offer for the shares in Scanvind2 AS, a company that develops the offshore wind power project “Rewind Vänern” in Sweden. The current development plan includes 16 turbines with an estimated annual power production around 350 GWh. The transaction is expected to be completed by 26 September 2020. Please see Note 13 for further details.

Financial summary

NOK million	First half 2020	First half 2019
Revenue	2.5	0.1
Operating profit (EBIT)	-8.8	-1.0
Result after tax	-11.7	-1.0
Basic earnings (loss) - NOK per share	-0.46	n.a.
Financial position at 30 June		
Cash and cash equivalents	192.1	5.2
Total equity	370.7	4.8
Total assets	437.6	5.3

Operational review

Power production

Net production to Cloudberry was 5.3 GWh in the first half of 2020. Hydropower production at Finnesetbekken was 2.0 GWh in the period, which is around 23% above normal. A relatively warm winter in combination with higher than normal precipitation, led to more snow in the mountains and consequently, more water in the watercourse. In August, the waterfall agreement at Finnesetbekken was extended to 2062 from 2052.

Wind power production was 3.3 GWh in the period; around 24% below normal. One out of three of the turbines in Røyrmyra Wind Park was out of production for 8 weeks and the maintenance period was slightly prolonged because of the Covid-19 pandemic. Lower than normal winds in May and June contributed to the lower production, as well.

Power prices

A warmer winter with more precipitation than normal, led to higher than normal filling of the water reservoirs hence good supply of power. Closedown of business activity because the Covid-19 pandemic led to lower demand for power. This led to a downward pressure on prices. The average price of electricity was NOK 157.3 per MWh in the first quarter and NOK 61.9 MWh in the second quarter. Respectively, this is 65% and 82% lower than the corresponding period the year before.

Cloudberry have entered into a hedging agreement with Axpo Nordic for approximately 60% of our production of electricity and el-certificates and is therefore not fully exposed to the decrease in power price that we have seen so far in 2020.

Organisational development

The company has a lean and efficient organization with 8 employees per 30 June 2020. The main operations and construction activities are outsourced to keep fixed cost low and to utilize local presence and expertise in our assets.

In August, Cloudberry acquired Skogvind AS, a developer of small-scale wind power projects in Norway. Managing partner Roger Grøndahl of the company joined Cloudberry, and Mr. Grøndahl will continue prioritizing the Skogvind portfolio, while also focusing on other development projects within both onshore- and offshore wind power.

Financial review

In the first half of 2020, Cloudberry had two plants in operation and the total revenue was NOK 2.5 million (5.3 GWh produced in first-half 2020).

Cloudberry has had significant M&A activity in the first half of 2020 including a listing on Oslo Børs Merkur Market. Operating profit (EBIT) was NOK -8.8 million. The main expenses were salary and personnel cost which accounted for NOK 4.9 million, operating costs of the two power plants, certain one off-costs related to the listing on Oslo Børs as well as due diligence and transaction costs related to the hydro power purchases. Depreciation and amortizations were NOK 1.6 million.

At the end of June 2020, the company had a solid financial position. Total equity was NOK 371 million, with an equity ratio of 85%. Interest-bearing debt was NOK 27 million. Per 30 June 2020, Cloudberry had cash and cash equivalents of NOK 192 million. In July, Cloudberry raised additional NOK 200 million in equity to finance the purchase of hydropower plants in operation.

Producing assets, projects and backlog

Producing assets first half 2020

In the first half of 2020, total production from the two producing assets was 5.3 GWh (annual capacity of 11.6 GWh).

Assets:

Finnesetbekken Hydropower Plant, 3.2 GWh
Location: Nesbyen, Viken
Ownership: 100%

Rørmyra Wind Park, 8.4 GWh
Location: Hå, Rogaland
Ownership: 100%

Summary of the Norwegian power plants acquired in June 2020

In June, Cloudberry signed a sales and purchase agreement for acquisition of 34% of a Norwegian hydropower portfolio of net 85 GWh annual production from 13 producing hydropower assets and one power offtake agreement. Completion of the transaction is subject to certain conditions being fulfilled, and is expected to be finalized during fourth quarter 2020.

Cloudberry will be the lead manager of the portfolio and has secured appropriate and customary governance mechanisms and rights for its 34% minority share interest (the 66% owner is an infrastructure fund managed by Fontavis AG, part of Swiss Life). The hydropower portfolio has a remaining average fall lease lifetime of 51 years.

The transaction will be vital for increasing the expected annual production from assets currently in production and under construction to around 160 GWh net to Cloudberry from the level of around 12 GWh at the end of first half of 2020. See asset details below. Power production is presented as gross annual power production.

Assets:

Kvitno Power Plant, Hydro, 32.5 GWh
Location: Odda, Vestland
Production start: 2015

Strupen Power Plant, Hydro, 6.9 GWh
Location: Gloppen, Vestland
Production start: 2017

Bråberg Power Plant, Hydro, 6.4 GWh
Location: Ullensvang, Vestland
Production start: 2018

Espeelvi Power Plant, Hydro, 12.0 GWh
Location: Ullensvang, Vestland
Production start: 2018

Langedal Power Plant, Hydro, 12.0 GWh
Location: Flora, Vestland
Production start: 2018

Svardøla Power Plant, Hydro, 29.3 GWh
Location: Luster, Vestland
Production start: 2018

Eldao Power Plant, Hydro, 29.4 GWh
Location: Luster, Vestland
Production start: 2018

Setredalen Power Plant, Hydro, 20.0 GWh
Location: Bremanger, Vestland
Production start: 2019

Anga Power Plant, Hydro, 21.7 GWh
Location: Førde, Vestland
Production start: 2019

Rusdalsåni Power Plant, Hydro, 17.8 GWh
Location: Lund, Rogaland
Production start: 2019

Tverrdalselvi Power Plant, Hydro, 17.2 GWh
Location: Fjærland, Vestland
Production start: 2020

Skeidsflåten Power Plant, Hydro, 17.9 GWh
Location: Fjærland, Vestland
Production start: 2020

Botna Power Plant, Hydro, 6.6 GWh
Location: Fjærland, Vestland
Production start: 2020

In addition, one power offtake agreement:
Løvenskiold PPA, 20 GWh
Location: Skien, Vestfold og Telemark
Contract expiry: 2031
Off-take paid up-front

Under construction as per end June

The construction of the two hydropower plants Nessakraft and Bjørgelva has in the period continued according to plan. The projects comply with all governmental guidelines regarding the Covid-19 pandemic, and the construction work has not been negatively impacted so far in 2020. The plants will be taken over after commissioning, and Cloudberry do not carry any construction risk on these projects.

Assets:

Bjørgelva Power Plant, Hydro, 7.4 GWh
Location: Sørreisa, Troms og Finnmark
Production start: Q4 2020
Ownership: 100%

Nessakraft, Hydro, 34 GWh
Location: Balestrand, Vestland
Production start: Q4 2020
Ownership: 100%

Other assets added after quarter-end

In September, Cloudberry completed a transaction to buy 100% of Åmotsfoss Kraft, a hydropower plant in Norway with expected annual production of 22.5 GWh. The construction of the power plant has started, and it is scheduled to start commissioning May 2021. Cloudberry avoids construction risk, and the financial close is scheduled for end August 2021. The hydropower plant produces from a reservoir with storage capacity.

Åmotsfoss Power Plant, Hydro, 22.5 GWh
Location: Nissedal, Vestfold og Telemark
Production start: Q3 2021
Ownership: 100%

Construction permits

Project Hån and project Duvhällen in Sweden have both obtained construction licenses. Project Hån is a promising project located next to Marker wind-park (Marker was a recent project that Cloudberry developed, constructed and sold to BKW). The Hån project awaits a final export license of power before construction can start.

Project Duvhällen has the necessary grid capacity for 30 MW and is awaiting an increase in the grid capacity to 60 MW.

Hån Wind Park, wind, 82 GWh
Location: Sweden
Expected production start: 2022
Current Ownership: 100%

Duvhällen Wind Park, wind, 83 - 156 GWh
Location: Sweden
Expected production start: 2023
Current Ownership: 100%

Project backlog

Cloudberry's business plan is to always have a significant portfolio of potential wind and hydropower projects in its backlog. The project backlog portfolio will be dynamic, and projects will either be developed, sold or discontinued based on the projects' characteristics and the environment for further development.

The backlog portfolio consisted of around 778 GWh, predominantly onshore wind projects in Sweden. Since the end of June, Cloudberry acquired the small-scale wind power development company Skogvind AS, adding around 380 GWh to the project backlog and the offshore project Rewind Vänern, adding around 350 GWh to the project backlog. In addition, Cloudberry has a substantial offshore wind development portfolio of about 2,500 MW in Sweden which is not part of Cloudberry's balance sheet.

Financial, environmental, social and governance

Cloudberry produces competitive and affordable energy from hydropower and wind power in Norway and Sweden. By owning, developing, and operating renewable energy assets in a responsible manner, we contribute to the necessary energy transition, European and national climate targets and multiple UN Sustainable Development Goals.

We assess material financial, environmental, social and governance related factors in our business. This is an essential part of our local and sustainable approach.

Stakeholder engagement

Our success depends on our ability to build trust and create long-term sustainable value. We therefore seek to engage timely and openly with stakeholders. Our approach enables long-term value creation and success when:

- Landowners want to lend their land to us
- Local communities have trust in us
- People and partners want to work with us
- Investors and creditors value us

Material ESG topics and reporting

Cloudberry was listed on Euronext Oslo Børs' Merkur Market in April 2020 and is currently in the process of establishing its climate reporting system to monitor the company's direct and indirect carbon emissions, following the guidelines in the Greenhouse Gas Control Initiative (GHG Protocol).

The company is assessing material ESG topics and has engaged a leading independent consultant firm to ensure high quality materiality assessments capturing Cloudberry's ESG impact and stakeholders' views. Cloudberry will also start the process of reporting on climate-related risks and opportunities according to the TCFD framework. In addition, Cloudberry will follow the Euronext guidance on ESG reporting in its annual report 2020.

Sustainability is at the core of Cloudberry's strategic positioning as a renewable company within hydro and wind power and it is of high importance for the company to measure its ESG key performance indicators (KPIs) and report on these from 2020 and onwards.

Outlook

Cloudberry has completed several transformational transactions in 2020. Going forward, the newly added portfolio of assets will further increase production, and Cloudberry targets a production level from the current power assets to around 160 GWh net to Cloudberry by September 2021.

Cloudberry's strategy is to continue to grow both organically and inorganically, and the company will continue to investigate interesting opportunities in the years ahead.

It is the company's ambition to list its shares on either Oslo Axess or Oslo Børs during 2021.

Risk and forward-looking statements

Cloudberry has policies and procedures in place as part of its operating system to actively manage risks related to the various parts of the company's operations. Key policies are annually reviewed and approved by the Board of Directors. The regular follow up of these policies is carried out by Cloudberry's Management Team.

Forward-looking statements reflect current views about future events and are, by their nature, subject to significant risk and uncertainties because they relate to events and depend on circumstances that will occur in the future. Although Cloudberry believes that these assumptions were reasonable when made, the company cannot assure that the future results, level of activity or performances will meet these expectations.

Interim financial information

Consolidated statement of profit or loss

1 January - 30 June

NOK 1 000	Note	H1 2020	H1 2019
Continuing operations			
Revenues	3	2 546	71
Other operating income			
Total revenue		2 546	71
Cost of goods sold		-32	
Salary and personell costs		-4 949	-28
Other operating expenses	3	-4 768	-688
Depreciation, amortizations and write downs	3, 4, 5	-1 611	-379
Operating profit		-8 814	-1 024
Financial income		418	
Financial expenses	3, 9	-3 325	1
Profit before tax		-11 721	-1 023
Income tax expense	7	53	0
Profit after tax from continuing operations		-11 668	-1 023
Profit for the year from total operations		**-11 668**	**-1 023**
Attributable to:			
Equity holders of the parent company		-11 668	-1 023
Non-controlling interests			
		-11 668	**-1 023**

Statement of comprehensive income

1 January - 31 December

NOK 1 000	Note	H1 2020	H1 2019
Profit for the year		-11 668	-1 023
Other comprehensive income			
Exchange differences		3 095	
Net other comprehensive income		3 095	0
Total comprehensive income for the year		**-8 573**	**-1 023**
Total comprehensive income attributable to:			
Equity holders of the parent company		-8 573	-1 023
Non-controlling interests			
		-8 573	**-1 023**

Consolidated statement of financial position

NOK 1 000	Note	30.06.2020	31.12.2019	01.01.2019
ASSETS				
Non-current assets				
Property, plant and equipment	4	195 349	10	18
Right-of-use assets	4	4 806	0	0
Intangible assets	5	5 026		
Financial assets		5		
Other non-current assets		28 227		
Total non-current assets		233 413	10	18
Current assets				
Accounts receivable		2 960	0	0
Contract assets		3 859		
Other current assets		5 210	70	126
Cash and cash equivalents	6	192 118	5 223	129
Total current assets		204 147	5 293	255
TOTAL ASSETS		**437 560**	**5 303**	**273**
EQUITY AND LIABILITIES				
Equity				
Paid in capital		9 620	950	750
Sharepremium		370 394	7 800	0
Treasury shares		-1 798		
Total paid in capital		378 216	8 750	750
Other reserves/retained earnings		-12 494	-3 921	-1 312
Total reserves/retained earnings		-12 494	-3 921	-1 312
Non-controlling interests		4 939	0	0
Total equity		370 661	4 829	-562
Non-current liabilities				
Provisions		60		
Deferred tax	7	3 645		
Lease liabilities	10	4 943		
Interest-bearing loans and borrowings	9	27 833		
Other non-current financial liabilities		8 932		
Total non-current liabilities		45 413	0	0
Current liabilities				
Accounts payable and other current liabilities		21 486	474	835
Total current liabilities		21 486	474	835
Total liabilities		66 899	474	835
TOTAL EQUITY AND LIABILITIES		**437 560**	**5 303**	**273**

Consolidated statement of cash flows

NOK 1 000	Note	1.1.-30.6.2020	1.1.-30.6.2019
Profit before taxes		-11 668	-1 023
Depreciation	4	1 611	0
Changes in working capital		672	-611
Changes in other receivables and provisions		812	
Net cash flow from operating activities		**-8 573**	**-1 634**
Changes in other fixed assets		-651	0
Net cash flow from (used in) investing activities		**-651**	**0**
Changes in loan and other financial items		-27 651	
Sharecapital increase		158 104	8 000
Acquisition of shares in subsidiaries, net liquidity outflow		65 665	
Net cash flow from financing activities		196 118	8 000
Total change in cash and cash equivalents		**186 894**	**6 366**
Cash and cash equivalents at start of period		5 223	128
Cash and cash equivalents at end of period		**192 117**	**6 494**

Consolidated statement of changes in equity

	Attributable to parent company equity holders									
					Other Equity					
	Share capital	Share premium reserve	Treasury shares	Other paid-in capital	Translation difference	Retained earnings	Total other equity	Total	Non-controlling interests	Total equity
Equity as at 01.01 2019:	**750**					**-1 312**	**-1 312**	**-562**	**0**	**-562**
Sharecapital increase	200			7 800			0	8 000		8 000
Profit for the period						-2 609	-2 609	-2 609		-2 609
Total comprehensive income	0	0	0	0	0	-2 609	-2 609	-2 609	0	-2 609
Transfer to other equity							0	0		0
Equity as at 31.12 2019	**950**	**0**	**0**	**0**	**0**	**-3 921**	**-3 921**	**4 829**	**0**	**4 829**
Equity as at 01.01 2020:	**950**	**0**	**0**	**0**	**0**	**-3 921**	**-3 921**	**4 829**	**0**	**4 829**
Sharecapital increase	8 670	362 594					0	371 264	4 939	376 203
Loss for the period						-11 668	-11 668	-11 668		-11 668
Other comprehensive income					3 095		3 095	3 095		3 095
Total comprehensive income	9 620	362 594	0	0	3 095	-15 589	-12 494	367 520	4 939	372 459
Treasury shares received			-1 798					-1 798		-1 798
Equity as at 30.06 2020	**9 620**	**362 594**	**0**	**0**	**3 095**	**-15 589**	**-12 494**	**365 722**	**4 939**	**370 661**

Notes to the consolidated financial statements

Note 1 General information

Corporate information

Cloudberry Clean Energy AS is incorporated and domiciled in Norway. The address of its registered office is Frøyas gate 15, NO-0273 Oslo, Norway. Cloudberry Clean Energy AS was established on 10 November 2017.

Cloudberry Clean Energy AS ("Cloudberry"), its subsidiaries and investments in associated companies ("the Group") is a Nordic renewable power producer and developer. The Company is pursuing an integrated business model across the life cycle of hydro- and wind power plants including project development, financing, construction (normally outsourced), ownership and lead manager of operations.

The Group consist of Clouberry Clean Energy AS, Cloudberry Production AS, Cloudberry Develop AS, Røyrmyra Vindpark AS, Finnesetbekken Kraftverk AS, Elgenes Kraftverk AS, Finse Kraftverk AS, Skiparvik Kraftverk AS, Hån KV 22 AS, Duvhällen Vidpark AB, Hån Vindpark AB, Kånnå Vindpark AB, Ljunga Vindpark AB, Rewind Offshore AB, Cloudberry Utveckling AB, Cloudberry Project AB, Cloudberry Wind Offshore AB and Cloudberry Wind AB.

IFRS in Cloudberry's consolidated financial statement was adopted for the first time in this report and the effects are presented in note 12 Explanation of transition to IFRS. For this first half-year report after implementation of IFRS, extended note information has been provided in accordance with IFRS.

Cloudberry's 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 statement of profit or loss, statement of comprehensive income, statement of financial position, statement of cash flow, statement of equity and notes provide comparable information in respect of the previous period. The Group was established 15 February 2020. Comparable information in previous periods is from Cloudberry only.

The financial statements have been prepared on a historical cost basis except for certain assets, liabilities and financial instruments which are measured at fair value. The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

Presentation and classification of items in the financial statements is consistent for the periods presented. Application of the accounting policies by the subsidiaries has been changed where necessary to ensure consistency with Group accounting policies.

The functional currency of companies is Cloudberry Group is the Norwegian krone (NOK) and the Swedish krone (SEK). The Group accounts is presented in NOK.

Note 2 General accounting policies

Basis of Consolidation

The consolidated financial statements are comprised of the financial statements of the parent company Cloudberry Clean Energy AS and its subsidiaries. Subsidiaries are all entities (including structured entities) over which Cloudberry Group has control. Cloudberry Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. Subsidiaries are no longer consolidated from the date when control ceases. Profits and losses resulting from intercompany transactions have been eliminated, as well as unrealised gains on transactions between group companies. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Business combinations

The acquisition method is used to account for all business combinations. The consideration is measured at the fair value of any transferred assets, liabilities or issued equity instruments. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

If the consideration transferred (including any non-controlling interests and the fair value of previous assets) exceeds the fair value of identifiable net assets acquired, this is recognised as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase gain. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

Foreign currency translation

Functional and presentation currency

The Group's consolidated financial statements are presented in NOK, which is also the parent Company's functional currency. For each entity the Group determines the functional currency, and items included in the financial statements of each entity are measured using that functional currency. The functional currency of the subsidiaries is the same as their local currency.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

On consolidation, the assets and liabilities of foreign entities with functional currencies other than NOK are translated into NOK at the rate of exchange prevailing at the reporting date and their income statements are translated at average monthly exchange rates. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Accounting policies for revenue recognition

Cloudberry accounts for revenue in accordance with IFRS 15 Revenue from Contracts with Customers.

The Group's sales revenues and energy purchase are divided into two categories:

1. Cloudberry Production includes sales revenues from the production and sale of hydro and wind generated electricity.

2. Cloudberry Development includes sales revenue from the sale of rights or development companies (SPV's).

The revenues from Production bear the characteristic of delivering power at a certain price. The performance obligation is to deliver a series of distinct goods (power) and the transaction price is the consideration Cloudberry expects to receive, at either spot price, regulated price or contract price. The performance obligation is satisfied over time which entails that revenue should be recognised for each unit delivered at the transaction price. Cloudberry applies a practical expedient under IFRS 15 whereby the revenue from power for most of the contracts is recognised at the amount of which the entity has a right to invoice. The right to invoice power arises when power is produced and delivered and the right to invoice the consideration will normally correspond directly with the value to the customer.

Government grants are conditional to own generation of power from certain technologies. The right to receive the grants are obtained at the time of generation, and at the point of generation there is a reasonable assurance that Cloudberry complies with the conditions related to the government grants and that the grants will be received. The grants are closely connected to the generation and the income is therefore presented as sales revenues.

The revenue from Development bear the characteristic of delivering hydro and wind power plants ready-to-build. Sale of physical products are recognized when control is transferred to the customer, which usually occurs at delivery.

Property, plant and equipment

Property, plant and equipment is measured at historical cost less accumulated depreciation. Land is not depreciated. Historical cost includes expenditures that are directly attributable to the acquisition of the item. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Periodic maintenance is capitalised and depreciated over the period until next maintenance. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate costs over their estimated useful lives. The assets' residual values and useful lives are reviewed annually and adjusted if appropriate. Gains and losses on disposals are determined by comparing actual proceeds with the carrying amount. Gains and losses on disposal are included in profit or loss.

Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Costs relating to intangible assets, including goodwill, are recognised in the statement of financial position when it is probable that the asset will generate future economic benefits and the costs can be measured reliably.
Intangible assets with an indefinite useful life, such as goodwill and water rights owned are not amortised but are instead tested annually for impairment.

Goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the Group's share of the net identifiable assets of the acquired business at the date of acquisition. Goodwill is carried at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units for the purpose of the impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Leases

The Group's main lease type of agreements are variable leases related to water and wind rights. The rights are considered intangible assets. Variable lease payments that depend on sales or usage of the underlying asset are recognised in profit or loss in the period in which they occur. The accounting treatment of the different water right lease agreements are described below:

Water right lease agreements

Cloudberry enters into water-right lease agreements with owners of water rights, which entitles the company to utilise the water in the rivers. The agreements typically have a period varying from 40 to 100 years, starting when the power plant is put into commercial operation.

The agreement with the owners of the water rights has a variable payment depending on the gross revenue of the power plant and is typically around 10% of the gross revenue. In certain agreements the variable payment depends on the net profit of the power plant (not the gross revenue). In these cases, Cloudberry is secured a minimum return on the investment (typically 4 – 7% p.a.) before owners of the water rights are compensated. Excess return above this minimum return is then split between the owners of the water rights and Cloudberry.

When Cloudberry has a commitment to pay rent to the owners of the water rights, we account for this as a regular cost as the commitment arises. Upon expiration of the agreement the owners have the right to purchase the power plant with all rights and technical installations at a price based on certain specific conditions.

Land lease agreements for construction of wind farms
Cloudberry enters into lease agreements with land-owners, which entitles the company to utilise the land for construction of wind farms. The agreement typically has a period varying from 25 to 35 years dependent on the concession period, starting when the power plant is put into commercial operation. The typical agreement with the landowners has a variable payment depending on the gross revenue of the power plant (around 4%). When Cloudberry has a commitment to pay rent to the land-owners, we account for this as a regular cost as the commitment arises

Fixed amount- agreement: In certain cases, Cloudberry pays landowner a fixed annual amount. Upon expiration of the agreement the landowner has the right to purchase the powerplant with all rights and technical installations at a price based on certain specific conditions. Cloudberry accounts for this land lease monthly based upon the agreed yearly payment.

Other leases
Further, the Cloudberry Group has some lease related to office rental of which the following principles applies:

Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease, i.e. the date the underlying asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Estimates and Judgment when calculating Land lease:

Land lease calculations are estimates based on the current revenue and costs related to the specific companies. While being estimates, there is minimal judgment involved in these estimates, as they are technical calculations with low complexity based upon the relevant input. Furthermore, most of the input is objective, as the revenue and most of the costs are known at the time of the estimate.

Financial instruments
Financial instruments are recognised in the financial statements when the Group becomes party to contractual conditions relating to the financial instrument. Financial assets and financial liabilities are classified based on the type and purpose for holding the instruments at fair value, amortised cost or as a designated hedge accounting instrument (e.g. derivatives used for hedging financial risks).

Financial assets
The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For financial assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Financial assets recognised at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Gains or losses arising from changes in the fair value of the financial instruments at fair value through profit or loss, including interest and dividends, are recognised in the income statement as other gain/losses. Derivatives are always measured at fair value through profit or loss, unless designated as a hedging instrument. When designated as a cash flow hedging instrument measurement is change in fair value are recognised in other comprehensive income.

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Accounts receivables and accrued revenue

Accounts receivable are measured at initial recognition at fair value. Accounts receivable are held with the objective to collect the contractual cash flows and therefore are subsequently measured at amortised cost using the effective interest method. For the purposes of impairment, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from the date of initial recognition of the receivables.

Financial liabilities

The Group classifies all financial liabilities at amortised cost, except for derivatives which are at fair value.

Accounts payables and other financial payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of period which are unpaid. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any noncash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Taxes

Income tax is calculated in accordance with ordinary tax rules and by applying the adopted tax rate. The tax expense in the statement of comprehensive income comprises taxes payable and changes in deferred tax liabilities and deferred tax assets. Taxes payable are calculated on the basis of the taxable income for the year. Deferred tax liabilities and deferred tax assets are calculated on the basis of temporary differences between the accounting and tax values and the tax effect of losses carried forward.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Tax related to items recognised in other comprehensive income is also recognised in other comprehensive income, while tax related to equity transactions is recognised in equity.

Adoption of new standards

IFRS was adopted first time from 1 January 2020. When providing comparable information for previous periods IFRS 16 and IFRS 15 was adopted.

Note 3 Operating segments

Cloudberry manages its operations in two segments; Cloudberry Production ("CBP") and Cloudberry Develop ("CBD").

Financing and operation of hydro and wind power plants is typically ring-fenced in power plant companies (SPV's) - where Cloudberry contributes with the required equity.

Cloudberry Production ("Production")

The production segment manages the Group's power producing assets and derives its revenue from the production and sale of hydro and wind generated electricity.

Cloudberry Develop ("Develop")

The development segment derives its revenue from the sale of development rights or from the sale of the development companies (SPVs). Transactions will in certain cases be with companies that are under the control of the Group and hence are being consolidated. Revenues from transfer of development rights are recognised upon the transfer of title.

Cloudberry Clean Energy ("Corporate")

Corporate consists of the activities of corporate services, management and group finance.

Revenues from transactions between the CBP, and CBD segments, where Cloudberry is deemed to hold a controlling interest, are presented as within the group revenues in the segment reporting and eliminated in the consolidated statement of profit or loss. These transactions are based on international contract standards and terms negotiated at arm's length.

First half 2020

NOK 1 000	Production	Develop	Corporate	Other/ Eliminations	Consolidated
Revenue - external	2 545				2 545
Revenue - within the group		1 281		-1 281	0
Total revenue	**2 545**	**1 281**	**0**	**-1 281**	**2 545**
Operating expenses	-1 426	-1 369	-6 953		-9 748
Operating Profit	**1 119**	**-88**	**-6 953**	**-1 281**	**-7 203**
Interest revenue	613		292	-487	418
Interest expense	-533	-963	-155	487	-1 164
Other Financial expenses	-856	-1 131	-174		-2 161
Depreciation and amortisation	-1 087	-181	-343		-1 611
Tax expense	53				53
Profit after tax	**-691**	**-2 363**	**-7 333**	**-1 281**	**-11 668**

Note 4 Property, plant and equipment

The Group operates hydro- and wind power plants and projects in Norway and Sweden.

All Powerplants, projects and equipment are acquired first half of 2020.

	In Production	Under Constr.	Constr. Permits	Backlog	Equip.	Rigth to use assets	Total
Accumulated 1 January 2020							
Additions from acquisition of companies	43 693	0	37 568	114 527	829	5 149	201 766
Write downs							0
Depreciation	-1 087				-181	-343	-1 611
Carrying value 30 June 2020	**42 606**	**0**	**37 568**	**114 527**	**648**	**4 806**	**200 155**

Plants in production

The plants are generating revenue. Per 30 June 2020 two plants where in operation (Finnesetbekken and Røyrmyra). About 60% of the revenue is secured on fixed power prices and fixed el-certificate prices. Cloudberry will continuously evaluate to sell the produced power via Norpool (variable prices), Power Purchase Agreements (fixed PPA's) or long-term fixed industrial offtake agreements.

Subsequent to June 30, Cloudberry has signed and secured additional projects and expects to have minimum 19 plants (160 GWh) in operation by September 2021.

Plants under construction

Cloudberry has currently three power plants under construction. Tinfos is currently constructing Bjørgelva Power Plant and Nessakraft while BN Vannkraft and Vannkraft AS is constructing Åmotsfoss (Åmotsfoss was signed subsequent to H1 2020). Neither of the projects are in the balance since the financial close and handover will be during H1 and H2 2021 when the plants have been commissioned.

Construction permit

Per 30 June 2020 Cloudberry had two wind-projects with construction permits (Hån and Duvhallen). Projects with construction permits are in certain cases ready to build immediately while other projects will need further work or awaits certain rights before construction starts. Hån is currently awaiting an export license of the power. The license is expected to be in place during 2020. Projects listed under construction permit has a high probability of getting built, typically 90%.

Backlog

The backlog contains exclusive projects to Cloudberry. The backlog consists of seven (7) wind- and hydro projects with a total production capacity of 778 GWh in both Norway and Sweden. Subsequent to 30 June 2020, Cloudberry has increased the backlog to 1604 GWh (including an offshore project of 350 GWh in lake Vanern, Sweden). The probability of realising the projects differ significantly both in time and probability. Projects in the backlog will typically start construction within a timeframe of 2 – 5 years and have a probability of being built of typically 20 – 70%.

Pipeline

Not part of Cloudberry's balance-sheet. Cloudberry has a significant pipeline of projects both on- and offshore in the Nordics (total capacity of more than 2,500 MW). The projects are often in an early stage and are in most cases not exclusive. Cloudberry has already spent significant in-house time in order to be well positioned for a construction application.

Right of use assets

Rental of office space. According to IFRS 16 the right of use is booked as a non-current asset and the lease liability as a non-current liability.

Note 5 Intangible assets

Goodwill from the addition of acquired companies in H1 2020 equals NOK 5.0 million.

Note 6 Cash, cash equivalents and corporate funding

Free cash	191 376
Restricted cash	381
Total cash	**192 117**

Other restricted cash comprises restricted deposits for withholding tax.

Cash and cash equivalent

NOK 170 million of Cloudberry's short-term cash is placed in KLP Pengemarked in order to minimize risk. The fund is a well-known UCIT fund registered in NOK with low credit risk, low interest duration, low management fee, no transaction fees and full liquidity (3 days).

The remaining cash of NOK 22 million is primarily non-restricted cash in a Group account with SR-Bank. Cloudberry's strategy is to hold minimal cash in the project companies.

Corporate funding

In March 2020, Cloudberry raised gross proceeds of NOK 158 million in equity to fund Cloudberry's hydro portfolio and further growth. The equity was raised at a share-price of NOK 11.1 ("the IPO listing-price").

Subsequent to 30 June. In July Cloudberry raised gross proceeds of NOK 200 million in equity to the fund 34% of the purchase of 13 operating hydro power plants and one power purchase agreement in Norway. The equity was raised at a share price of NOK 12.0.

Note 7 Income tax expense

The Group had an income tax income of NOK 42 thousand for the first half of 2020. Deferred tax asset due to taxable losses in 2020 is not recognised. The underlying corporate tax rates in Norway and Sweden are 22% and 21.8% respectively.

Deferred tax and deferred tax assets:

	Consolidated balance sheet	
	30.06.2020	31.12.2019
Deferred tax assets		
Tax losses carried forward	-19 375	-1 029
Deferred tax assets - gross	-19 375	-1 029
Deferred tax liabilities		
Property, plant and equipment	23 020	
Deferred tax liabilities - gross	23 020	0
Not regocnised	0	1 029
Net recognised deferred tax liabilities	3 645	0

Note 8 Business combinations and other transactions

Cloudberry acquires CB Nordic Renewable and Infrastructure Fund I AS

On 24 February 2020, Cloudberry Clean Energy AS acquired 100% of the voting shares in CB Nordic renewable and infrastructure fund I AS today Cloudberry Production AS, ““CBP”). CBP is a limited company located in Oslo, Norway. CBP was acquired for NOK 83.5 million.

The acquisition was financed by issuing shares at fair value of NOK 10.74 per share. 7.775 million shares in Cloudberry Clean Energy AS were issued to the former CBP shareholders at a nominal value NOK 0.25 per share (share capital increased by NOK 1.94 million). The fair value of the shares was set at observed market prices with comparable market transactions.

CBP owns two powerplant companies and has entered into a contract for the purchase of two additional power plants. Røyrmyra Vindpark is situated in Hå muncipality in Rogaland. The annual production is 8 GWh. Finnesetbekken Kraftverk is situated in Nesbyen muncipality in Viken. The annual production is 4 GWh. The contract for purchase is Nessakraft (34 GWh), situated in Balestrand municipality, and Bjørgelva Kraftverk (7 GWh), situated in Sørreisa.

Cloudberry acquired Scanergy AS

On 24 February 2020, Cloudberry Clean Energy AS acquired 100% of the voting shares in Scanergy AS (today Cloudberry Develop AS, “CBD”). CBD is a limited company located in Oslo, Norway. CBD was acquired for NOK 132.8 million.

The acquisition was financed by issuing shares at fair value of NOK 10.74 per share. 12.363 million shares in Cloudberry Clean Energy AS where issued to the former Scanergy AS shareholders at a nominal value NOK 0.25 per share (share capital increased by NOK 3.09 million). The fair value of the shares was set at observed market prices with comparable and listed development companies in Sweden and historical and recent transactions. External consultant where engaged for a due diligence of the company.

The company has for the last ten years specialised in the development of renewable projects in Norway and Sweden (primarily wind in Sweden). The management believes the acquisition provides the company with a highly complementary business segment that it will have a positive effect on future earnings, in excess of the fair value of acquired net assets. By owning both a development and production company, Cloudberry controls the full value chain from development to production and do in a less extend need to participate in competitive bidding rounds for renewable projects. The company has projects ready to construct and an exclusive backlog. In addition to the backlog, CBD has a large pipeline of on- and off-shore projects which is not part of the fair value recognitions below. Ownership interest equals the share of voting rights.

The net assets acquired of CBP (Production) and CBD (Develop) are as follows:

	Fair value recognised on acquisition, Production	Fair value recognised on acquisition, Develop
Assets		
Property, plants and equipment	44 638	126 453
Cash and cash equivalents	65 351	2 735
Trade accounts receivable	1 607	61 065
Investments	2 787	1 803
	114 383	192 056
Liabilities		
Trade creditors		-18 701
Contingent liabilities	-27 738	-37 523
Provisions	-1 375	-1 154
Deferred tax liability	-1 749	-1 958
	-30 862	-59 336
Net assets and liabilities at fair value	**83 521**	**132 720**
Non-controlling interest measured at fair value		-4 939
Goodwill		5 026
Purchase consideration transferred	**83 521**	**132 807**
Shares issued, at fair value	83 521	132 807
Total consideration	83 521	132 807
Paid in cash	0	0
Cash received	-65 351	-2 735
Net decrease/(increase) in cash	**-65 351**	**-2 735**

Note 9 Long-term debt

		Carrying amount	
	Maturity date	30.06.2020	31.12.2019
Secured			
Bank loan, Røyrmyra	2029	19 250	0
Bank loan, Finnsetbekken	2036	7 752	
10y interest SWAP	2030	831	0
Total secured long-term debt		**27 833**	**0**
Total long-termed debt		27 833	
Principal repayments		-368	
Total long-term debt excluding principal repayments		**27 465**	**0**

In order to reduce long-term interest risk, Cloudberry has entered into a 10-year swap agreement with SR Bank for the full balance of the two bank loans. Per 30 June 2020 the effective interest (including margin) equals 3.1%.

The bank loans are secured by the Group's assets in Finnsetbekken and Røyrmyra. Carrying value of the investment property pledged as security is NOK 42.6 million. The bank loans have been recognised at cost.

Note 10 Lease Liabilities

The Group has a long-term lease agreement of office-space in Oslo with Bergehus Holding AS that expires February 2025. Yearly average rent in the period is NOK 1.1 million. Bergehus Holding AS is a company owned by the Bergesen family who is a significant shareholder in Cloudberry.

Note 11 Related parties

Note 8 describes the business combination in February 2020 and the start date for the Group. Post the business combination, there has not been any transaction with related parties in first half 2020.

Note 12 Explanation of transition to IFRS

This is the group's first consolidated accounts presented in accordance with IFRS.

The accounting principles described in note 2 have been used to prepare the group's consolidated accounts for 2020, comparable figures for 2019 and an IFRS opening balance sheet as at 1 January 2019, which is the Group's date of transition from Norwegian accounting principles (NGAAP) to IFRS.

In connection with the preparation of the IFRS opening balance sheet, the Group has made some adjustments to the accounting figures compared to those reported earlier in the Group's annual accounts that were prepared according to NGAAP. The effect of the transition from NGAAP to IFRS on the Group's financial position, the Group's results and the Group's cash flow is explained in greater detail in this note.

Reconciliation of transitional effects

	01.01.2019			31.12.2019		
NOK 1 000	NGAAP	Effect of transition to IFRS	IFRS	NGAAP	Effect of transition to IFRS	IFRS
Assets						
Non - current assets						
Tangible assets	18		18	11		11
Total non - current assets	18		18	11		11
Cash	129		129	5 223		5 223
Other current receivables	126		126	70		70
Total current assets	255		255	5 293		5 293
Assets held for sale			-			-
Total assets	**273**		**273**	**5 304**		**5 304**
Equity and liabilities						
Share capital				950		950
Share premium account	750		750			
Other equity	(1 312)		(1 312)			
Total equity	(562)		-562	8 750		8 750
Current Liabilities						
Trade creditors				58		58
Provisions	835		835	417		417
Total liabilities	835		835	475		475
Total equity and liabilities	**273**		**273**	**9 225**		**9 225**

Reconciliation of results for 2019

NOK 1 000	2018 NGAAP	2019 NGAAP	Effect of transition to IFRS	2019 IFRS
Operating revenues	250	279	0.0	279
Other operating income				
Total revenue	**250**	**279**	**-**	**279**
Cost of good sold	-41	-27		-27
Salary and personell costs	-1 633	-1 981		-1 981
Other operating expenses	-622	-877		-877
Depreciation, amortizations	-4	-7		-7
Operating profit (loss)	**-2 300**	**-2 892**	**0**	**-2 613**
Financial income	-	5		5
Financial expenses	-12	-1		-1
Profit (loss) before tax	**-2 062**	**-2 609**		**-2 609**
Tax				
Net profit (loss)	**-2 062**	**-2 609**		**-2 609**
Loss on sold operations				
Profit (loss) for the year	**-2 062**	**-2 609**		**-2 609**

Note 13 Subsequent events

- In June, Cloudberry signed the Sales and Purchase Agreement with Fontavis (Swiss Life) to acquire 34% ownership interest in 13 producing hydro power assets and one power offtake agreement in Norway. Cloudberry will be the lead manager of the portfolio. Combined and net annual production to Cloudberry is 85 GWh. The portfolio was historically owned by OBOS (Norway's largest housing developer).

- The transaction is not part of the balance 30 June 2020 since the financial close and operational hand-over will be in H2 2020. The total consideration for the 34% shares is NOK 238m (including a significant cash buffer). Cloudberry's board has opened up for a maximum 1/3 settlement in Cloudberry shares. If 1/3 is settled in shares, the cash consideration is lowered to NOK 159 million.

- In July, Cloudberry raised NOK 200 million in gross proceeds through a private placement at a price of NOK 12.0 per share.

- In August, Cloudberry extended the waterfall agreement at Finnesetbekken hydropower plant with additional 10 years.

- In September, Cloudberry signed the Share and Purchase agreement to buy 100% of Åmotsfoss Kraft, a hydropower plant in Norway with expected annual production of 22.5 GWh. Construction of the power plant has commenced, and it is scheduled to be in operation from May 2021. Cloudberry avoids construction risk, and the financial close is scheduled for third quarter 2021. The hydropower plant produces from a reservoir with storage capacity.

- In September, Cloudberry acquired the small-scale wind power development company Skogvind AS. Skogvind has an existing greenfield development portfolio of 120 MW (about 380 GWh) of projects close to existing infrastructure and industrial areas in Norway. The transaction values the debt free company to NOK 3.5 million before adjustments for net cash. Settlement for 100 % of the transaction will be in 319,947 Cloudberry shares. The board members Morten Bergesen and Petter Borg have both been claimed legally incompetent to the board's decision to acquire Skogvind, as both where directors as well as shareholders in Skogvind through their ownership in Cloudberry Partners AS.

- In September, Cloudberry acquired 100% of the shares in Scanvind2 AS, a company that develops the offshore wind power project "Rewind Vänern" in Sweden. The current development plan includes 16 turbines with an estimated installed effect of 100 MW and an annual power production around 350 GWh. The project has a construction license with Swedish Mark-och Miljødomstolen (Swedish Court). The license is everlasting and there are no lease or rental obligations when producing. The project is located in fresh- and shallow-water and construction deadline is H2 2024.

  Cloudberry has developed the project together with local partners from inception in 2010. The project was in 2015 sold to the Scanvind2 AS-consortium (including a sellers-credit to Cloudberry). ScanVind2 was established in 2015 and capitalized with NOK 36 million for the sole purpose of owning and developing the asset. ScanVind2 has a diversified shareholder base of 55 shareholders. Quantum Leben AG (insurance company) is the majority shareholder with 13.3%. Cloudberry's Chairman, Frank J. Berg has an indirect ownership of 1.1% of Scanvind2 AS through his ownership in Captiva Capital Partner AS has been claimed legally incompetent to the Cloudberry board's decision.

  In the beginning of September, Cloudberry received signed acceptance letters from all 55 shareholders. Cloudberry acquires 100% of the ScanVind2 AS shares for NOK 34.25 million. The transaction is on a debt-free, cash-free basis except for the historical sellers-credit of NOK 25m to Cloudberry. The NOK 34.25 million is settled by paying NOK 7 million in cash and by issuing about 2.2 million Cloudberry shares to the ScanVind2 shareholders.

Responsibility statement

We confirm to the best of our knowledge, that the condensed interim financial statement for the first-half of 2020 has been prepared in accordance with IFRS as adopted by EU, and that the information gives a true and fair view of the company's assets, liabilities, financial position and result for the period. We also confirm that presented information provides a fair overview of important events that have occurred during the period and their impact on the financial statements, key risk and uncertainty factors that Cloudberry's is facing during the next accounting period.

Oslo, 15 September 2020

The Board of Directors of Cloudberry Clean Energy AS

Frank J. Berg
Chair of the Board

Morten Bergesen
Board member

Petter W. Borg
Board member

Benedicte Fossum
Board member

Liv Lønnum
Board member

Anders J. Lenborg
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