Q1

Report for the
THREE MONTHS
ended 31 March 2024

Orrön Energy AB (publ)
company registration number 556610-8055

orrön energy

Highlights

- Power generation in the first quarter amounted to 274 GWh, which is a record high quarterly production for the Company.
- Sale of the 50 percent interest in the non-core Leikanger hydropower plant in April 2024 for MEUR 53, demonstrating the value of the Company's underlying asset base and enabling recycling of capital into higher return opportunities.
- Acquired a greenfield portfolio in January 2024 of up to 180 MW of wind and battery projects in Finland, with land secured for all wind turbine locations and initiation of the first permitting process during the first quarter.
- Continued to mature the greenfield portfolio, including signing binding land agreements for the first 500 MW of solar and battery projects in Germany and progressing pre-permit work in Germany and in the UK.

Consolidated financials - 3 months

- Cash flows from operating activities amounted to MEUR 3.0.

Proportionate financials – 3 months

- Achieved electricity price amounted to EUR 49 per MWh, resulting in proportionate EBITDA of MEUR 5.1.
- Proportionate net debt of MEUR 91.2, with significant liquidity headroom available through the MEUR 190 revolving credit facility.
- Increased liquidity headroom by MEUR 30 following the sale of the Leikanger hydropower plant in April 2024.

Financial Summary

Orrön Energy owns renewables assets directly and through joint ventures and associated companies and is presenting proportionate financials to show the net ownership and related results of these assets. The purpose of the proportionate reporting is to give an enhanced insight into the Company's operational and financial results.

Expressed in MEUR	1 Jan 2024- 31 Mar 2024 3 months	1 Jan 2023- 31 Mar 2023 3 months	1 Jan 2023- 31 Dec 2023 12 months
Consolidated financials			
Revenue	12.3	11.4	28.0
EBITDA	3.1	4.6	-5.1
Operating profit (EBIT)	-1.0	1.6	-17.0
Net result	-2.6	0.0	-7.6
Earnings per share – EUR	-0.01	0.00	-0.03
Earnings per share diluted – EUR	-0.01	0.00	-0.03
Proportionate financials[1]			
Power generation (GWh)	274	214	765
Average price achieved per MWh – EUR	49	66	47
Revenue	13.5	14.0	36.2
EBITDA	5.1	6.7	5.3
Operating profit (EBIT)	0.0	2.6	-11.0

[1] Proportionate financials represent Orrön Energy's proportionate ownership (net) of assets and related financial results, including joint ventures. For more details see section Key Financial Data.

All numbers and updates in this report relate to the three-month period ending 31 March 2024, unless otherwise specified. Amounts from the same period previous year are presented in brackets. References to "Orrön Energy" or "the Company" pertain to the Group in which Orrön Energy AB (publ) is the Parent Company or to Orrön Energy AB (publ), depending on the context.

In January, the investment in Leikanger kraft was reclassed from assets in associates and joint ventures to asset held for sale and does not impact the financial and operational results for the reporting period.

Orrön Energy is an independent, publicly listed (Nasdaq Stockholm: "ORRON") renewable energy company within the Lundin Group of Companies. Orrön Energy's core portfolio consists of high quality, cash flow generating assets in the Nordics, coupled with greenfield growth opportunities in the Nordics, the UK, Germany and France. With significant financial capacity to fund further growth and acquisitions, and backed by a major shareholder, management and Board with a proven track record of investing into, leading and growing highly successful businesses, Orrön Energy is in a unique position to create shareholder value through the energy transition.

Words from the CEO

We continued to deliver against our strategy in the first quarter 2024, with revenue growth supported by strong operational performance and higher electricity prices. Notwithstanding the exclusion of the Leikanger asset, following its reclassification to asset held for sale in January, we achieved the Company's highest quarterly power generation of 274 GWh, with good uptime across our asset base and Karskruv online for the full quarter. I am very pleased to see that Karskruv delivered high availability during its first months of operation, and this asset will continue to contribute significant long-term cash flow to the business. We achieved prices of almost EUR 50 per MWh for the quarter, with electricity prices at higher levels at the beginning of the quarter, then impacted by lower prices in March as energy demand eased and Europe filled its gas storage facilities towards the end of the winter months.

We announced the sale of the Leikanger asset in April and the sales price clearly demonstrates the underlying value and attractiveness of our assets to external buyers, and the gap between our share price and the value of our assets. We are always focussed on the best ways to create value and through this divestment we have successfully unlocked significant value from a non-core asset at an attractive price, enabling us to recycle capital into higher return projects. The estimated free cash flow from Leikanger for 2024 was approximately MEUR 2.5 (assuming an achieved price of around EUR 50 per MWh) and the sales price of MEUR 53 represents more than 20 years of undiscounted free cash flow. The proceeds from the sale strengthens our balance sheet, increases our financial capacity to fund growth and enables us to create more value for shareholders over the long term. Following the sale of Leikanger, we are reducing our estimated annual power generation for 2024 from 1,100 GWh to 1,000 GWh.

Maturing our Development Portfolio
During the quarter, we continued to mature our pipeline of onshore wind, solar and battery storage projects and to add more early-stage projects into our Swedish portfolio. At the end of the first quarter, we had received approved building permits for 37 MW of battery projects in Sweden. We acquired a Finnish portfolio of projects, where land has been secured and the permitting process has already been initiated for the largest project. Our development teams continue to lay the foundations for future growth, where, having already secured over 30 GW of grid capacity in the UK, we have secured exclusive access and binding land agreements on multiple projects in the UK and Germany. Given the scarcity of large-scale projects across these countries and the low breakeven cost of our onshore portfolio, I expect these projects to deliver material value for the Company as we monetise projects at key milestones.

Power generation and financial performance
We delivered in line with our expenditure guidance and achieved proportionate revenues of MEUR 13.5, proportionate EBITDA of MEUR 5.1 and ended the period with a proportionate net debt position of MEUR 91.2. In the beginning of 2024, we increased our revolving credit facility from MEUR 150 to MEUR 190. Following completion of the Leikanger sale in early May, our finance facility reduced to MEUR 170 and combined with the sale proceeds of MEUR 53, this leads to a MEUR 30 increase in our liquidity headroom to MEUR 130, giving us ample firepower for acquisitions and growth.

Starting the year in a strong position
We delivered our highest quarterly power generation, good financial results and good progress on our development pipeline. Our focus remains unchanged, creating long-term value for shareholders, and the sale of Leikanger is a perfect example of this and allows us to recycle capital into higher return opportunities. Looking forward, we will continue maturing and growing our project portfolio, adding organic growth opportunities into our pipeline and I am confident that we will be able to continue executing on value accretive opportunities going forwards.

Daniel Fitzgerald

CEO

Power generation outlook

Orrön Energy's operating portfolio consists of high-quality, cash generating renewable energy assets in the Nordics. The proportionate power generation amounted to 274 GWh for the first quarter, which was in line with expectations and represented the Company's highest quarterly power generation. Following the sale of the Leikanger hydropower plant, the Company's estimated proportionate power generation for 2024 has been adjusted from 1,100 GWh to 1,000 GWh, which assumes average long-term meteorological conditions and operational performance.

Guidance

The Company's guidance for 2024 remains unchanged, with lower operating expenses following the divestment of Leikanger being offset by higher grid tariff costs in Sweden. The Company delivered in line with guidance for the reporting period. Full-year 2024 guidance for operating expenses is between MEUR 15–17, where a portion of the operating expenses will vary based on electricity prices and produced volumes. The G&A expense guidance is MEUR 9, and guidance for legal costs in relation to the defence of the Company and its former representatives in the Sudan legal case is MEUR 8. Capital expenditure guidance is MEUR 14 and mainly relates to capital allocated to greenfield activities.

Guidance[1]	Guidance 2024	Actuals Q1 2024
Operating expenses	MEUR 15–17	MEUR 4
G&A expenses[2]	MEUR 9	MEUR 2
Sudan legal costs[3]	MEUR 8	MEUR 2
Capital expenditure	MEUR 14	MEUR 2

[1]Guidance is presented based on proportionate (net) ownership in assets and related financial results.
[2]Excludes non-cash items and costs in relation to the Sudan legal case.
[3]Legal costs in relation to the defence of the Company and its former representatives in the Sudan legal case. These costs are included in the G&A expenses line item in the consolidated income statement. More information about the case can be found in the section Contingent liabilities.

Operational assets

The Company's proportionate power generation amounted to 274 GWh for the quarter, which was in line with expectations.

Realised electricity price amounted to EUR 49 per MWh for the quarter, out of which EUR 2 per MWh related to income from guarantees of origin and EUR 1 per MWh positive impact from historical hedges linked to acquired companies. The Company is awarded and sells guarantees of origin for all of its power generation, certifying that the electricity has been produced from renewable energy sources. The weighted average regional electricity price for the Company's power generation during the quarter amounted to EUR 61 per MWh, and the Nordic system price averaged EUR 58 per MWh. The variance to the Company's realised electricity price is explained by 'capture price discounts', which occur in any given period where a majority of power is generated during periods of low prices relative to the average spot price for the same period.

Proportionate operating expenses amounted to MEUR 4.0 for the quarter, which was in line with guidance.

Sweden

The Company has a diversified portfolio consisting of ownership in 220 operational wind turbines in more than 50 sites across Sweden, which have an estimated proportionate annual power generation in 2024 of around 800 GWh and a total net installed capacity of around 300 MW. A majority of the assets are situated in the SE3 and SE4 price areas. Power generation from the Swedish portfolio was in line with expectations during the quarter.

The largest producing asset in the Swedish portfolio is the Karskruv wind farm, which was completed and taken over for commercial operations at the end of November 2023. Karskruv has an estimated annual power generation of 290 GWh, which is generated from 20 Vestas turbines with a total installed capacity of 86 MW. The project has an availability warranty in place, which guarantees the availability of the turbines through their operational life of approximately 30 years and gives the Company protection against downtime and outages. The wind farm is situated in the SE4 price area. Karskruv contributed with one full quarter of production for the first quarter, with good availability and production above expectations.

Another large production hub for the Company is situated at Näsudden on Gotland, which is a pioneering region for wind power in Sweden and where the Company has its operational office. The production hub consists of ownership in five wind farms, with a combined power generation of around 150 GWh. The Näsudden hub is situated in the SE3 price region.

Finland

The Company owns 50 percent of the Metsälamminkangas (MLK) wind farm and 100 percent of a 9 GWh wind farm located in Hanko in Finland. MLK has an estimated gross annual power generation of around 400 GWh, which is generated from 24 GE turbines with a total installed capacity of 132 MW. The wind farm has an estimated operational life of around 30 years and has been in operation since the end of March 2022. An availability warranty is in place, which guarantees the availability of the turbines through their operational life and gives the Company protection against downtime and outages.

In February 2024, a fire occurred at one wind turbine at MLK, which was safely managed with no personal injury or material environmental impact. A full root cause investigation was initiated immediately and is currently ongoing and the root cause is likely a faulty electrical connection linked to the de-icing system in the affected blade. Inspections and preventative actions have been taken across all turbines in the wind farm, which remain operational, and the production outage linked to the single turbine will have a very limited impact on the Company's power generation. The turbine is expected to be fully repaired and associated costs and lost production are covered under warranties from the turbine supplier.

Power generation from MLK was below expectation during the quarter, primarily due to weak wind speeds in March, but also impacted by slightly lower availability than expected, related to the fire and investigation. Production losses due to availability are covered through the availability warranty from the turbine supplier.

Norway

At the end of the reporting period, the Company owned 50 percent of the 77 MW Leikanger hydropower plant in Norway. In April 2024, the Company entered into an agreement to sell its ownership in the company owning the Leikanger hydropower plant to the existing partner Sognekraft Produksjon AS ("Sognekraft") for an enterprise value of MNOK 613, approximately MEUR 53, with an effective date of 1 January 2024. The sale of the Leikanger hydropower plant allows the Company to recycle capital from a non-core asset and focus on accretive acquisitions and investment opportunities across its operating and greenfield businesses. Following the transaction, financial and operational results for the reporting period are presented without the inclusion of Leikanger and the hydropower plant was reclassified as an asset held for sale as per 1 January 2024 in the balance sheet.

Project Pipeline

During the quarter, the Company has taken further steps to develop its growth platforms in the Nordics, the UK, Germany and France, and continued to mature a long-term pipeline of projects. This includes laying the foundation for greenfield project developments in onshore wind, solar and battery storage solutions and maturing growth opportunities in the operational portfolio. The Company has established a presence in all stages of the renewable lifecycle and will continue to advance its project pipeline.

Greenfield projects

The Company is maturing a 40 GW portfolio of early-stage greenfield projects in onshore wind, solar and battery projects in the Nordics, the UK, Germany and France. These countries have high ambitions to increase renewable generation and represent attractive markets for developers with strong regulatory support, high electricity prices, low political and operational risk and a robust investor universe. The Company's greenfield business is led by experienced development teams, with a proven track-record in greenfield project origination and development in these markets. Final project realisation will be dependent on a number of factors, such as permitting, fulfilment of projects milestones and commercial viability. The Company will seek to monetise projects throughout the value chain, depending on market conditions at the time. For the largest projects, the strategy will be to divest prior to incurring significant development and construction costs.

Nordics

In the Nordics, the Company is progressing a range of stand-alone and co-located project opportunities, ranging from early-stage projects in the screening phase, through to projects with construction permits in place moving towards investment decisions. This allows the Company to organically grow its portfolio, optimise power generation and crystalise further value from its operational assets, which includes projects aimed at extending asset lifetimes, re-powering and consolidation of ownership shares. The co-located project opportunities enable the Company to optimise the grid utilisation, provide ancillary services and enable new revenue streams, through adding complementary technology of solar and battery storage solutions to existing wind power facilities.

In Sweden, the Company has established a portfolio of greenfield project opportunities ranging from early-stage to permitted projects, totalling over 500 MW across wind, solar and battery projects. In the first quarter, the Company secured a further 17 MW of building permits for battery projects, bringing the total permits granted from 20 MW at the end of 2023 to 37 MW at the end of the first quarter 2024. The Company's first stand-alone battery project, the 1 MW Vilhelmina project, is currently under construction and is expected to be operational in the second half of 2024.

In Finland, the Company has acquired a greenfield portfolio, consisting of four wind and battery projects with an initial estimated installed capacity of up to 180 MW. The greenfield projects are at an early-stage, and the Company aims to reach the ready-to-build stage in 2027. Land agreements have been secured for all planned wind turbine locations. During the first quarter, the permitting process for the largest project was initiated.

The Company is working towards having the Company's largest wind farms, MLK and Karskruv, set up to provide ancillary services to the grid. During the first quarter, MLK obtained approval from the transmission system operator, and the expectation is that the service will start to be delivered in the second quarter. Further steps to qualify Karskruv have been taken during the first quarter, and the services are expected to be operational in 2024.

Operational review

UK, Germany and France

The Company is progressing project opportunities from its onshore development portfolio of solar and battery projects in the UK, Germany and France. The large-scale nature of the projects means the projects are attractive for large landowners and enables the Company to secure land further away from each substation location.

In the UK, the Company has secured a portfolio of grid connections with a capacity of 24 GW for solar projects and 12 GW for co-located battery projects, with expected grid energisation dates between 2030 and 2040. The grid connections are located in favourable areas for development, based on extensive screening of key criteria such as irradiation, grid capacity, land availability and constraint mapping. The UK has a high permitting success rate for projects and, in addition, large-scale projects benefit from increased regulatory support as nationally significant infrastructure projects (NSIP). Having already secured grid connections, the Company has secured multiple land exclusivity agreements in 2024 and is in negotiations to secure land rights for other projects.

In Germany, the Company has initiated land acquisition work in targeted regions which have been chosen based on a range of key criteria, such as irradiation, grid capacity and land availability. The Company has successfully originated a pipeline of around 3 GW of solar and battery projects. During the quarter, the Company has secured binding land agreements for 500 MW of solar and battery projects and initiated additional pre-permit work to reach the ready-to-permit stage.

In France, the Company has carried out early-stage land availability studies as well as high level grid surveys. The Company has also identified key areas based on irradiation, land availability and grid capacity and is working to secure land for its first projects.

Transactions

Orrön Energy's strategy is to invest in renewable energy projects and pursue value accretive opportunities in the energy transition to grow and optimise its portfolio.

In January 2024, the Company entered into an agreement to acquire a greenfield portfolio consisting of four wind and battery development projects in Finland, with a total installed capacity of up to 180 MW.

Transactions after reporting period end

In April 2024, the Company entered into an agreement to sell its 50 percent interest in the company owning the Leikanger hydropower plant for an enterprise value of MNOK 613, approximately MEUR 53, to the existing partner Sognekraft. The transaction completed in early May 2024.

Sustainability

Sustainability is at the core of Orrön Energy's business as a pure play renewables company and constitutes an important cornerstone of the Company's long-term shareholder value creation. The Company owns and operates renewable assets in a safe and responsible manner, with a long-term horizon for the benefit of all its stakeholders.

Climate change is one of the biggest challenges of our time, and the world needs to transition to energy sources with lower greenhouse gas emissions, such as renewable energy, if we are to limit global warming in line with the Paris Agreement. The energy transition is backed by firm targets set by the EU, which will require a significant increase of renewable energy generation, with wind and solar power being highlighted as crucial to achieve these objectives. Orrön Energy is directly contributing to the achievement of these goals by investing in and increasing the supply of renewable energy in its countries of operation. The demand for clean energy is set to increase, and Orrön Energy is committed to continue investing in renewable power generation and technologies to drive the energy transition, for a clean and sustainable energy future.

Orrön Energy's approach to sustainability is aligned with the UN Sustainable Development Goals, in particular Goal 7 on Affordable and Clean Energy, Goal 13 on Climate Action and Goal 15 on Life on Land, which underpins the way in which the Company conducts its business. This ensures that the business delivers lasting value for all its stakeholders. The Company also actively supports the UN Global Compact's 10 Principles on human rights, labour standards, environment and anti-corruption. Orrön Energy is developing biodiversity enhancement projects in areas around its renewable assets, such as targeted projects aiming to increase biodiversity, planting of wildflowers to stimulate the growth of bee populations, wildlife monitoring systems and grazing projects in collaboration with local farming communities. In addition, the Company considers strong community engagement as essential to its business success and is collaborating with several local organisations to support and contribute to the local communities around its assets. Environmental aspects and community engagements are key considerations throughout the assets' operational life. The Company was awarded with Prime Status by ISS ESG in 2023, one the world's largest ESG rating agencies.

Health and safety of people and the environment are core priorities for the business and the Company has procedures in place to identify and mitigate risks, including investigation and reporting of incidents and accidents. During the first quarter, a fire occurred at one wind turbine, which was safely managed with no personal injury or material environmental impact. Preventative measures were taken and a full root cause investigation was initiated immediately and is currently ongoing, and the root cause is likely a faulty electrical connection linked to the de-icing system in the affected blade. There were no recordable health and safety incidents during the quarter.

Financial Review

Changes in the Group

There have been no significant changes in the Group during the reporting period.

In April 2024, the Company entered into an agreement to sell its 50 percent interest in the company owning the Leikanger hydropower plant for an enterprise value of MNOK 613, approximately MEUR 53, to the existing partner Sognekraft. The transaction completed in early May 2024. In January, this investment was reclassed in the balance sheet, from investment in associates and joint ventures to asset held for sale. Consolidated and proportionate financials are presented exclusive of the Leikanger hydropower plant for the reporting period as the results generated from this asset during January were not material.

Revenue and results – Consolidated financials

EBITDA for the reporting period amounted to MEUR 3.1 compared to MEUR 4.6 in the same period the previous year and was mainly impacted by lower electricity prices, partly offset by increased power generation following the takeover of Karskruv wind farm for commercial operations at the end of November 2023. As a result of the reclassification of the Company's 50 percent interest in the company owning the Leikanger hydropower plant, from investment in associates and joint ventures to asset held for sale, no share in result from associates and joint ventures has been recognised for this asset during the reporting period. The results generated from this asset during January before the reclassification were not material.

Operating expenses

Operating expenses amounted to MEUR 3.9 (MEUR 3.5) for the reporting period and were mainly impacted by the takeover of the Karskruv wind farm for commercial operations at the end of November 2023, which is now contributing fully to the Company's results.

General and administration expenses

General and administration expenses amounted to MEUR 4.8 (MEUR 4.3) for the reporting period, including MEUR 2.0 (MEUR 1.9) for legal and other fees incurred for the defence of the Company and its former representatives in the Sudan legal case. A non-cash expense of MEUR 0.8 (MEUR 0.6) relating to long-term incentive plans is part of the overall general and administration expenses recorded during the reporting period.

Share in result from associates and joint ventures

Share in result from associates and joint ventures amounted to MEUR -0.6 (MEUR 0.8) for the reporting period and is detailed in note 2. As a result of the reclassification of the Company's 50 percent interest in the Leikanger hydropower plant, no share in result from associates and joint ventures has been recognised for this asset during the reporting period. The result generated from this asset during January before the reclassification was not material. Orrön Energy's portion of the results in the 50 percent owned joint venture MLK wind farm amounted to MEUR -0.5 (MEUR 0.8). Share in result from other associates and joint ventures amounted to MEUR -0.1 (MEUR 0.1). Associates and joint ventures are consolidated through the equity method and the net result of these entities is therefore recognised as a single line item in the income statement.

Net financial items

Finance income amounted to MEUR 1.6 (MEUR 1.9) for the reporting period and is detailed in note 3. Interest income of MEUR 1.6 (MEUR 1.3) related to loans to joint ventures. Other finance income of MEUR 0.6 which was recognised in the same period previous year reflected a financial gain representing the variation in market value of historical hedges entered into by acquired companies.

Finance costs amounted to 3.4 (MEUR 3.6) for the reporting period and are detailed in Note 4. The net foreign exchange loss amounted to MEUR 1.4 (MEUR 2.6). Foreign exchange movements occur on the settlement of transactions denominated in foreign currencies and the revaluation of working capital and loan balances to the prevailing exchange rate at the balance sheet date where those monetary assets and liabilities are held in currencies other than the functional currencies of the Group's entities. Orrön Energy is exposed to exchange rate fluctuations relating to the relationship between Euro and other currencies. The net foreign exchange loss related mainly to the revaluation of external loans and intercompany loan balances, denominated in other currencies than the functional currency of the Group company providing the financing. Interest expenses amounted to MEUR 1.7 (MEUR 0.8) and related to the Group's external loans. Other finance costs amounted to MEUR 0.3 (MEUR 0.2) and represented mainly fees and other costs in relation to the Company's revolving credit facility, with the comparative period also impacted by fees and other costs in connection with acquisitions made.

Financial Review

Revenue and results - Proportionate financials

In addition to the consolidated financial reporting in line with IFRS, the Group provides proportionate financial reporting, which forms part of the alternative performance measures that the Group presents. Proportionate reporting is aligned with the Group's internal management reporting, analysis and decision making.

Proportionate financials represent Orrön Energy's proportionate share of all the entities in which the Group holds an ownership. This is different to the consolidated financial reporting under IFRS, where the results from entities in which the Group holds an ownership of 50 percent or less are not fully consolidated but instead reported on one line, as share in result from associates and joint ventures. All entities in which the Group holds an ownership of more than 50 percent are fully consolidated in the financial reporting presented under IFRS.

Proportionate financials MEUR	**1 Jan 2024- 31 Mar 2024 3 months**	1 Jan 2023- 31 Mar 2023 3 months	1 Jan 2023- 31 Dec 2023 12 months
Power generation (GWh)	274	214	765
Average price achieved per MWh – EUR	49	66	47
Revenue	**13.5**	14.0	36.2
Other income	0.4	0.1	0.8
Operating expenses	-4.0	-3.1	-13.5
G&A expenses[1]	-4.8	-4.3	-18.2
EBITDA	**5.1**	6.7	5.3
Depreciation	-5.1	-4.1	-16.3
Operating profit/loss (EBIT)	**0.0**	2.6	-11.0

[1] Includes legal and other fees of MEUR 2.0 (MEUR 1.9) incurred for the defence of the Company and its former representatives in the Sudan legal case and a non-cash expense for long-term incentive plans of MEUR 0.8 (MEUR 0.6) for the reporting period.

Proportionate revenues amounted to MEUR 13.5 (MEUR 14.0) for the reporting period and were mainly impacted by lower electricity prices, partly offset by increased power generation following the takeover of Karskruv wind farm for commercial operations at the end of November 2023. The Leikanger hydropower plant contributed with MEUR 0.4 to the Group's revenues in the comparative period and as a result of the reclassification of the Company's 50 percent interest in the Leikanger hydropower plant from investment in associates and joint ventures to asset held for sale, no share in the results from this asset has been recognised for the reporting period. The results generated during January before the reclassification were not material.

EBITDA amounted to MEUR 5.1 (MEUR 6.7) for the reporting period and was mainly impacted by higher operating expenses and lower electricity prices, partly offset by increased power generation following the takeover of Karskruv wind farm for commercial operations at the end of November 2023.

Proportionate operating expenses amounted to MEUR 4.0 (MEUR 3.1) for the reporting period with the increase compared to the same period previous year mainly explained by the takeover of the Karskruv wind farm for commercial operations at the end of November 2023.

The Group operates in various countries and fiscal regimes where corporate income tax rates are different from the regulations in Sweden. Corporate income tax rates for the Group vary between 13.7 and 20.6 percent for the majority of the business in 2024.

Cash flow and investments – Consolidated financials

Cash flow

Net cash flows from operating activities amounted to MEUR 3.0 (MEUR 16.6) for the reporting period. The positive cash flows from operating activities in the same period previous year included dividend payments from joint ventures of MEUR 9.9.

Investments

Cash flows from investing activities amounted to MEUR -1.9 (MEUR -16.8), out of which MEUR -1.9 (MEUR -13.0) related to investments in the renewable energy business. The same period previous year was impacted by MEUR -3.8 from the acquisition of the remaining 3.5 percent of the shares in Orrön Energy Sweden and acquisitions of additional ownership in companies and wind farms in Sweden.

Financing and liquidity – Consolidated financials

In January 2024, the Company exercised a portion of the accordion option and increased its three-year revolving credit facility, entered into in 2023, from MEUR 150 to MEUR 190, adding further capacity to fund future growth. The commercial terms of the facility are unchanged and include a floating interest rate margin of 1.8 percent above the reference interest rate for the borrowed currency. Following the transaction to sell the Company's interest in the company owning the Leikanger hydropower plant, which completed in early May 2024, the revolving credit facility was reduced from MEUR 190 to MEUR 170.

Financial Review

Interest bearing loans and borrowings amounted to MEUR 110.4 compared to MEUR 114.7 at year-end 2023 and related mainly to an outstanding loan of MEUR 107.9 (MEUR 112.0), which has been drawn under the Group's revolving credit facility. Interest bearing loans and borrowings also included a long-term loan of MEUR 2.5 (MEUR 2.7) taken up by a subsidiary.

The Company's net debt amounted to MEUR 92.3 compared to MEUR 93.7 at year-end 2023.

Other current financial liabilities amounted to MEUR 0.6 compared to MEUR 0.8 at year-end 2023 and related to a short-term loan, with less than twelve months maturity, which is held by a subsidiary.

Cash and cash equivalents amounted to MEUR 18.7 compared to MEUR 21.8 at year-end 2023.

Subsequent events

In April 2024, the Company entered into an agreement to sell its 50 percent interest in the company owning the Leikanger hydropower plant for an enterprise value of MNOK 613, approximately MEUR 53, to the existing partner Sognekraft. The transaction completed in early May 2024.

Other Information

Parent Company

The business of the Parent Company is to invest in and manage operations within the renewable energy sector as of 1 July 2022.

The Parent Company reported a net result of MSEK -40.4 (MSEK -43.5) for the reporting period, which was mainly impacted by general and administration expenses.

General and administration expenses amounted to MSEK 50.1 (MSEK 43.2), out of which MSEK 22.2 (MSEK 21.0) related to legal fees and other costs incurred for the defence of the Company and its former representatives in the Sudan legal case.

Contingent Liabilities

In November 2021, the Swedish Prosecution Authority brought criminal charges against former representatives of the Company in relation to past operations in Sudan from 1999 to 2003. The charges also included claims against the Company for a corporate fine of MSEK 3.0 and forfeiture of economic benefits of MSEK 2,381.3, which according to the Swedish Prosecution Authority represents the value of the gain of MSEK 720.1 that the Company made on the sale of an asset in 2003. The Company refutes that there are any grounds for allegations of wrongdoing by any of its former representatives and sees no circumstance in which a corporate fine or forfeiture could become payable. The claim for forfeiture of economic benefits was increased from MSEK 1,391.8 by the Swedish Prosecution Authority in August 2023. This latest increase to the claimed forfeiture amount means that the Prosecutor has presented three completely different amounts, based on three different methodologies, over the past five years, raising serious questions about the substance and credibility of the Prosecutor's claim. It is obvious that the methodology used by the Prosecutor to arrive at the claimed forfeiture amount is fundamentally flawed, leading to an unreasonable forfeiture claim which has no basis in law and is highly speculative. Any potential corporate fine or forfeiture of economic benefits would only be imposed after an adverse final conclusion of the case against former representatives of the Company. The trial at the Stockholm District Court started in September 2023 and is expected to last until February 2026. The Company considers this to be a contingent liability and therefore no provision has been recognised.

As part of the IPC spin-off that was completed on 24 April 2017, the Company had indemnified IPC for certain legal proceedings related to the period before the spin-off concerning Indonesian land and building tax assessed for the fiscal years 2012 and 2013. The legal proceedings have been concluded for the fiscal year 2012 and did not lead to any liability for IPC, nor the Company. In early 2024, the Company acquired from IPC the entity subject to the claim for 2013 and the indemnity to IPC was extinguished. The Company has not recognised any provision in relation hereto as it does not believe it is probable that the claim will lead to any liability for the Company.

A portion of the Company's past operations was held through a Canadian holding structure when acquired back in 2006. The tax filings in Canada since 2006 in relation to both corporate income tax and withholding tax are under review by the Canadian Tax Office. All tax has been paid in relation to these tax filings and no provision has been recognised.

Share Data

Share capital

The Company's issued share capital amounted to SEK 3,478,713 represented by 285,924,614 shares with a quota value of SEK 0.01 each (rounded off).

The Board has proposed to the AGM that no dividend will be paid to the shareholders for the financial year 2023.

Remuneration

The Policy on Remuneration and details of long-term incentive plans ("LTIP") are provided on www.orron.com.

Employee LTIPs

A long-term share-related incentive plan in the form of a share option plan for members of Group management and other employees of the Company was approved by the 2022 EGM ("Employee LTIP 2022"), with the aim of aligning the interests of the members of Group management and other employees with the interests of the shareholders, as well as to provide market appropriate reward for a new business focused on growth, reflecting continuity, commitment and share price appreciation. The Board believes that the Employee LTIP 2022 provides the Company with a crucial component to a competitive total compensation package to attract and retain employees who are critical to the Company's future. In order to secure the Company's obligations under the Employee LTIP 2022, the Company has issued 8,560,000 warrants.

A similar plan was approved by the 2023 AGM ("Employee LTIP 2023"). In order to secure the Company's obligations under the Employee LTIP 2023, the 2023 AGM resolved to approve that the Company enters into an equity swap arrangement with a third party, whereby the third party in its own name shall be entitled to acquire and transfer shares (including to the participants) in accordance with the terms and conditions of Employee LTIP 2023. The equity swap arrangement was concluded during the second quarter 2023.

The Employee LTIPs are described in detail in Note 23 on page 60 of the 2023 Annual and Sustainability Report and on pages 3 and 4 of the 2023 Remuneration Report.

Board LTIP

The 2022 EGM resolved to approve a one-off long-term share-related incentive plan for members of the Board ("Board LTIP 2022") in the form of a share option plan.

Other Information

The Company has secured its obligations under the Board LTIP 2022 by entering into an equity swap arrangement with a third party, whereby the third party in its own name shall be entitled to acquire and transfer shares (including to the participants) in accordance with the plan.

The Board LTIP is described in detail in Note 23 on page 60 of the 2023 Annual and Sustainability Report and on page 6 of the 2023 Remuneration Report.

Exchange rates

For the preparation of the financial statements, the following currency exchange rates have been used.

	31 Mar 2024		31 Mar 2023		31 Dec 2023	
	Average	**Period end**	**Average**	**Period end**	**Average**	**Period end**
1 EUR equals SEK	11.2796	11.5250	11.2017	11.2805	11.4728	11.0960
1 EUR equals NOK	11.4186	11.6990	10.9847	11.3940	11.4244	11.2405
1 EUR equals GBP	0.8562	0.8551	0.8832	0.8792	0.8699	0.8691
1 EUR equals CHF	0.9495	0.9766	0.9925	0.9968	0.9717	0.9260

Stockholm, 14 May 2024

Daniel Fitzgerald
CEO

Consolidated Income Statement

MEUR	Note	**1 Jan 2024-31 Mar 2024 3 months**	1 Jan 2023-31 Mar 2023 3 months	1 Jan 2023-31 Dec 2023 12 months
Revenue		12.3	11.4	28.0
Other income		0.1	0.2	0.4
Operating expenses		-3.9	-3.5	-12.6
General and administration expenses		-4.8	-4.3	-18.2
Depreciation		-4.1	-3.0	-11.9
Share in result of associates and joint ventures	2	-0.6	0.8	-2.7
Operating profit/loss		**-1.0**	1.6	-17.0
Finance income	3	1.6	1.9	6.3
Finance costs	4	-3.4	-3.6	-8.4
Net financial items		**-1.8**	-1.7	-2.1
Profit/loss before income tax		**-2.8**	-0.1	-19.1
Income tax	5	0.2	0.1	11.5
Net result		**-2.6**	0.0	-7.6
Attributable to:				
Shareholders of the Parent Company		-2.4	-0.6	-8.0
Non-controlling interest		-0.2	0.6	0.4
		-2.6	0.0	-7.6
Earnings per share – EUR[1]		-0.01	0.00	-0.03
Earnings per share diluted – EUR[1]		-0.01	0.00	-0.03

[1] Based on net result attributable to shareholders of the Parent Company.

Consolidated Statement of Comprehensive Income

MEUR	**1 Jan 2024-31 Mar 2024 3 months**	1 Jan 2023-31 Mar 2023 3 months	1 Jan 2023-31 Dec 2023 12 months
Net result	**-2.6**	0.0	-7.6
Items that may be subsequently reclassified to profit or loss:			
Exchange differences foreign operations	-6.9	-6.4	4.5
Other comprehensive income, net of tax	-6.9	-6.4	4.5
Total comprehensive income	**-9.5**	-6.4	-3.1
Attributable to:			
Shareholders of the Parent Company	-9.3	-7.0	-3.6
Non-controlling interest	-0.2	0.6	0.5
	-9.5	-6.4	-3.1

Consolidated Balance Sheet

MEUR	Note	31 March 2024	31 December 2023
ASSETS			
Non-current assets			
Property, plant and equipment		284.7	295.2
Investment in associates and joint ventures		13.2	34.0
Deferred tax assets		37.8	39.3
Other non-current financial assets	8	94.7	95.5
		430.4	464.0
Current assets			
Asset held for sale		19.3	–
Other current assets		6.8	7.5
Trade receivables	8	1.1	1.7
Other current financial assets	8	7.9	5.7
Cash and cash equivalents	8	18.7	21.8
		53.8	36.7
TOTAL ASSETS		**484.2**	500.7
EQUITY AND LIABILITIES			
Equity			
Shareholders' equity		**344.5**	353.4
Non-current liabilities			
Interest bearing loans and borrowings	8	110.4	114.7
Deferred tax liability		15.1	15.9
Provisions		3.0	3.0
		128.5	133.6
Current liabilities			
Trade and other payables	8	10.5	12.7
Current tax liabilities		0.1	0.2
Other current financial liabilities	8	0.6	0.8
		11.2	13.7
TOTAL LIABILITIES		**139.7**	147.3
TOTAL EQUITY AND LIABILITIES		**484.2**	500.7

Consolidated Statement of Cash Flows

MEUR	Note	**1 Jan 2024-31 Mar 2024 3 months**	1 Jan 2023-31 Mar 2023 3 months	1 Jan 2023-31 Dec 2023 12 months
Cash flows from operating activities				
Net result		-2.6	0.0	-7.6
Adjustments for items not included in the cash flow	9	6.9	4.6	8.1
Interest received		1.2	1.2	4.7
Interest paid		-1.6	-0.7	-3.7
Income taxes paid		–	–	-0.2
Distributions received		–	9.9	13.1
Distributions paid to non-controlling interest		–	–	-0.3
Changes in working capital		-0.9	1.6	1.4
Total cash flows from operating activities		**3.0**	16.6	15.5
Cash flows from investing activities				
Investment in renewable energy business[1]		-1.9	-13.0	-72.3
Acquisition of subsidiary net of cash		–	-3.8	-6.7
Investment in other fixed assets		–	–	-0.1
Total cash flows from investing activities		**-1.9**	-16.8	-79.1
Cash flows from financing activities				
Net drawdown/repayment of credit facility		-3.4	10.7	59.0
Financing fees paid		-0.3	–	-1.3
Total cash flows from financing activities		**-3.7**	10.7	57.7
Change in cash and cash equivalents		**-2.6**	10.5	-5.9
Cash and cash equivalents at the beginning of the period		21.8	26.9	26.9
Currency exchange difference in cash and cash equivalents		-0.5	-0.5	0.8
Cash and cash equivalents at the end of the period		**18.7**	36.9	21.8

[1]Includes acquisitions of renewable energy assets and funding of joint ventures.

Consolidated Statement of Changes in Equity

MEUR	Attributable to owners of the Parent Company					
	Share capital	Additional paid-in- capital/Other reserves	Retained earnings	Total	Non-controlling interest	**Total equity**
1 January 2023	**0.4**	**310.3**	**40.7**	**351.4**	**8.3**	**359.7**
Comprehensive income						
Net result	–	–	-8.0	-8.0	0.4	-7.6
Other comprehensive income	–	4.6	–	4.6	-0.1	4.5
Total comprehensive income	**–**	**4.6**	**-8.0**	**-3.4**	**0.3**	**-3.1**
Transactions with owners						
Non-controlling interests	–	–	–	–	-5.9	-5.9
Share based payments	–	–	2.7	2.7	–	2.7
Total transactions with owners	**–**	**–**	**2.7**	**2.7**	**-5.9**	**-3.2**
31 December 2023	**0.4**	**314.9**	**35.4**	**350.7**	**2.7**	**353.4**
Comprehensive income						
Net result	–	–	-2.4	-2.4	-0.2	-2.6
Other comprehensive income	–	-6.9	–	-6.9	–	-6.9
Total comprehensive income	**–**	**-6.9**	**-2.4**	**-9.3**	**-0.2**	**-9.5**
Transactions with owners						
Non-controlling interests	–	–	–	–	–	–
Share based payments	–	–	0.6	0.6	–	0.6
Total transactions with owners	**–**	**–**	**0.6**	**0.6**	**–**	**0.6**
31 March 2024	**0.4**	**308.0**	**33.6**	**342.0**	**2.5**	**344.5**

Notes to the consolidated financial statements

Note 1 – Accounting policies

This interim report has been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting and International Financial Reporting Standards (IFRS).

The Company has from 1 January 2023 changed its presentation currency from US dollar to Euro to better reflect the economic environment in which the Company operates. Assets and liabilities, for each period presented, have been translated at closing rate of the respective balance sheet date. Income and expenses for each period presented have been translated at average rate for the period and all resulting exchange differences have been recognised in other comprehensive income.

The accounting policies adopted are in all other aspects consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2023.

The financial reporting of the Parent Company has been prepared in accordance with accounting principles generally accepted in Sweden, applying RFR 2 Reporting for legal entities, issued by the Swedish Financial Reporting Board and the Annual Accounts Act (SFS 1995:1554).

The Parent Company's financial information is reported in Swedish krona.

Note 2 – Share in result of associates and joint ventures MEUR	**1 Jan 2024- 31 Mar 2024 3 months**	1 Jan 2023- 31 Mar 2023 3 months	1 Jan 2023- 31 Dec 2023 12 months
Metsälamminkangas Wind Oy (50%)	-0.5	0.8	-3.2
Leikanger Kraft AS (50%)	–	-0.1	0.3
Other	-0.1	0.1	0.2
	-0.6	0.8	-2.7

Note 3 – Finance income MEUR	**1 Jan 2024- 31 Mar 2024 3 months**	1 Jan 2023- 31 Mar 2023 3 months	1 Jan 2023- 31 Dec 2023 12 months
Foreign currency exchange gain, net	–	–	–
Interest income	1.6	1.3	5.9
Other	–	0.6	0.4
	1.6	1.9	6.3

Note 4 – Finance costs MEUR	**1 Jan 2024- 31 Mar 2024 3 months**	1 Jan 2023- 31 Mar 2023 3 months	1 Jan 2023- 31 Dec 2023 12 months
Foreign currency exchange loss, net	1.4	2.6	2.6
Interest expense	1.7	0.8	4.8
Other	0.3	0.2	1.0
	3.4	3.6	8.4

Note 5 – Income tax MEUR	**1 Jan 2024- 31 Mar 2024 3 months**	1 Jan 2023- 31 Mar 2023 3 months	1 Jan 2023- 31 Dec 2023 12 months
Current tax	0.0	–	-0.2
Deferred tax	0.2	0.1	11.7
	0.2	0.1	11.5

Notes to the consolidated financial statements

Note 6 – Related party transactions
Orrön Energy recognises the following related parties: associated companies, jointly controlled entities, key management personnel and members of their close family or other parties that are partly, directly or indirectly controlled by key management personnel or of its family or of any individual that controls, or has joint control or significant influence over the entity.

The Group has not entered into any material agreements with any related parties.

Note 7 – Risks and risk management
Orrön Energy pursues a business that is exposed to changes in energy prices, which in turn are dependent on macro-economic factors and geopolitical conditions. The Company's operations have an impact on the surrounding environment and operational processes are associated with occupational health and safety risks.

Risks and risk management are described in the 2023 Annual and Sustainability Report on pages 17–19 and are in all material aspects unchanged. Additional information on financial risks and information on how Orrön Energy manages these risks, including liquidity, credit and market risks are addressed in note 9 to the consolidated financial statements in the 2023 Annual and Sustainability Report.

Orrön Energy places risk management responsibility at all levels within the Company to continually identify, understand and manage threats and opportunities affecting the business. This enables the Company to make informed decisions and to prioritise control activities and resources to deal effectively with any potential threats and opportunities.

Note 8 – Financial instruments

The Group holds the following financial instruments:

MEUR	Level	**31 March 2024**	31 December 2023
Financial assets			
Financial assets at amortised cost			
Other non-current financial assets		94.7	95.5
Trade receivables		1.1	1.7
Other current financial assets[1]		6.2	5.7
Cash and cash equivalents		18.7	21.8
		120.7	124.7
Financial assets at fair value through profit or loss			
Other current financial assets[1] - Derivative financial instruments	2	–	–
		–	–
Financial liabilities			
Financial liabilities at amortised cost			
Interest bearing loans and borrowings		110.4	114.7
Trade and other payables		10.5	12.7
Other current financial liabilities		0.6	0.8
		121.5	128.2
Financial liabilities at fair value through profit or loss			
Other current financial liabilities - Derivative financial instruments	2	–	–
		–	–

[1] Other current financial assets on the face of the balance sheet are divided in this table in financial assets at amortised cost and financial assets at fair value through profit and loss.

The nature of financial assets and liabilities is, in all material respects, the same as on December 31, 2023. The carrying amounts and fair values are deemed to essentially correspond with one another.

For financial assets and liabilities measured at fair value in the balance sheet, the following fair value measurement hierarchy is used:
– Level 1: based on quoted prices in active markets;
– Level 2: based on inputs other than quoted prices as within level 1, that are either directly or indirectly observable;
– Level 3: based on inputs which are not based on observable market data.

Notes to the consolidated financial statements

Note 9 – Supplementary information to the statement of cash flows

The consolidated statement of cash flows is prepared in accordance with the indirect method.

Adjustments for items not included in the cash flow MEUR	**1 Jan 2024-31 Mar 2024 3 months**	1 Jan 2023-31 Mar 2023 3 months	1 Jan 2023-31 Dec 2023 12 months
Depreciation	4.1	3.0	11.9
Current tax	0.0	–	0.2
Deferred tax	-0.2	-0.1	-11.6
Long-term incentive plans	0.8	0.5	2.3
Foreign currency exchange gain/loss	1.3	2.1	1.3
Amortisation of deferred financing fees	0.1	–	–
Interest income	-1.6	-1.3	-5.9
Interest expense	1.8	0.8	5.5
Result from associated companies and joint ventures	0.6	-0.8	2.7
Other	–	0.4	1.7
	6.9	4.6	8.1

Parent Company Income Statement

MSEK	**1 Jan 2024-31 Mar 2024 3 months**	1 Jan 2023-31 Mar 2023 3 months	1 Jan 2023-31 Dec 2023 12 months
Revenue	10.2	0.6	41.9
General and administration expenses	-50.1	-43.2	-192.5
Operating profit/loss	**-39.9**	-42.6	-150.6
Finance income	0.4	0.0	186.3
Finance costs	-0.9	-0.9	-5.4
Net financial items	**-0.5**	-0.9	180.9
Profit/loss before income tax	**-40.4**	-43.5	30.3
Income tax	–	–	130.0
Net result	**-40.4**	-43.5	160.3

Parent Company Comprehensive Income Statement

MSEK	**1 Jan 2024-31 Mar 2024 3 months**	1 Jan 2023-31 Mar 2023 3 months	1 Jan 2023-31 Dec 2023 12 months
Net result	**-40.4**	-43.5	160.3
Other comprehensive income	–	–	–
Total comprehensive income	**-40.4**	-43.5	160.3
Attributable to:			
Shareholders of the Parent Company	-40.4	-43.5	160.3

Parent Company Balance Sheet

MSEK	**31 March 2024**	31 December 2023
ASSETS		
Non-current assets		
Shares in subsidiaries	3,780.8	3,780.8
Other tangible fixed assets	0.1	0.1
Deferred tax assets	436.0	436.0
	4,216.9	4,216.9
Current assets		
Receivables	7.0	5.9
Cash and cash equivalents	109.8	111.5
	116.8	117.4
TOTAL ASSETS	**4,333.7**	4,334.3
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity including net result for the period	**4,204.2**	4,243.2
Non-current liabilities		
Interest bearing loans and borrowings	70.5	39.5
	70.5	39.5
Current liabilities		
Other liabilities	59.0	51.6
	59.0	51.6
TOTAL LIABILITIES	**129.5**	91.1
TOTAL EQUITY AND LIABILITIES	**4,333.7**	4,334.3

Parent Company Statement of Cash Flows

MSEK	**1 Jan 2024-31 Mar 2024 3 months**	1 Jan 2023-31 Mar 2023 3 months	1 Jan 2023-31 Dec 2023 12 months
Cash flows from operating activities			
Net result	-40.4	-43.5	160.3
Adjustment for items not included in the cash flows	2.4	1.2	-254.1
Changes in working capital	5.3	28.1	24.8
Total cash flows from operating activities	**-32.7**	-14.2	-69.0
Cash flows from investing activities			
Dividends received	–	–	127.9
Total cash flows from investing activities	–	–	127.9
Cash flows from financing activities			
Net drawdown/repayment of loan	31.0	28.4	28.0
Total cash flows from financing activities	**31.0**	28.4	28.0
Change in cash and cash equivalents	-1.7	14.2	86.9
Cash and cash equivalents at the beginning of the period	111.5	24.6	24.6
Currency exchange difference in cash and cash equivalents	–	–	–
Cash and cash equivalents at the end of the period	**109.8**	38.8	111.5

Parent Company Statement of Changes in Equity

	Restricted equity		Unrestricted equity			
MSEK	Share capital	Statutory reserve	Other reserves	Retained earnings	Dividends	Total equity
1 January 2023	3.5	861.3	7,182.7	55,573.3	-59,542.8	4,078.0
Transfer of prior year dividends	**–**	**–**	**–**	**-59,542.8**	**59,542.8**	**–**
Total comprehensive income	**–**	**–**	**–**	**160.3**	**–**	**160.3**
Transactions with owners						
Share based payments	–	–	–	4.9	–	4.9
Total transactions with owners	**–**	**–**	**–**	**4.9**	**–**	**4.9**
31 December 2023	**3.5**	**861.3**	**7,182.7**	**-3,804.3**	**–**	**4,243.2**
Total comprehensive income	**–**	**–**	**–**	**-40.4**	**–**	**-40.4**
Transactions with owners						
Share based payments	–	–	–	1.4	–	1.4
Total transactions with owners	**–**	**–**	**–**	**1.4**	**–**	**1.4**
31 March 2024	**3.5**	**861.3**	**7,182.7**	**-3,843.3**	**–**	**4,204.2**

Key Financial Data

The alternative performance measures presented and disclosed in this interim report are used internally by management in conjunction with IFRS measures to measure performance and make decisions regarding the future direction of the business. The Group believes that these alternative performance measures, when provided in combination with reported IFRS measures, provide helpful supplementary information for investors.

In addition to the consolidated financial reporting in line with IFRS, the Group provides proportionate financial reporting, which forms part of the alternative performance measures the Group presents. Proportionate reporting is aligned with the Group's internal management reporting, analysis and decision making.

Proportionate financials represent Orrön Energy's proportionate share of all the entities in which the Group holds an ownership.

This is different to the consolidated financial reporting under IFRS, where the results from entities in which the Group holds an ownership of 50 percent or less are not fully consolidated but instead reported on one line, as share of result in joint ventures. All entities, in which the Group holds an ownership of more than 50 percent are fully consolidated in the financial reporting presented under IFRS.

Reconciliations of relevant alternative performance measures are provided on the following page. Definitions of the performance measures are provided under the key ratio definitions below.

Financial data MEUR	**1 Jan 2024- 31 Mar 2024 3 months**	1 Jan 2023- 31 Mar 2023 3 months	1 Jan 2023- 31 Dec 2023 12 months
Consolidated financials			
Revenue	12.3	11.4	28.0
EBITDA	3.1	4.6	-5.1
Operating profit (EBIT)	-1.0	1.6	-17.0
Net result	-2.6	0.0	-7.6
Net cash (-) / Net debt (+)	92.3	29.7	93.7
Proportionate financials			
Power generation (GWh)	274	214	765
Average price achieved per MWh – EUR	49	66	47
Revenue	13.5	14.0	36.2
EBITDA	5.1	6.7	5.3
Operating profit (EBIT)	0.0	2.6	-11.0
Net cash (-) / Net debt (+)	91.2	19.5	92.4

Key Financial Data

Data per share EUR	**1 Jan 2024- 31 Mar 2024 3 months**	1 Jan 2023- 31 Mar 2023 3 months	1 Jan 2023- 31 Dec 2023 12 months
Earnings per share	-0.01	0.00	-0.03
Earnings per share – diluted	-0.01	0.00	-0.03
EBITDA per share	0.01	0.02	-0.02
EBITDA per share – diluted	0.01	0.02	-0.02
Number of shares issued at period end	285,924,614	285,924,614	285,924,614
Number of shares in circulation at period end	285,924,614	285,924,614	285,924,614
Weighted average number of shares for the period	285,924,614	285,924,614	285,924,614
Weighted average number of shares for the period – diluted	290,294,211	287,841,014	288,526,711
Share price			
Share price at period end in SEK	7.12	13.59	7.96
Share price at period end in EUR[1]	0.62	1.20	0.72
Key ratios			
Return on equity (%)	-1	0	-2
Return on capital employed (%)	0	0	-4
Equity ratio (%)	71	78	71

[1] Share price at period end in EUR is calculated based on quoted share price in SEK and applicable SEK/EUR exchange rate at period end.

EBITDA – Consolidated financials MEUR	**1 Jan 2024- 31 Mar 2024 3 months**	1 Jan 2023- 31 Mar 2023 3 months	1 Jan 2023- 31 Dec 2023 12 months
Operating profit/loss (EBIT)	-1.0	1.6	-17.0
Add: Depreciation	4.1	3.0	11.9
	3.1	4.6	-5.1

Net debt/Net cash – Consolidated financials MEUR	**1 Jan 2024- 31 Mar 2024 3 months**	1 Jan 2023- 31 Mar 2023 3 months	1 Jan 2023- 31 Dec 2023 12 months
Interest bearing loans and borrowings – Non-current	110.4	26.9	114.7
Interest bearing loans and borrowings – Current	0.6	39.7	0.8
Less: Cash and cash equivalents	-18.7	-36.9	-21.8
	92.3	29.7	93.7

EBITDA – Proportionate financials MEUR	**1 Jan 2024- 31 Mar 2024 3 months**	1 Jan 2023- 31 Mar 2023 3 months	1 Jan 2023- 31 Dec 2023 12 months
Operating profit/loss (EBIT)	0.0	2.6	-11.0
Add: Depreciation	5.1	4.0	16.3
	5.1	6.7	5.3

Key Financial Data

Net debt/Net cash – Proportionate financials MEUR	**1 Jan 2024-31 Mar 2024 3 months**	1 Jan 2023-31 Mar 2023 3 months	1 Jan 2023-31 Dec 2023 12 months
Net cash/Net debt – Consolidated financials	92.3	29.7	93.7
Less: Cash and cash equivalents of Associates and joint ventures	-3.3	-10.2	-3.5
Add: External interest bearing loans and borrowings of Associates and joint ventures	2.2	–	2.2
	91.2	19.5	92.4

Bridge from proportionate to consolidated financials

1 Jan – 31 Mar 2024 – 3 months MEUR	**Proportionate financials**	Residual ownership for fully consolidated entities[1]	Elimination of equity consolidated entities[2]	**Consolidated financials**
Revenue	13.5	0.9	-2.1	12.3
Other income	0.4	–	-0.3	0.1
Operating expenses	-4.0	-0.7	0.8	-3.9
General and administration expenses	-4.8	–	0.0	-4.8
Share in result of associates and joint ventures	–	–	-0.6	-0.6
EBITDA	**5.1**	0.2	-2.2	**3.1**
Depreciation	-5.1	–	1.0	-4.1
Operating profit (EBIT)	**0.0**	0.2	-1.2	**-1.0**
Net financial items	-3.1	–	1.3	-1.8
Tax	0.3	–	-0.1	0.2
Net result	**-2.8**	0.2	0.0	**-2.6**
Attributable to:				
Shareholders of the Parent Company	*-2.8*	–	–	*-2.8*
Non-controlling interest	–	*0.2*	–	*0.2*

[1] Residual ownership interests share of the proportionate financials in fully consolidated subsidiaries where Orrön Energy does not have 100 percent economic interest.
[2] Elimination of proportionate financials from equity consolidated entities adjusted for Orrön Energy's share of net income/loss.

1 Jan – 31 Mar 2023 – 3 months MEUR	**Proportionate financials**	Residual ownership for fully consolidated entities[1]	Elimination of equity consolidated entities[2]	**Consolidated financials**
Revenue	14.0	1.2	-3.8	11.4
Other income	0.1	0.1	–	0.2
Operating expenses	-3.1	-1.3	0.9	-3.5
General and administration expenses	-4.3	–	–	-4.3
Share in result of associates and joint ventures	–	0.1	0.7	0.8
EBITDA	**6.7**	0.1	-2.2	**4.6**
Depreciation	-4.1	0.0	1.1	-3.0
Operating profit (EBIT)	**2.6**	0.1	-1.1	**1.6**
Net financial items	-2.6	-0.1	1.0	-1.7
Tax	0.0	–	0.1	0.1
Net result	**0.0**	–	–	**0.0**
Attributable to:				
Shareholders of the Parent Company	*-0.6*	–	–	*-0.6*
Non-controlling interest	*0.6*	–	–	*0.6*

[1] Residual ownership interests share of the proportionate financials in fully consolidated subsidiaries where Orrön Energy does not have 100 percent economic interest.
[2] Elimination of proportionate financials from equity consolidated entities adjusted for Orrön Energy's share of net income/loss.

Key Financial Data

1 Jan – 31 Dec 2023 – 12 months MEUR	**Proportionate financials**	Residual ownership for fully consolidated entities[1]	Elimination of equity consolidated entities[2]	**Consolidated financials**
Revenue	36.2	3.6	-11.8	28.0
Other income	0.8	0.0	-0.4	0.4
Operating expenses	-13.5	-3.1	4.0	-12.6
General and administration expenses	-18.2	–	–	-18.2
Share in result of associates and joint ventures	–	–	-2.7	-2.7
EBITDA	**5.3**	0.5	-10.9	**-5.1**
Depreciation	-16.3	-0.1	4.5	-11.9
Operating profit (EBIT)	**-11.0**	0.4	-6.4	**-17.0**
Net financial items	-7.9	0.2	5.6	-2.1
Tax	10.9	-0.2	0.8	11.5
Net result	**-8.0**	0.4	0.0	**-7.6**
Attributable to:				
Shareholders of the Parent Company	*-8.0*	–	–	*-8.0*
Non-controlling interest	–	*0.4*	–	*0.4*

[1] Residual ownership interests share of the proportionate financials in fully consolidated subsidiaries where Orrön Energy does not have 100 percent economic interest.

[2] Elimination of proportionate financials from equity consolidated entities adjusted for Orrön Energy's share of net income/loss.

Key Financial Data

Earnings per share: Net result attributable to shareholders of the Parent Company divided by the weighted average number of shares for the period.

Earnings per share – diluted: Net result attributable to shareholders of the Parent Company divided by the weighted average number of shares for the period after considering any dilution effect.

EBIT (Earnings Before Interest and Tax): Operating profit.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation): Operating profit before depreciation.

Equity ratio: Total equity divided by the balance sheet total.

Net debt/Net cash – Consolidated: Interest bearing loans and borrowings less cash and cash equivalents.

Net debt/Net cash – Proportionate: Net cash / Net debt – Consolidated less cash and cash equivalents of associates and joint ventures plus external interest bearing loans and borrowings of associates and joint ventures.

Return on equity: Net result divided by average total equity.

Return on capital employed: Income before tax plus interest expenses plus/less currency exchange differences on financial loans divided by the average capital employed (the average balance sheet total less non-interest bearing liabilities).

Weighted average number of shares for the period: The number of shares at the beginning of the period with changes in the number of shares weighted for the proportion of the period they are in issue.

Weighted average number of shares for the period – diluted: The number of shares at the beginning of the period with changes in the number of shares weighted for the proportion of the period they are in issue after considering any dilution effect.

Definitions and abbreviations

CHF	Swiss franc
EUR	Euro
GBP	British pound sterling
NOK	Norwegian Krone
SEK	Swedish Krona
TSEK	Thousand SEK
MEUR	Million EUR
MSEK	Million SEK

Industry related terms and measurements

GWh	Giga Watt hours
MWh	Mega Watt hours

Shareholders' information

Daniel Fitzgerald, CEO and Espen Hennie, CFO comment on the first quarter results 2024.

Listen to Daniel Fitzgerald, CEO and Espen Hennie, CFO commenting on the report and presenting the latest developments in Orrön Energy and its future growth strategy at a webcast held on 14 May 2024 at 14.00 CEST. The presentation will be followed by a question-and-answer session.

Follow the presentation live on the below webcast link:
https://us06web.zoom.us/webinar/register/WN_fkArPYliRz-yrPImvX3tkg

Financial Calendar

• Interim report for the second quarter of 2024	8 August 2024
• Interim report for the third quarter of 2024	6 November 2024
• Year end report 2024	12 February 2025

The AGM will be held on 15 May 2024 in Stockholm, Sweden.

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Forward-Looking Statements
Statements in this report relating to any future status or circumstances, including statements regarding future performance, growth and other trend projections are forward-looking statements. These statements may generally, but not always, be identified by the use of words such as "anticipate", "believe", "expect", "intend", "plan", "seek", "will", "would" or similar expressions. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that could occur in the future. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements due to several factors, many of which are outside the Company's control. Any forward- looking statements in this report speak only as of the date on which the statements are made and the Company has no obligation (and undertakes no obligation) to update or revise any of them, whether as a result of new information, future events or otherwise.

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