

To: the General Meeting of SINTEF Energy Research

INDEPENDENT AUDITOR'S REPORT

Statement on the Audit of Financial Statements

Conclusion

We have audited the Financial Statements of SINTEF Energy Research, which show a profit of NOK 13,701,000. The Financial Statements comprise a balance sheet as of 31 December 2016, a profit and loss account and cash flow statement for the accounting year concluded on that date, as well as notes to the Financial Statements, including a summary of the key accounting principles.

In our opinion, the accompanying Financial Statements have been prepared in compliance with prevailing legislation and statutory regulations, and provide a true representation of the Company's financial status as of 31 December 2016, and of its financial results and cash flows for the accounting year concluded on that date pursuant to the provisions of the Norwegian Accounting Act (*regnskapsloven*) and good Norwegian accounting practice.

Basis for the conclusion

We have carried out the audit in compliance with legislation, statutory regulations and good Norwegian auditing practice, including the International Standards on Auditing (ISAs). Our tasks and responsibilities in relation to these standards are described in the document "Auditor's tasks and responsibilities in connection with the auditing of Financial Statements". We are independent of the Company, as required by legislation and statutory regulations, and we have complied with our ethical obligations in accordance with these requirements. In our opinion, the auditing documentation we have obtained is adequate and appropriate as a basis for our conclusion.

Other information

Management is responsible for supplying other information. Other information consists of the Board of Directors' Report, but does not include the Financial Statements or the Auditor's Report.

Our statement regarding the audit of the Financial Statements does not cover the other information, and we cannot provide verification of said information.

In connection with our audit of the Financial Statements, it is our responsibility to read the other information with the aim of assessing whether any material inconsistencies exist between the other information and the Financial Statements or knowledge that we have obtained during the audit, or whether said statements contain apparently materially erroneous information.

If we conclude that the other information contains materially erroneous information, we are required to report the fact. We have nothing to report in this regard.

The Board's and President's responsibilities for the Financial Statements

The Board and President (management) are responsible for preparing the Financial Statements in compliance with legislation and statutory regulations, and in such a way that they provide a true representation pursuant to the provisions of the Norwegian Accounting Act (*regnskapsloven*) and good Norwegian accounting practice. Management is also responsible for implementing the internal control procedures it deems necessary in order to enable it to prepare Financial Statements that are free of materially erroneous information, either in the form of irregularities or direct errors.

In connection with preparation of the Financial Statements, management is obliged to express its view on the Company's ability to continue as a going concern, and to disclose any information that may have a bearing on this matter. The going concern assumption constitutes the foundation of the Financial Statements, provided it remains unlikely that the enterprise will cease operations.

The Auditor's tasks and obligations in relation to the audit of the Financial Statements

Our objective with the audit is to obtain an adequate level of certainty that the Financial Statements as a whole do not contain any materially erroneous information, either in the form of irregularities or unintended errors, and to issue an Auditor's Report containing our conclusion. An adequate level of certainty represents a high level of certainty, but is no guarantee that an audit prepared in compliance with legislation, statutory regulations and good Norwegian accounting practice (including the ISAs) will always detect materially erroneous information if said information exists. Erroneous information can arise as a result of irregularities or unintended errors, and is considered to be material in nature if, individually or in combination, it can reasonably be expected to influence financial decisions taken by users based on the Financial Statements.

As part of the audit, and in compliance with legislation, statutory regulations and good Norwegian accounting practice (including the ISAs), we exercise professional judgement and maintain professional scepticism throughout the audit process. We also:

- identify and estimate the risk of materially erroneous information in the Financial Statements resulting from irregularities or unintended errors. We design and carry out our audit procedures in order to manage such risks, and obtain audit-related documentation that is adequate and appropriate as a basis for our conclusion. The risk of not detecting materially erroneous information resulting from irregularities is higher than that for erroneous information resulting from unintended errors because irregularities may be the result of fraudulent collusion, forgery, deliberate omissions, misrepresentations or overrule by internal control procedures. obtain an understanding of the internal control procedures that are relevant to the audit, with the aim of designing a set of audit procedures that are appropriate to the circumstances in question, but not for the purposes of expressing an opinion about the efficiency of the Company's internal control procedures.
- consider whether the accounting principles applied are appropriate, and assess whether the accounting estimates and accompanying notes prepared by management are reasonable.
- arrive at a conclusion, based on the audit-related documentation that we have obtained, regarding the appropriateness of management's use of the going concern assumption, and whether there is material uncertainty linked to events or circumstances that may raise doubts as to the Company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required in the Auditor's Report to draw the reader's attention to supplementary information provided in the Financial Statements or, if said information is inadequate, to modify our conclusion regarding the Financial Statements and the Board of Directors' Report. Our conclusions are based on audit-related documentation obtained by us up until the date of issue of the Auditor's Report. However, subsequent events or circumstances may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the Financial Statements, including supplementary information, and assess whether they provide a true reflection of underlying transactions and events.

We communicate with those persons who have overall responsibility for governance and control procedures on matters such as the planned scope of the audit and at what time the audit procedures should be carried out. We also exchange information regarding any findings of significance that we discover during the audit, including any material shortcomings in relation to internal control procedures.

Statement concerning other statutory requirements

Conclusion regarding the Board of Directors' Report

On the basis of our audit of the Financial Statements as described above, we are of the opinion that the information contained in the Board of Directors' Report regarding the Financial Statements and the going concern assumption is consistent with the Financial Statements themselves, and in compliance with prevailing legislation and statutory regulations.

Conclusion regarding recording and documentation

On the basis of our audit of the Financial Statements as described above, and the control procedures that we have deemed it necessary to carry out in accordance with the International Standard on Assurance Engagements (ISAE) 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information", it is our opinion that management has met its obligations to ensure a clear and well-ordered record and documentation of the Company's accounting information in compliance with prevailing legislation and good Norwegian book-keeping practice.

Trondheim, 23 March 2017. Deloitte AS

Mette Estenstad,
State Authorised Auditor