



Q3

Report for the
NINE MONTHS
ended 30 September 2022

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



Highlights

- Orrön Energy's first quarter as a pure play renewables company delivered strong financial results with cash flow from operating activities of MUSD 5.4, and net cash of MUSD 10.8 at the end of the period
- Proportionate¹ power generation amounted to 83 GWh for the third quarter 2022 at an average achieved price of EUR 177 per MWh including Slitevind AB's (publ) ("Slitevind") production from 1 September 2022, resulting in a proportionate EBITDA of MUSD 10.8
- With the addition of Slitevind from September 2022, and the additional five transactions completed or signed post the reporting period end, the Company has increased its estimated annual power generation by over 500 GWh since 1 July at an average acquisition price of MUSD 0.9 per MW installed capacity
- Estimated annual power generation for Orrön Energy's asset base is currently 700 GWh, further increasing to 800 GWh in 2023 bringing the total power generation in 2024 to 1,100 GWh once Karskruv is online
- The Karskruv project remains on track to deliver an additional 290 GWh of annual power generation from 2024

All power generation estimates assume average meteorological conditions and may vary from period to period

Financial Summary²

Orrön Energy owns renewables assets directly and through joint ventures and associated companies and is presenting proportionate financials to showcase 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 MUSD	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months
Consolidated financials		
Revenue	2.6	2.6
EBITDA	-2.1	2.1
Operating profit (EBIT)	-2.7	1.5
Net result	28.3	1.2
Earnings per share – USD	0.10	0.00
Earnings per share diluted – USD	0.10	0.00
Proportionate financials¹		
Power generation (GWh)	166	83
Revenue	26.9	15.5
EBITDA	12.1	10.8
Operating profit (EBIT)	9.0	9.1
Average price achieved per MWh – EUR	153	177

¹ Proportionate financials represent Orrön Energy's proportionate ownership (net) of assets and related financial results, including joint ventures. For more details see Key Financial Data on page 31.

² This table refers to continuing operations. The financial and operational performance of the discontinued operations can be found in the sections Discontinued Operations and in note 6 of the consolidated financial statements.

All numbers and updates in this report relate to the nine-month period ending 30 September 2022 (the reporting period), unless otherwise specified. Amounts from the same period last 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.

Orrön Energy is an independent, publicly listed (Nasdaq Stockholm: "ORRON") renewables company within the Lundin Group of Companies. Orrön Energy has a portfolio of high quality, cash flow generating assets in the Nordics and significant financial capacity to fund further growth and acquisitions. With a major shareholder, management and Board with a proven track record of organic growth, Orrön Energy is in a unique position to create shareholder value through the energy transition.

Words from the CEO

“I am excited to report on the third quarter 2022, which has been a fantastic first quarter for us as a pure play renewables company where we have both grown into one of the largest independent renewables companies on Nasdaq Stockholm and delivered strong financial results and cash flow generation.

We made our first transformational deal during the quarter by acquiring the Swedish wind company Slitevind, which added a diversified portfolio of operational wind assets in the Nordics with long-term cash flow and opportunities for re-powering and growth through new projects. It also added a team with greenfield and brownfield experience, operational expertise and the ability to further pursue organic growth opportunities. I am confident that we will be able to realise further value from this portfolio moving forward, and that this will serve as a platform for organic growth for many years to come. We continued delivering on our acquisition led strategy with five additional value accretive transactions, all of which will complete in the fourth quarter of 2022. These six transactions, combined, will add more than 500 GWh of estimated annual power generation to our asset base, further strengthening the cash generation potential of the Company. We acquired these portfolios and assets for an average of MUSD 0.9 per MW installed capacity, which is an attractive price compared to the value of new wind projects today, and we see significant opportunities for follow on transactions within this space.

Electricity prices reached record high levels during the quarter, driven by geopolitical tensions and increased energy demand in Europe, which highlights the need for locally produced, clean energy. As a renewable company we contribute to increasing the share of renewable energy in the Nordics, and our strategy of being fully spot market exposed allows our investors to gain exposure to European power prices. The demand for renewables is set to grow significantly over the coming years, and I believe power prices will continue to remain strong during the coming years.

We delivered strong financial results for the quarter, with proportionate revenues of MUSD 15.5 and proportionate EBITDA of MUSD 10.8. The Company achieved cash flow from operating activities of MUSD 5.4, finished the third quarter with net cash of MUSD 10.8 and has entered into a MEUR 100 credit facility to fund future capital commitments and growth. With the debt capacity of the asset base, there is significant additional financial capacity to fund material transactions in the future.

Power generation was slightly below expectations during the third quarter due to lower than normal wind speeds and low precipitation across the Nordics. Given the nature of our business, and the reliance on nature, we expect to see these fluctuations balance out between the quarters.

Development of the Karskröv wind farm in southern Sweden is progressing on schedule with preparation work ongoing to allow for installation of the wind turbines and the grid connection in the spring and summer of 2023, and the project remains on track for completion at the end of 2023. Karskröv is expected to add an additional 290 GWh to the Company’s estimated annual power generation, which is set to reach over 1.1 TWh from 2024 onwards.

We entered the third quarter in a strong position, and we are exiting it even stronger. With robust financial results, a large portfolio of producing assets and an experienced team we are in a unique position to continue to grow the business and create long-term shareholder value. I want to thank all our shareholders for your loyal support over the last two decades with Lundin Energy and for joining us on our exciting journey towards creating a profitable renewables company of scale.”

Daniel Fitzgerald
CEO

Operational Review

2022 guidance

With the addition of Slitevind at the end of August 2022 and including the additional five transactions which will complete in the fourth quarter 2022 post the reporting period end, the Company will have increased its estimated annual power generation by over 500 GWh since inception. The Company's estimated annual power generation is currently 700 GWh including the Slitevind acquisition, increasing to 800 GWh with the inclusion of the additional 5 transactions which will close in the fourth quarter 2022 and will reach 1.1 TWh from 2024 onwards when the Karskruv project is online. All power generation estimates are based on average meteorological conditions and will vary from period to period given the variability of weather across the Nordics.

The 2022 guidance for general and administrative costs ("G&A") and capital expenditure remain unchanged at MUSD 7 and MUSD 10 respectively. The G&A cost guidance includes the ongoing G&A costs of Slitevind. Operating expense guidance for the second half of 2022 has been increased to reflect the addition of Slitevind and costs directly linked to higher electricity prices.

	At end Q3 2022	2023	2024 ³
Estimated Annual Power Generation¹	700 GWh ²	800 GWh	1,100 GWh

¹Assuming average meteorological conditions

²The financial statements and results in this report include Slitevind from 1 September 2022

³Expected from 2024 onwards when Karskruv is online

Guidance 2H 2022 ¹	Updated guidance	June guidance
Operating expenses	MUSD 6	MUSD 2
G&A costs ²	MUSD 7	MUSD 7
Capital expenditure	MUSD 10	MUSD 10

¹Guidance is presented based on proportionate (net) ownership in assets and related financial results.

²Excludes non-cash items and includes MUSD 3 for costs relating to the Sudan legal case

Operational assets

Orrön Energy's proportionate power generation amounted to 166 GWh for the reporting period, which includes nine months of production from the Leikanger hydropower plant in Norway, six months of production from the Metsälamminkangas ("MLK") wind farm in Finland and one month of production from the wind portfolio that was acquired from Slitevind.

The proportionate power generation amounted to 83 GWh for the third quarter which was slightly below expectation, and more than compensated by higher realised prices. The third quarter had lower-than-normal wind speeds and low precipitation across the Nordics, impacting the achieved production.

Realised power prices amounted to EUR 177 per MWh for the third quarter, which is an increase compared to EUR 127 per MWh for the second quarter and includes EUR 6 per MWh negative impact from historical hedges acquired as part of the Slitevind transaction, none of which continue beyond the second quarter 2023. Orrön Energy's strategy is to be fully merchant exposed to spot power prices. The Nordic system price averaged EUR 176 per MWh during the third quarter, and the weighted average regional electricity price corresponding to the Company's actual production during the quarter was EUR 220 per MWh. The variance to the Company's realised power price is explained by capture price discounts.

Electricity Price Hedges	Q4 2022	Q1 2023	Q2 2023
SE2			
- Volume, MWh	7,760	8,821	2,126
- Price, SEK	491	643	452
SE3			
- Volume, MWh	15,450	6,322	1,540
- Price, SEK	761	1,006	962
SE4			
- Volume, MWh	3,213	1,424	619
- Price, SEK	741	1,674	1,524
Weighted average			
- Volume, MWh	26,423	16,567	4,285
- Price, EUR	62.9	80.6	73.2

Operational Review

Proportionate operating expenses amounted to MUSD 2.1 for the third quarter which is in line with the updated guidance. The cost guidance has been increased to reflect the addition of Slitevind and other operating expenses which are directly linked to, and more than offset by higher realised electricity prices.

The Company has a diversified portfolio of operational wind power assets across Sweden, which was acquired at the end of August 2022 as part of the Slitevind acquisition. The acquired portfolio had an estimated annual power generation of around 435 GWh, and total installed capacity of 155 MW. The majority of the assets are fully owned and operated by the Company, with proportionate ownership in some assets together with partners. A large portion of the assets are situated in the high priced regions of SE3 and SE4.

Orrön Energy and Sval Energi AS hold a 50 percent interest, respectively, in the MLK wind farm which has been operational since end March 2022. MLK has estimated gross annual power generation of around 400 GWh per annum, which is generated from 24 turbines with a total installed capacity of 132 MW. The wind farm is equipped with the latest technology to ensure low cost and efficient operations. MLK is managed by the developer of the wind farm, OX2 AB ("OX2"), under an availability warranty provided by GE Renewable Energy, guaranteeing the availability of the turbines through their operational life of approximately 30 years, giving the Company significant protection against downtime and outages. MLK is situated in the price region FI.

Orrön Energy and Sognekraft AS each hold a 50 percent interest in the Leikanger hydropower plant in Norway. Leikanger has estimated gross annual power generation of around 200 GWh per annum, which is generated from a single turbine with a total capacity of 77 MW, and has an estimated operational life span of around 60 years. As the asset is a river run off based hydropower plant, the power generation is variable depending on the rate of snow melting during the spring and summer months, and increasing precipitation in the autumn season. Leikanger is situated in the price region NO5.

Development projects

	Ownership	Price area	Yearly power generation capacity	Production start	Status
Karskruv wind farm	100%	SE4	290 GWh	Q4 2023	On schedule and budget

Construction activities at the Karskruv wind farm project in southern Sweden are progressing on schedule, with foundation casting completed and work ongoing to prepare for installation of turbines and grid connection, which is planned for the second and third quarters of 2023. Orrön Energy holds a 100 percent interest in the wind farm, which will add 290 GWh to the Company's estimated annual power generation once operational at the end of 2023. Karskruv has been purchased from OX2, who is managing the construction and commissioning phase alongside Vestas Wind Systems A/S as the turbine supplier and contractor. The project is being constructed with an availability warranty in place, guaranteeing the availability of the turbines through their operational life of approximately 30 years, giving the Company significant protection against downtime and outages.

With the wind farm situated in the SE4 price region, it constitutes an important contribution to the Company's growth plans. The project is expected to be cash flow positive from late 2023.

Transactions

Orrön Energy's strategy is to invest in renewable energy projects in the Nordics and pursue value accretive opportunities in the energy transition to both grow and complement its portfolio. Since inception in July 2022, the Company has added significant power generation capacity in the Nordics by acquiring assets and portfolios at attractive prices.

In August 2022, the Company announced and completed a public offer to tender all shares in the Swedish wind power company Slitevind for SEK 125 in cash per share. The transaction added a portfolio of wind assets in Sweden and Finland, with estimated annual power generation of 435 GWh and 155 MW installed capacity, together with an experienced team with a longstanding background in the energy sector. A final acceptance level of 96.5 percent was achieved in the beginning of September 2022 and Orrön Energy has initiated a compulsory buy-out procedure in order to acquire the remaining shares. The total enterprise value amounted to MUSD 134.1

Operational Review

Transactions after the reporting period

In October 2022, the Company completed acquisitions of an additional 27 percent interest in the 36 MW wind farm Näsudden Väst, and an additional 10 percent interest in the 27 MW wind farm Stugyl. The total enterprise value for both transactions combined amounted to MUSD 9 and adds estimated annual power generation of 30 GWh and 12 MW installed capacity in price area SE3.

In November 2022, the Company completed the acquisition of one additional percent of ownership in the wind farm Näsudden, which takes the Company's interest to 68 percent. The total enterprise value amounted to MUSD 0.3 and adds estimated annual power generation of 0.8 GWh in price area SE3, and 0.3 MW installed capacity.

In November 2022, the Company entered into an agreement to acquire the wind farm Lilla Årås. The total enterprise value amounted to MUSD 5.5 and adds estimated annual power generation of 18 GWh and 6 MW installed capacity in price area SE3. The transaction is expected to complete in December 2022.

In November 2022, the Company entered into an agreement to acquire Siral Förvaltning AB, which adds estimated annual power generation of 44 GWh and 15 MW installed capacity, out of which 90 percent is situated in price areas SE3 and SE4. The total enterprise value amounts to MUSD 13.5 and the transaction is expected to complete in December 2022.

Sustainability

Orrön Energy aims to make a significant contribution to mitigating climate change by increasing the share of renewable energy in the power mix. The Company owns and operates renewable generation assets in a safe and responsible manner, with a long-term outlook for its partners and stakeholders. 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.

All of the Company's assets qualify as environmentally sustainable under the EU Green Taxonomy, which means that all the revenue, capital expenditure and operating expenditure is taxonomy-aligned. Orrön Energy's approach to sustainability is aligned with the UN Sustainable Development Goals, in particular Goal 7 on affordable and clean energy, and Goal 13 on climate action, which underpins the way the Company conducts its business. This ensures that the business delivers lasting value for its shareholders, stakeholders and wider society. 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 targeted areas around its renewables assets, such as targeted projects aiming to increase biodiversity, planting of wildflowers to encourage bee populations to grow, bird protection and wildlife monitoring systems and grazing projects in collaboration with the local farming communities. In addition, the Company views strong community engagement as being essential to the success of the business and is collaborating with several local organisations to support and contribute to the local communities around its operational areas. Environmental aspects and community engagement are key, which are considered throughout the lifetime of the assets.

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 any incidents and accidents. During the reporting period, there were no recordable safety incidents or material environmental incidents.

Operational Review

Discontinued operations

Discontinued operations represent the Company's legacy E&P business that was transferred to Aker BP on 30 June 2022, as part of a combination to create the leading European E&P Company. **The information provided in this section is the same as the Company reported in the interim report covering the first six months of the year, after which the discontinued operations no longer formed a part of the Company.**

Production

Production amounted to 176 thousand barrels of oil equivalents per day (Mboepd) for the six month period ended 30 June 2022, at the top end of the guidance range, mainly driven by excellent performance and phasing of the planned maintenance work on Johan Sverdrup, and partially offset by an unplanned outage on the Edvard Grieg field, which was restarted at the end of April 2022.

Operating costs, net of tariff income, amounted to USD 4.20 per boe for the six month period ended 30 June 2022.

There have been no changes to these numbers during the third quarter and therefore all numbers in the tables below are identical to those reported in the second quarter:

Production in Mboepd	1 Jan 2022-30 Jun 2022 6 months	1 Apr 2022-30 Jun 2022 3 months	1 Jan 2021-30 Jun 2021 6 months	1 Apr 2021-30 Jun 2021 3 months	1 Jan 2021-31 Dec 2021 12 months
Crude oil	163.2	149.7	174.6	179.1	177.4
Gas	12.9	11.4	11.8	10.7	12.9
Total production	176.1	161.1	186.4	189.8	190.3

Production in Mboepd	WI ¹	1 Jan 2022-30 Jun 2022 6 months	1 Apr 2022-30 Jun 2022 3 months	1 Jan 2021-30 Jun 2021 6 months	1 Apr 2021-30 Jun 2021 3 months	1 Jan 2021-31 Dec 2021 12 months
Johan Sverdrup	20%	103.1	99.3	105.7	108.6	106.3
Greater Edvard Grieg Area ²	65% - 80%	62.4	51.8	69.2	70.3	72.9
Ivar Aasen	1.385%	0.4	0.3	0.7	0.6	0.6
Alvheim Area	15% - 35%	10.2	9.7	10.8	10.3	10.5
Total Production	20%	176.1	161.1	186.4	189.8	190.3

¹ Working interest (WI)

² Consisting of Edvard Grieg, Solveig and Rolvsnes EWT

Johan Sverdrup Phase 1 delivered around nine percent ahead of guidance for the six month period ended 30 June 2022, driven by high production efficiency and positively affected by re-phasing of planned maintenance activities from Q2 2022 into Q3 2022. Operating costs were USD 2.48 per boe and the carbon emission intensity remained low at less than 0.1 kg CO₂ per boe.

Edvard Grieg delivered at the bottom of guidance due to an unplanned shutdown at the end of March 2022 as a result of a power outage causing damage to electrical systems in the gas export system. The unplanned shutdown lasted approximately one month and production was restarted early in the second quarter. The third 4D seismic campaign was completed during the second quarter with results in line with expectations. Operating costs were USD 6.15 per boe for the six month period ended 30 June 2022.

The Solveig field and Rolvsnes Extended Well Test (EWT) were shut-in for most of the second quarter to optimise production from the Edvard Grieg facilities.

Production from the Alvheim Area was ahead of guidance with 98 percent production efficiency. Operating costs were USD 7.51 per boe for the six month period ended 30 June 2022.

Financial Review

Changes in the Group

Orrön Energy Holding AB, a wholly-owned subsidiary of Orrön Energy AB has, during the reporting period, completed a public offer to acquire all shares in Slitevind AB (publ) for SEK 125 in cash per share. The offer was accepted by shareholders owning 96.5 percent of all shares and votes in Slitevind. A compulsory buy-out procedure, in accordance with the Swedish Companies Act, has been initiated in order to acquire the remaining shares. This financial report includes the financial results from Slitevind as from 1 September 2022.

The combination of the Company's legacy E&P business with Aker BP (the "Transaction") was completed as planned on 30 June 2022. Through this Transaction, the shareholders of the Company received cash totalling USD 2.2 billion and 271,908,589 shares in Aker BP, and retained their shareholding in Orrön Energy. The combination was carried out as a statutory cross-border merger in accordance with Norwegian and Swedish law, through which Aker BP absorbed Lundin Energy MergerCo AB (publ), which at the time of the completion contained the Company's E&P business. Shortly before the merger and completion of the Transaction, the shares in Lundin Energy MergerCo (publ) were distributed to the Company's shareholders as a so-called *lex asea* dividend.

The E&P business is reported as discontinued operations in the consolidated income statement.

Continuing operations

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 financials represent Orrön Energy's proportionate share of those entities, in which the Group holds an ownership of not more than 50 percent. In the consolidated financial reporting, the results from these assets are not fully consolidated but instead reported on one line, as share of result in joint ventures in line with IFRS. Proportionate financials also represent Orrön Energy's proportionate share of those entities, which are fully consolidated but in which the Group holds an ownership of less than 100 percent but more than 50 percent. Proportionate reporting is aligned with the Group's internal management reporting, analysis and decision making.

Proportionate financials

MUSD	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months
Revenue	26.9	15.5
Other income	2.2	–
Operating expenses	-4.1	-2.1
G&A expenses ¹	-12.9	-2.6
EBITDA	12.1	10.8
Depreciation	-3.1	-1.7
Operating profit/loss (EBIT)	9.0	9.1

¹ Includes legal and other fees of MUSD 5.2 incurred for the defence in connection with the legal proceedings in Sweden in relation to the Company's past operations in Sudan and a non-cash expense for incentive warrants of MUSD 0.4.

Revenue and results

Proportionate financials

Proportionate revenues amounted to MUSD 15.5 for the third quarter. In addition to the revenue from the Leikanger hydropower plant, the Group's revenue for the reporting period includes the MLK windfarm, which has been operational since 31 March 2022 and one month of power generation from the newly acquired Slitevind portfolio. Strong EBITDA generation during the quarter was driven by high realised prices, which was partly offset by lower-than-normal wind speeds and low precipitation across the Nordics, impacting the achieved power generation.

Operating expenses relating to operating assets amounted to MUSD 2.1 for the third quarter 2022. Operating expenses includes the additional operating expenses associated with Slitevind, from 1 September 2022 and other costs, which are directly linked to, and more than offset by higher realised electricity prices.

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 with the exception of the Leikanger hydropower plant in Norway, which is subject to a tax rate of 59 percent. The Norwegian Government has proposed changes to the hydropower tax regime, consisting of an 8 percent increase in ground rent tax and a 23 percent tax on energy sold for prices exceeding NOK 0.70 per kWh. The ground rent tax will be effective retroactively from 1 January 2022 and the Company has recognised an amount of MUSD 1.6 in the third quarter results, which represents the tax due for the reporting period. Leikanger will contribute less than 10 percent of Orrön Energy's forecast power generation from end 2023.

Financial Review

Consolidated financials

The revenue from power generation amounted to MUSD 2.6 (MUSD –), including the contribution from Slitevind from 1 September 2022.

G&A expenses amounted to MUSD 12.9 (MUSD 15.7) for the reporting period of which MUSD 5.2 (MUSD 10.6) related to legal and other fees incurred for the defence in connection with the legal proceedings in Sweden in relation to the Company's past operations in Sudan, as part of the legacy E&P business. The Company's G&A cost base has, following the completion of the Transaction, been reduced to align with the downsized organisation, as reflected in the second half 2022 guidance.

Share in result from associates and joint ventures amounted to MUSD 8.7 (MUSD 0.8) and is further detailed in note 2. This represents mainly Orrön Energy's portion of the results in the 50 percent owned joint ventures, the MLK wind farm and the Leikanger hydropower plant. These investments are consolidated through the equity method and are therefore recognised as a single line item in the income statement. The result generated by these assets increased compared to the same period last year, which is the result of the commercial handover of the MLK wind farm, higher power generation from the Leikanger hydropower plant and higher achieved power prices during the reporting period.

Historical price hedge contracts, entered into by Slitevind are in place until the second quarter of 2023. The mark-to-market valuation of these contracts has evolved between the acquisition date and the balance sheet date and a financial gain of MUSD 1.6 (MUSD –) has been recognised through the income statement in the quarter.

Deferred tax amounted to MUSD 29.3 (MUSD –) following the recognition of a deferred tax asset in the second quarter 2022 relating to tax losses carried forward in Sweden.

Cash flow and investments

Cash flow

Net cash flow from consolidated operating activities for the continuing business amounted to MUSD 5.4 (MUSD 27.4) for the quarter.

Changes in working capital as included in the consolidated statement of cash flows amounted to MUSD -61.2 (MUSD +90.6) for the quarter. The change in working capital during the quarter mainly related to payables for discontinued operations.

Investments

The Company's net investments, including investments made through joint ventures, for the reporting period were as follows:

Investments MUSD	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months	1 Jan 2021- 30 Sep 2021 9 months	1 Jul 2021- 30 Sep 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Karskruv wind farm	28.2	–	30.9	–	30.9
MLK wind farm	16.3	0.2	39.7	17.5	41.0
Leikanger hydropower	2.7	–	0.6	–	1.2
	47.2	0.2	71.2	17.5	73.1

Financial Review

Financing and liquidity

Cash and cash equivalents amounted to MUSD 62.4 (MUSD 130.0). Current liabilities related to the Transaction amounted to MUSD 18.2.

On 31 August 2022, the Company entered into a revolving credit facility of MEUR 100 with Skandinaviska Enskilda Banken ("SEB"), with twelve months maturity.

Interest bearing loans and borrowings amounted to MUSD 51.8 (MUSD –) and consist of MUSD 7.8 drawn from the new MEUR 100 revolving credit facility, in addition to inclusion of Slitevind's interest bearing loans and borrowings of MUSD 44.0.

Significant events after the reporting period

In November 2022, the Company entered into an agreement to acquire the wind farm Lilla Årås. The transaction is expected to complete in December 2022.

In November 2022, the Company entered into an agreement to acquire Siral Förvaltning AB. The transaction is expected to complete in December 2022.

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. This is a change to the Company's previous business mainly conducted within the oil and gas sector.

The net result for the Parent Company for the reporting period amounted to MSEK -521.6 (MSEK 4,295.9 Gain) and was impacted mainly by the costs in relation to the Transaction and the recognition of a deferred tax asset of MSEK 306.0 in the second quarter.

The deferred tax asset of MSEK 306.0 relates to tax losses carried forward, which are expected to be used against future taxable profits in Sweden. The net result for the same period last year included MSEK 4,467.2 financial income as a result of received dividends from a subsidiary. The net result for the reporting period included general and administrative expenses of MSEK 160.0 (MSEK 181.6), of which MSEK 51.3 related to legal and other fees incurred for the defence in connection with the legal proceedings in Sweden in relation to the Company's past operations in Sudan.

Contingent Liabilities

In November 2021, the Swedish Prosecution Authority brought criminal charges against the Company's former Chairman of the Board Ian H. Lundin and former CEO and Director Alex Schneider in relation to past operations in Sudan from 1999 to 2003. The charges also include claims against the Company for a corporate fine of SEK 3,000,000 and forfeiture of economic benefits of SEK 1,391,791,000, which according to the Swedish Prosecution Authority represents the value of the gain of SEK 720,098,000 that the Company made on the sale of the business in 2003. Any corporate fine or forfeiture of economic benefits would only be imposed after an adverse conclusion of a trial. 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 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 has 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 Company has not recognised any provision in relation hereto as it does not believe the proceedings 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). During the second quarter of 2022 the Company sold all its treasury shares amounting to a total of 1,356,436 shares.

Dividends

The AGM held on 31 March 2022 in Stockholm approved a cash dividend distribution for the year 2021 of USD 2.25 per share, to be paid in quarterly instalments of USD 0.5625 per share. These quarterly dividends were conditional upon the Company owning all shares in Lundin Energy MergerCo AB (publ) on the record date of the quarterly cash dividend. The first quarterly dividend was paid on 7 April 2022 and was converted into an amount of SEK 5.30 based on the USD to SEK exchange rate published by Sweden's central bank (Riksbanken) four business days prior to the record date (rounded off to the nearest whole SEK 0.01 per share). The total dividend paid amounted to MUSD 160 or MSEK 1,508. Since the Transaction was completed and the Company no longer owned any shares in Lundin Energy MergerCo AB (publ) after 29 June 2022, the Company will not pay any of the remaining quarterly cash dividends.

The combination with Aker BP was carried out as a statutory cross-border merger in accordance with Norwegian and Swedish law, through which Aker BP absorbed Lundin Energy MergerCo AB (publ) that contained the Company's E&P business. The shares in Lundin Energy MergerCo AB (publ) were distributed to the shareholders of the Company through a so-called lex asea dividend. The merger consideration paid to the (new) shareholders of Lundin Energy MergerCo AB (publ) consisted of a mix of cash and shares in Aker BP. The AGM held on 31 March 2022 approved this so-called lex asea distribution whereby one share in the Company entitled shareholders to one share in Lundin Energy MergerCo AB (publ).

Other information

Remuneration

The EGM held on 16 June 2022 resolved to change the Policy on Remuneration of the Company, subject to completion of the Transaction. The current Policy on Remuneration and details of long-term incentive plans ("LTIP") are provided on www.orrön.com. The previous Policy is disclosed in the Company's 2021 Annual Report, Remuneration Report and in the materials provided to shareholders in respect of the 2022 AGM and is also available on www.orrön.com.

The EGM held on 16 June 2022 resolved to establish a long-term share-related incentive plan for employees ("Employee LTIP 2022") in the form of a share option plan and a total amount of 7,985,000 options were granted. The EGM also resolved to establish a one-off LTIP for members of the Board of Directors ("Board LTIP 2022"), in the form of a share option plan and a total amount of 1,005,000 options were granted under this plan.

In order to secure the delivery of shares to the participants and cover any costs (including taxes and social security charges) at exercise of options under the Employee LTIP 2022, the Company has issued 8,560,000 warrants, which were registered 5 July 2022. The Company has hedged 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.

Exchange rates

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

	30 Sep 2022		30 Sep 2021		31 Dec 2021	
	Average	Period end	Average	Period end	Average	Period end
1 USD equals EUR	0.9390	1.0259	0.8356	0.8636	0.8450	0.8829
1 USD equals SEK	9.9057	11.1811	8.4846	8.7817	8.5765	9.0502
1 USD equals NOK	9.4205	10.8574	8.5470	8.7788	8.5904	8.8194

Discontinued operations

The information below on the results from discontinued operations is unchanged compared to that of the report for the six months ended 30 June 2022. **The information provided in this section is the same as the Company reported in the interim report covering the first six months of the year, after which the discontinued operations no longer formed a part of the Company.**

Result

The net result for the six month period ended 30 June 2022 amounted to MUSD 13,475.0 (MUSD 245.7), representing earnings per share of USD 47.30 (USD 0.86). Net result was driven by the gain on the distribution of the E&P business of MUSD 12,947.1.

Revenue and Other Income

Revenue and other income for the six month period ended 30 June 2022 amounted to MUSD 3,650.5 (MUSD 2,384.7) and was comprised of net sales of oil and gas and other income.

Net sales of oil and gas for the six month period ended 30 June 2022 amounted to MUSD 3,643.4 (MUSD 2,369.7). The average price achieved by the Company for a barrel of oil equivalent (boe) from own production, amounted to USD 110.09 (USD 63.12) and is detailed in the following table. The average gas price achieved during the period per boe amounted to USD 119.82 (USD 57.31). The average Dated Brent price per boe amounted to USD 107.98 (USD 64.98) for the period and USD 113.92 (USD 68.97) for the second quarter.

Other information

Net sales of oil and gas from own production for the six month period ended 30 June 2022 were comprised as follows. There have been no changes to these numbers during the third quarter and therefor all numbers in the below table are identical to those reported in the second quarter:

Sales from own production Average price per boe expressed in USD	1 Jan 2022- 30 Jun 2022 6 months	1 Apr 2022- 30 Jun 2022 3 months	1 Jan 2021- 30 Jun 2021 6 months	1 Apr 2021- 30 Jun 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Crude oil sales					
- Quantity in Mboe	29,675.5	13,360.5	32,200.0	15,130.9	65,381.1
- Average price per bbl	108.45	113.80	64.29	67.88	69.36
Gas and NGL sales					
- Quantity in Mboe	3,418.7	1,691.6	2,617.8	1,219.9	6,281.8
- Average price per boe	124.34	90.95	48.82	52.33	88.10
Total sales					
- Quantity in Mboe	33,094.2	15,052.1	34,817.8	16,350.8	71,662.9
- Average price per boe	110.09	111.23	63.12	66.72	71.01

The table above excludes crude oil revenue from third party activities.

There were no sales of crude oil from third party activities during the period. Revenue from sale of oil and gas is recognised when control of the products is transferred to the customer.

Other income for the six month period ended 30 June 2022 amounted to MUSD 7.1 (MUSD 15.0) and mainly included tariff income of MUSD 5.9 (MUSD 12.3), which is due to net income from Ivar Aasen tariffs paid to Edvard Grieg. Other income for the comparative period also included a loss of MUSD 3.4 (MUSD 1.2) relating to short-term oil price derivatives.

Production Costs

Production costs including under/over lift movements and inventory movements for the six month period ended 30 June 2022 amounted to MUSD 149.7 (MUSD 115.2).

The total production cost per barrel of oil equivalent produced is detailed in the table below. There have been no changes to these numbers during the third quarter and therefor all numbers in the below table are identical to those reported in the second quarter:

Production costs	1 Jan 2022- 30 Jun 2022 6 months	1 Apr 2022- 30 Jun 2022 3 months	1 Jan 2021- 30 Jun 2021 6 months	1 Apr 2021- 30 Jun 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Cost of operations					
- In MUSD	101.1	52.6	75.1	37.8	167.5
- In USD per boe	3.17	3.59	2.23	2.19	2.41
Tariff and transportation expenses					
- In MUSD	38.7	18.7	32.4	16.7	71.9
- In USD per boe	1.22	1.28	0.96	0.96	1.03
Operating costs					
- In MUSD	139.8	71.3	107.5	54.5	239.4
- In USD per boe ¹	4.39	4.87	3.19	3.15	3.44
Change in under/over lift position					
- In MUSD	6.6	-0.9	-7.4	-21.8	7.9
- In USD per boe	0.21	-0.06	-0.22	-1.26	0.11
Change in inventory position					
- In MUSD	-0.6	0.0	11.8	0.0	11.5
- In USD per boe	-0.02	0.00	0.35	0.00	0.17
Other					
- In MUSD	3.9	1.9	3.3	1.6	6.5
- In USD per boe	0.12	0.12	0.10	0.09	0.09
Production costs					
- In MUSD	149.7	72.3	115.2	34.3	265.4
- In USD per boe	4.70	4.93	3.42	1.98	3.81

Note: USD per boe is calculated by dividing the cost by total production volume for the period.

¹The numbers in this table are excluding tariff income netting. The Company's operating cost for the six month period ended 30 June 2022 of USD 4.39 (USD 3.19) per boe is reduced to USD 4.20 (USD 2.82) when tariff income is netted off. The operating cost for the second quarter of USD 4.87 (USD 3.15) per boe is reduced to USD 4.77 (USD 2.80) when tariff income is netted off.

Other information

Cost of operations for the six month period ended 30 June 2022 amounted to MUSD 101.1 (MUSD 75.1) and cost of operations excluding operational projects amounted to MUSD 97.1 (MUSD 71.5). The cost of operations per barrel for the period amounted to USD 3.17 (USD 2.23) including operational projects and USD 3.05 (USD 2.12) excluding operational projects. The higher unit costs compared to the same period last year are mainly caused by higher electricity prices and environmental taxes.

Tariff and transportation expenses for the six month period ended 30 June 2022 amounted to MUSD 38.7 (MUSD 32.4) or USD 1.22 (USD 0.96) per boe. The increase on a per barrel basis compared to the same period last year is caused by some increases in crude oil and gas unit tariffs.

Sales quantities in a period can differ from production quantities as a result of permanent and timing differences. Timing differences can arise due to under/over lift of entitlement, inventory, storage and pipeline balances effects. The change in under/over lift position is valued at production cost including depletion cost, and amounted to MUSD 6.6 (MUSD -7.4) in the six month period ended 30 June 2022 due to the timing of the cargo liftings compared to production. The change in inventory position is also valued at production cost including depletion cost, and amounted to MUSD -0.6 (MUSD 11.8) with the change in inventory position in the comparative period caused by a cargo in transit at the end of 2020 that was sold in early 2021.

Sales quantities and production quantities are detailed in the table below. There have been no changes to these numbers during the third quarter and therefore all numbers in the below table are identical to those reported in the second quarter:

Change in over/underlift position - In Mboepd	1 Jan 2022- 30 Jun 2022 6 months	1 Apr 2022- 30 Jun 2022 3 months	1 Jan 2021- 30 Jun 2021 6 months	1 Apr 2021- 30 Jun 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Production volumes	176.1	161.1	186.4	189.8	190.3
Inventory movements	–	–	3.5	–	1.7
Production volumes including inventory movements	176.1	161.1	189.9	189.8	192.0
Sales volumes from own production	182.8	165.4	192.4	179.7	196.3
Change in over/underlift position	-6.7	-4.3	-2.5	-10.1	-4.3

Other costs for the six month period ended 30 June 2022 amounted to MUSD 3.9 (MUSD 3.3) and related to the business interruption insurance.

Depletion and Decommissioning Costs

Depletion and decommissioning costs for the six month period ended 30 June 2022 amounted to MUSD – (MUSD 350.7), at an average rate of USD 10.39 per boe for the comparative period, which fully related to the discontinued operations. Following the announcement of the Transaction on 21 December 2021 and the subsequent reclassification of the E&P business as assets and liabilities held for distribution in the consolidated Balance Sheet, the Company ceased depletion as per IFRS5 from that date.

Exploration Costs

Exploration costs expensed in the income statement for the six month period ended 30 June 2022 amounted to MUSD 24.4 (MUSD 200.0) and fully related to the discontinued operations. Exploration and appraisal costs are capitalised as they are incurred. When exploration and appraisal drilling is unsuccessful, the capitalised costs are expensed. All capitalised exploration costs are reviewed on a regular basis and are expensed when facts and circumstances suggest that the carrying value of an exploration and evaluation asset may exceed its recoverable amount.

Purchase of Crude Oil from Third Parties

Purchase of crude oil from third parties for the six month period ended 30 June 2022 amounted to MUSD – (MUSD 170.4). Purchase of crude oil from third parties related to crude oil purchased from outside the Group and fully related to the discontinued operations.

General, Administrative and Depreciation Expenses

The general, administrative and depreciation expenses for the six month period ended 30 June 2022 amounted to MUSD 8.1 (MUSD 12.9).

Other information

Finance Income

Finance income for the six month period ended 30 June 2022 amounted to MUSD 149.8 (MUSD 0.6). The result on interest rate hedges for the six month period ended 30 June 2022 amounted to a gain of MUSD 148.3 (loss of MUSD 71.9), as a result of the higher LIBOR rate of which MUSD 54.2 was non-cash.

Finance Costs

Finance costs for the six month period ended 30 June 2022 amounted to MUSD 379.3 (MUSD 159.4). The net foreign currency exchange loss for the period amounted to MUSD 320.4 (MUSD 35.4). Foreign exchange movements occurred 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 reporting entities. The Company is exposed to exchange rate fluctuations relating to the relationship between US Dollar and other currencies. The Company had entered into derivative financial instruments during the period until closing of the Transaction, to address this exposure for exchange rate fluctuations for capital expenditure amounts and Corporate and Special Petroleum Tax amounts. No derivative financial instruments are outstanding as per end 30 June 2022. For the period, the net realised exchange gain on these settled foreign exchange instruments amounted to MUSD 7.3 (MUSD 8.1).

The US Dollar strengthened eight percent against the Euro during the six month period ended 30 June 2022, resulting in a net foreign currency exchange loss on the US Dollar denominated external loan, which is borrowed by a subsidiary using Euro as functional currency and generating a net foreign currency exchange loss on an intercompany loan balance denominated in US Dollar, which is also borrowed by a subsidiary using Euro as functional currency. In addition, the Norwegian Krone weakened four percent against the Euro during the period, generating a net foreign currency exchange loss on an intercompany loan balance denominated in Norwegian Krone. Following the announcement of the Transaction, part of the outstanding foreign currency exchange instruments were no longer considered effective under hedge effectiveness testing resulting in a non-cash charge to the income statement during the period.

Interest expenses for the six month period ended 30 June 2022 amounted to MUSD 26.4 (MUSD 22.8) and represented the portion of interest charged to the income statement. An additional amount of interest of MUSD 11.4 (MUSD 11.1), associated with the funding of the Norwegian development projects was capitalised during the period. The total interest expenses for the period increased compared to the comparative period as a result of a higher LIBOR rate partly offset by a lower average outstanding debt relative to the comparative period.

The amortisation of the deferred financing fees for the six month period ended 30 June 2022 amounted to MUSD 4.7 (MUSD 15.4) and related to the expensing of the fees incurred in establishing the credit facility and issuing the Senior Notes over the period of usage of the facility and Senior Notes.

Loan facility commitment fees for the six month period ended 30 June 2022 amounted to MUSD 3.3 (MUSD 3.5) and related to commitment fees for the undrawn amounts under the revolving corporate credit facility.

Tax

The current tax charge for the six month period ended 30 June 2022 amounted to MUSD 2,342.4 (MUSD 1,021.4) and related to both Corporate Tax and Special Petroleum Tax (SPT). The paid tax instalments in Norway amounted to MUSD 1,477.6.

The deferred tax charge for the six month period ended 30 June 2022 amounted to MUSD 364.5 (MUSD 109.6) and has arisen mainly on a difference in depletion for tax and accounting purposes.

Other information

The financial information relating to the nine month period ended 30 September 2022 has not been subject to review by the auditors of the Company.

Stockholm, 25 November 2022

Daniel Fitzgerald
CEO

Consolidated Income Statement

Expressed in MUSD	Note	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months	1 Jan 2021- 30 Sep 2021 9 months	1 Jul 2021- 30 Sep 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Revenue		2.6	2.6	–	–	–
Operating expenses		-0.5	-0.5	–	–	–
General and administration expenses		-12.9	-2.6	-15.7	-4.0	-19.4
Depreciation		-0.6	-0.6	–	–	–
Share in result of associates and joint ventures	2	8.7	2.6	0.8	0.4	0.9
Operating profit/loss		-2.7	1.5	-14.9	-3.6	-18.5
Finance income	3	4.5	2.8	0.4	0.1	2.6
Finance costs	4	-2.8	-2.8	-0.2	-0.1	-0.2
Net financial items		1.7	0.0	0.2	–	2.4
Profit/loss before income tax		-1.0	1.5	-14.7	-3.6	-16.1
Income tax	5	29.3	-0.3	–	–	–
Net result from continuing operations		28.3	1.2	-14.7	-3.6	-16.1
Discontinued operations						
Net result from E&P business	6	13,476.1	1.2	386.8	141.1	509.9
Net result		13,504.4	2.4	372.1	137.5	493.8
Attributable to:						
Shareholders of the Parent Company		13,504.4	2.4	372.1	137.5	493.8
Non-controlling interest		0.0	0.0	–	–	–
		13,504.4	2.4	372.1	137.5	493.8
Earnings per share – USD¹						
From continuing operations		0.10	0.00	-0.05	-0.01	-0.06
From discontinued operations		47.26	0.00	1.36	0.50	1.80
Earnings per share diluted – USD¹						
From continuing operations		0.10	0.00	-0.05	-0.01	-0.06
From discontinued operations		47.18	0.00	1.36	0.50	1.79

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

Consolidated Statement of Comprehensive Income

Expressed in MUSD	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months	1 Jan 2021- 30 Sep 2021 9 months	1 Jul 2021- 30 Sep 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Net result	13,504.4	2.4	372.1	137.5	493.8
Items that may be subsequently reclassified to profit or loss:					
Exchange differences foreign operations	359.7	-25.0	117.1	60.3	181.2
Cash flow hedges	17.8	–	98.5	-3.3	183.5
Other comprehensive income, net of tax	377.5	-25.0	215.6	57.0	364.7
Total comprehensive income	13,881.9	-22.6	587.7	194.5	858.5
Attributable to:					
Shareholders of the Parent Company	13,881.9	-22.6	587.7	194.5	858.5
Non-controlling interest	0.0	0.0	–	–	–
	13,881.9	-22.6	587.7	194.5	858.5

Consolidated Balance Sheet

Expressed in MUSD	Note	30 September 2022	31 December 2021
ASSETS			
Non-current assets			
Property, plant and equipment		199.1	31.5
Investment in associates and joint ventures		55.5	108.7
Deferred tax assets		27.4	–
Other non-current financial assets	10	94.2	35.2
		376.2	175.4
Current assets			
Assets held for distribution		–	7,468.2
Other current assets		3.5	0.1
Trade receivables	10	0.4	–
Other current financial assets	10	6.6	133.9
Cash and cash equivalents		62.4	130.0
		72.9	7,732.2
TOTAL ASSETS		449.1	7,907.6
EQUITY AND LIABILITIES			
Equity			
Shareholders' equity		351.3	-1,419.3
Non-current liabilities			
Interest bearing loans and borrowings	10	40.5	–
Deferred tax liability		14.0	–
Provisions		0.6	–
		55.1	–
Current liabilities			
Trade and other payables	10	21.4	4.3
Current tax liabilities		0.5	–
Provisions		3.8	–
Dividends payable	10	–	128.6
Liabilities held for distribution		–	9,194.0
Other current financial liabilities	10	17.0	–
		42.7	9,326.9
TOTAL LIABILITIES		97.8	9,326.9
TOTAL EQUITY AND LIABILITIES		449.1	7,907.6

Consolidated Statement of Cash Flows

Expressed in MUSD	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months	1 Jan 2021- 30 Sep 2021 9 months	1 Jul 2021- 30 Sep 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Cash flows from operating activities					
Net result from continuing operations	28.3	1.3	-14.7	-3.6	-16.1
Net result from discontinued operations	13,476.2	1.2	386.8	141.2	509.9
Adjustments for:					
Gain on distribution E&P business	-13,001.3	–	–	–	–
Exploration costs	24.4	–	237.9	37.9	258.1
Depletion, depreciation and amortisation	0.6	0.6	536.5	182.2	703.2
Current tax	2,342.4	0.0	1,682.7	661.3	2,562.8
Deferred tax	335.2	0.3	247.1	137.5	329.7
Long-term incentive plans	10.4	0.4	2.3	-6.7	6.1
Foreign currency exchange gain/loss	326.5	0.4	128.2	90.9	186.4
Interest income	-1.5	-1.5	–	–	–
Interest expense	26.6	0.2	35.0	12.6	52.0
Amortisation of deferred financing fees	4.7	–	–	–	35.5
Ineffective hedging contracts	-55.7	-1.5	17.3	1.9	68.9
Other	2.5	-2.6	27.2	-10.8	38.2
Interest received	2.0	0.8	27.4	4.2	1.2
Interest paid	-34.6	–	0.8	0.3	-50.9
Income taxes paid/received	-1,477.9	–	-40.8	-6.4	-1,397.8
Distributions received	7.8	6.8	-687.6	-321.1	–
Changes in working capital	-316.9	-61.2	-86.2	90.6	-229.2
Total cash flows from operating activities	1,699.7	-54.9	2,499.9	1,012.0	3,058.0
- of which relates to continuing operations	-6.2	5.4	-12.5	27.4	-17.7
- of which relates to discontinued operations	1,705.9	-60.3	2,512.4	984.6	3,075.7
Cash flows from investing activities					
Investment in oil and gas properties	-292.3	–	-790.2	-314.1	-1,319.5
Investment in renewable energy business ¹	-49.5	-0.2	-74.9	-22.3	-77.3
Acquisition of subsidiary net of cash	-78.9	-78.9	–	–	–
Investment in other fixed assets	-0.8	–	-1.0	-0.4	-4.1
Decommissioning costs paid	-1.4	–	-10.9	-1.4	-11.6
Total cash flows from investing activities	-422.9	-79.1	-877.0	-338.2	-1,412.5
- of which relates to continuing operations	-126.9	-79.1	-71.2	-19.2	-71.7
- of which relates to discontinued operations	-296.0	–	-805.8	-319.0	-1,340.8
Cash flows from financing activities					
Senior Notes	–	–	1,996.4	–	1,996.4
Net drawdown/repayment of credit facility	-592.2	7.8	-2,494.0	–	-2,794.0
Repayment of lease commitments	-12.1	–	–	–	-26.6
Financing fees paid	–	–	-17.4	-9.1	-21.3
Sold treasury shares	56.3	–	-21.3	-6.2	–
Dividends paid	-288.1	–	-327.0	-128.0	-455.0
Total cash flows from financing activities	-836.1	7.8	-863.3	-143.3	-1,300.5
- of which relates to continuing operations	-280.3	7.8	131.2	330.2	-455.0
- of which relates to discontinued operations	-555.8	–	-994.6	-473.6	-845.5
Change in cash and cash equivalents	440.7	-126.2	759.6	530.5	345.0
Cash and cash equivalents at the beginning of the period	452.1	187.1	82.5	310.6	82.5
Currency exchange difference in cash and cash equivalents	70.5	1.5	11.0	12.0	24.6
Change in consolidation E&P business	-900.9	–	–	–	–
Cash and cash equivalents at the end of the period	62.4	62.4	853.1	853.1	452.1

¹Includes incurred cost relating to the acquisition of the renewable energy business and funding of joint ventures.

Consolidated Statement of Changes in Equity

Expressed in MUSD	Attributable to owners of the Parent Company					Non-controlling interest	Total equity
	Share capital	Additional paid-in-capital/Other reserves	Retained earnings	Dividends	Total		
At 1 January 2021	0.5	-445.5	-1,324.1	–	-1,769.1	–	-1,769.1
Comprehensive income							
Net result	–	–	372.1	–	372.1	–	372.1
Other comprehensive income	–	215.6	–	–	215.6	–	215.6
Total comprehensive income	–	215.6	372.1	–	587.7	–	587.7
Transactions with owners							
Distributions	–	–	–	-511.8	-511.8	–	-511.8
Issuance of treasury shares to employees	–	6.4	–	–	6.4	–	6.4
Share based payments	–	-9.0	–	–	-9.0	–	-9.0
Value of employee services	–	–	4.3	–	4.3	–	4.3
Total transactions with owners	–	-2.6	4.3	-511.8	-510.1	–	-510.1
At 30 September 2021	0.5	-232.5	-947.7	-511.8	-1,691.5	–	-1,691.5
Comprehensive income							
Net result	–	–	121.7	–	121.7	–	121.7
Other comprehensive income	–	149.1	–	–	149.1	–	149.1
Total comprehensive income	–	149.1	121.7	–	270.8	–	270.8
Transactions with owners							
Value of employee services	–	–	1.4	–	1.4	–	1.4
Total transaction with owners	–	–	1.4	–	1.4	–	1.4
At 31 December 2021	0.5	-83.4	-824.6	-511.8	-1,419.3	–	-1,419.3
Transfer of prior year dividends	–	–	-511.8	511.8	–	–	–
Comprehensive income							
Net result	–	–	13,504.4	–	13,504.4	–	13,504.4
Other comprehensive income	–	377.5	–	–	377.5	–	377.5
Total comprehensive income	–	377.5	13,504.4	–	13,881.9	–	13,881.9
Transactions with owners							
Non-controlling interests on acquisition of subsidiary	–	–	–	–	–	7.4	7.4
Distributions	–	–	–	-12,178.1	-12,178.1	–	-12,178.1
Sold treasury shares	–	56.3	–	–	56.3	–	56.3
Value of employee services	–	–	3.1	–	3.1	–	3.1
Total transaction with owners	–	56.3	3.1	-12,178.1	-12,118.7	7.4	-12,111.3
At 30 September 2022	0.5	350.4	12,171.1	-12,178.1	343.9	7.4	351.3

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. The accounting policies adopted are in all aspects consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2021.

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).

Under Swedish company regulations it is not allowed to report the Parent Company results in any other currency than Swedish Krona or Euro and consequently the Parent Company's financial information is reported in Swedish Krona and not the Group's presentation currency of US Dollar.

Note 2 – Finance income MUSD	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months	1 Jan 2021- 30 Sep 2021 9 months	1 Jul 2021- 30 Sep 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Foreign currency exchange gain, net	0.7	-0.4	0.1	0.0	0.2
Interest income	1.5	0.9	0.2	0.0	1.0
Other	2.3	2.3	–	–	1.4
	4.5	2.8	0.3	0.0	2.6

Note 3 – Finance costs MUSD	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months	1 Jan 2021- 30 Sep 2021 9 months	1 Jul 2021- 30 Sep 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Foreign currency exchange loss, net	–	–	–	–	–
Interest expense	0.2	0.2	0.0	0.0	–
Other	2.6	2.6	0.2	0.0	0.2
	2.8	2.8	0.2	0.0	0.2

Note 4 – Share in result of associates and joint ventures MUSD	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months	1 Jan 2021- 30 Sep 2021 9 months	1 Jul 2021- 30 Sep 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Metsälamminkangas Wind Oy (50%)	4.8	1.6	–	–	–
Leikanger Kraft AS (50%)	3.8	1.1	–	–	0.9
Other	0.1	0.1	–	–	–
	8.7	2.8	0.8	0.4	0.9

Note 5 – Income tax MUSD	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months	1 Jan 2021- 30 Sep 2021 9 months	1 Jul 2021- 30 Sep 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Current tax	–	–	–	–	–
Deferred tax	29.3	-0.3	–	–	–
	29.3	-0.3	–	–	–

Notes to the consolidated financial statements

Note 6 – Discontinued operations – E&P business

On 21 December 2021, the Company announced that it had entered into an agreement with Aker BP whereby Aker BP would absorb the E&P business through a cross-border merger in accordance with Norwegian and Swedish law. Before completion of the cross-border merger, the shares in the company holding the E&P business would be distributed to the shareholders of the Company which occurred on 29 June 2022. The results of the E&P business are included in the financial statements until 29 June 2022 and are shown as discontinued operations.

The financial performance of the discontinued operations until 29 June 2022 is as follows:

Expressed in MUSD	1 Jan 2022- 30 Jun 2022 6 months	1 Apr 2022- 30 Jun 2022 3 months	1 Jan 2021- 30 Jun 2021 6 months	1 Apr 2021- 30 Jun 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Revenue and other income					
Revenue	3,643.4	1,674.2	2,369.7	1,262.8	5,452.9
Other income	7.1	-0.6	15.0	10.0	31.8
	3,650.5	1,673.6	2,384.7	1,272.8	5,484.7
Cost of sales					
Production costs	-149.7	-72.3	-115.2	-34.3	-265.4
Depletion and decommissioning costs	–	–	-350.7	-179.7	-703.0
Exploration costs	-24.4	-2.5	-200.0	-119.3	-258.1
Purchase of crude oil from third parties	–	–	-170.4	-170.4	-361.7
Gross profit	3,476.4	1,598.8	1,548.4	769.1	3,896.5
General, administration and depreciation expenses	-8.1	-1.9	-12.9	-6.0	-22.5
Operating profit	3,468.3	1,596.9	1,535.5	763.1	3,874.0
Net financial items					
Finance income	149.8	40.8	0.6	0.2	1.2
Finance costs	-379.3	-312.9	-159.4	-40.3	-472.8
	-229.5	-272.1	-158.8	-40.1	-471.6
Profit/loss before tax	3,238.8	1,324.8	1,376.7	723.0	3,402.4
Income tax	-2,706.9	-1,263.9	-1,131.0	-553.8	-2,892.5
	531.9	60.9	245.7	169.2	509.9
Gain on distribution E&P business	12,943.1	12,943.1	–	–	–
Net result from discontinued operations	13,475.0	13,004.0	245.7	169.2	509.9

Notes to the consolidated financial statements

The gain on distribution of the E&P business is detailed in the following table:

Gain on distribution E&P business MUSD	1 Jan 2022- 30 Sep 2022 9 months
Cash element	2,220.0
Share element	
Shares outstanding: 285,924,614	
Shares ratio for Aker shares: 0.95098	
No. of Aker shares: 271,908,589	
Share price Aker end of day 28 June: NOK 352.70	
FX rate NOK/USD end of day 28 June: 9.7879	9,798.0
Fair value distribution	12,018.0
Fair valuation distribution	12,018.0
Negative book value E&P business	984.5
Cost incurred during 2022	-58.2
Gain on distribution E&P business end September 2022	12,944.3

Note 7 – 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.

During the second quarter of 2021, the Group entered into a sponsorship agreement with Team Tilt SA. The sponsorship agreement spans over three years, with an annual payment of between MUSD 2.6 to MUSD 3.5, with the first payment made in the fourth quarter of 2021. The agreement was transferred to Aker BP as part of completion of the Transaction, and no longer remains within the continuing operations

Team Tilt SA's majority owner is Sebastien Schneider, an internationally recognised sailor who has represented Switzerland at European, World and Olympic events. Sebastien Schneider is a close family member of the Company's former CEO and Director Alex Schneider.

Note 8 – Risks and risk management

Financial risks and information on how Orrön Energy manages its risks, including liquidity, credit and market risks are addressed in note 22 to the consolidated financial statements in the 2021 Annual Report. In addition, risks and risk management relating to financial, operational and strategic risks are described in the 2021 Annual Report on pages 16–18.

Note 9 – Business combinations

Orrön Energy has acquired 96.5 percent of the issued share capital of Slitevind AB (publ) during the reporting period and gained control of the company from 31 August 2022.

Details of the purchase consideration, and the net assets acquired are as follows:

Purchase consideration MUSD	% of shares	Share price SEK	Number of shares	Value MUSD
Step 1 – Ownership 31 August 2022	91.0%	125	6,476,654	75.8
Step 2 – Ownership 13 September 2022	5.5%	125	388,694	4.5
Step 3 – Buy-out procedure ¹	3.5%	125	249,102	2.9
	100.0%		7,114,450	83.3

¹ Subject to the conclusion of the formal squeeze-out procedure.

Notes to the consolidated financial statements

The assets and liabilities recognised as a result of the acquisition are as follows:

Assets and liabilities ¹ MUSD	Fair value ² MUSD
Non-current assets	
Property, plant and equipment	144.1
Investment in associates and joint ventures	10.6
Other financial assets	0.7
	155.4
Current assets	
Other current assets	1.8
Trade receivables	0.4
Deferred tax asset	1.6
Other current financial assets	0.6
Cash and cash equivalents	1.4
	5.8
Non-current liabilities	
Interest bearing loans and borrowings	-43.0
Deferred tax liability	-15.9
Provisions	-0.7
	-59.6
Current liabilities	
Trade and other payables	-1.2
Other current financial liabilities	-12.4
	-13.6
Net identifiable assets acquired	88.0
Less Non-controlling interest	-4.7
Net assets acquired	83.3

¹Preliminary

²Translated from SEK to USD at closing rate 31 August 2022.

Acquired receivables

The fair value of acquired trade receivables is MUSD 0.4, which corresponds to the book value.

Revenue and profit contribution

The acquired business contributed revenues of MUSD 2.6 and a net profit of MUSD 2.1 to the Group for the month of September. These amounts have been calculated using the subsidiary's results and adjusting them for differences in accounting policies between the Group and the subsidiary.

Purchase consideration – Cash outflow

Outflow of cash for acquisition, net of cash acquired

MUSD	
Cash consideration	80.3
Less cash balances acquired	-1.4
Net outflow of cash – Investing activities	78.9

Notes to the consolidated financial statements

Note 10 – Financial instruments

The Group holds the following financial instruments:

MUSD	Level	30 September 2022	31 December 2021
Financial assets			
Financial assets at amortised cost			
Other non-current financial assets		94.2	35.2
Trade receivables ¹		0.4	–
Other current financial assets		6.5	133.7
Cash and cash equivalents		62.4	130.0
		163.5	298.9
Financial liabilities			
Financial liabilities at amortised cost			
Interest bearing loans and borrowings		40.4	–
Trade and other payables		21.4	4.2
Other current financial liabilities		17.1	–
Dividend liabilities		–	128.6
		78.9	132.8
Financial liabilities at fair value through profit or loss			
Derivative financial instruments	2	5.9	–
		5.9	–

¹The fair value of trade receivables and other receivables is a fair approximation of the book value.

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.

Parent Company Income Statement

Expressed in MSEK	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months	1 Jan 2021- 30 Sep 2021 9 months	1 Jul 2021- 30 Sep 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Revenue	10.7	1.4	10.6	–	20.4
General and administration expenses	-157.6	-21.7	-181.6	-58.3	-240.7
Operating profit/loss	-146.9	-20.3	-171.0	-58.3	-220.3
Net financial items					
Finance income	23.0	15.8	4,467.2	-0.6	13,310.2
Finance costs	-721.2	-163.6	-0.3	-0.2	-133.4
	-698.2	-147.8	4,466.9	-0.8	13,176.8
Profit/loss before tax	-845.1	-168.1	4,295.9	-59.1	12,956.5
Income tax	306.0	–	–	–	–
Net result	-539.1	-168.1	4,295.9	-59.1	12,956.5

Parent Company Comprehensive Income Statement

Expressed in MSEK	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months	1 Jan 2021- 30 Sep 2021 9 months	1 Jul 2021- 30 Sep 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Net result	-539.1	-168.1	4,295.9	-59.1	12,956.5
Other comprehensive income	–	–	–	–	–
Total comprehensive income	-539.1	-168.1	4,295.9	-59.1	12,956.5
Attributable to:					
Shareholders of the Parent Company	-539.1	-168.1	4,295.9	-59.1	12,956.5

Parent Company Balance Sheet

Expressed in MSEK	30 September 2022	31 December 2021
ASSETS		
Non-current assets		
Shares in subsidiaries	3,780.8	55,118.9
Other tangible fixed assets	0.3	0.4
Deferred tax assets	306.0	–
	4,087.1	55,119.3
Current assets		
Receivables	17.7	9,813.9
Cash and cash equivalents	206.0	44.3
	223.7	9,858.2
TOTAL ASSETS	4,310.8	64,977.5
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity including net result for the period	4,128.0	63,625.5
Non-current liabilities		
Provisions	–	1.6
	–	1.6
Current liabilities		
Dividends	–	1,163.9
Other liabilities	182.8	186.5
	182.8	1,350.4
TOTAL LIABILITIES	182.8	1,352.0
TOTAL EQUITY AND LIABILITIES	4,310.8	64,977.5

Parent Company Cash Flow Statement

Expressed in MSEK	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months	1 Jan 2021- 30 Sep 2021 9 months	1 Jul 2021- 30 Sep 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Cash flow from operations					
Net result	-539.1	-168.1	4,295.9	-58.9	12,956.5
Adjustment for non-cash related items	-326.5	-15.8	-2,231.8	2,234.9	-9,772.0
Changes in working capital	3,094.1	-383.4	671.1	-1,146.7	674.0
Total cash flow from operations	2,228.5	-567.3	2,735.2	1,029.3	3,858.5
Cash flow from investing					
Investments in subsidiaries	-0.5	–	–	–	–
Investments in other fixed assets	–	–	–	–	-0.1
Total cash flow from investing	-0.5	–	–	–	-0.1
Cash flow from financing					
Dividends paid	-2,672.1	–	-2,781.0	-1,083.4	-3,898.5
Sold treasury shares	583.8	–	–	–	–
Issuance of treasury shares to employees	–	–	56.2	56.2	56.2
Total cash flow from financing	-2,088.3	–	-2,724.8	-1,027.2	-3,842.3
Change in cash and cash equivalents	139.7	-567.3	10.4	2.1	16.1
Cash and cash equivalents at the beginning of the period	44.3	757.8	26.6	35.2	26.6
Currency exchange difference in cash and cash equivalents	22.0	15.5	1.0	0.7	1.6
Cash and cash equivalents at the end of the period	206.0	206.0	38.0	38.0	44.3

Parent Company Statement of Changes in Equity

Expressed in MSEK	Restricted equity		Unrestricted equity				Total equity
	Share capital	Statutory reserve	Other reserves	Retained earnings	Dividends	Total	
Balance at 1 January 2021	3.5	861.3	6,542.8	50,540.2	-2,867.8	54,215.2	55,080.0
Transfer of prior year dividends	–	–	–	-2,867.8	2,867.8	–	–
Total comprehensive income	–	–	–	4,295.9	–	4,295.9	4,295.9
Transactions with owners							
Distributions	–	–	–	–	-4,467.2	-4,467.2	-4,467.2
Issuance of treasury shares to employees	–	–	56.2	–	–	56.2	56.2
Total transactions with owners	–	–	56.2	–	-4,467.2	-4,411.0	-4,411.0
Balance at 30 September 2021	3.5	861.3	6,599.0	51,968.3	-4,467.2	54,100.1	54,964.9
Total comprehensive income	–	–	–	8,660.6	–	8,660.6	8,660.6
Balance at 31 December 2021	3.5	861.3	6,599.0	60,628.9	-4,467.2	62,760.7	63,625.5
Transfer of prior year dividends	–	–	–	-4,467.2	4,467.2	–	–
Total comprehensive income	–	–	–	-539.1	–	-539.1	-539.1
Transactions with owners							
Distributions	–	–	–	–	-59,542.8	-59,542.8	-59,542.8
Value of employee services	–	–	–	0.7	–	0.7	0.7
Sold treasury shares	–	–	583.7	–	–	583.7	583.7
Total transactions with owners	–	–	583.7	0.7	-59,542.8	-58,958.4	-58,958.4
Balance at 30 September 2022	3.5	861.3	7,182.7	55,623.3	-59,542.8	3,263.2	4,128.0

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 a proportionate financial reporting which forms part of the alternative performance measures the Group presents. Proportionate financials represent Orrön Energy's proportionate share of those entities in which the Group holds an ownership of not more than 50 percent. In the consolidated financial reporting, the results from these assets are not fully consolidated but instead reported on one line, as share of result in joint ventures in line with IFRS. Proportionate financials also represent Orrön Energy's proportionate share of those entities which are fully consolidated but in which the Group holds an ownership of less than 100 percent but more than 50 percent. Proportionate reporting is aligned with the Group's internal management reporting, analysis and decision making.

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 (Continuing operations) MUSD	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months	1 Jan 2021- 30 Sep 2021 9 months	1 Jul 2021- 30 Sep 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Proportionate financials					
Power generation (GWh)	166	83	N/A ¹	N/A ¹	N/A ¹
Revenue	26.9	15.5	N/A ¹	N/A ¹	N/A ¹
EBITDA	12.1	10.8	N/A ¹	N/A ¹	N/A ¹
Operating profit (EBIT)	9.0	9.1	N/A ¹	N/A ¹	N/A ¹
Average price achieved per MWh (EUR) ²	153.3	177.2	N/A ¹	N/A ¹	N/A ¹
Consolidated financials					
Revenue	2.6	2.6	–	–	–
EBITDA	-2.1	2.1	-14.9	-3.6	-18.2
Operating profit (EBIT)	-2.7	1.5	-14.9	-3.6	-18.2
Net result	28.3	1.2	-14.7	-3.6	-16.1
Data per share					
USD					
Earnings per share	0.10	0.00	-0.05	-0.01	-0.06
Earnings per share – diluted	0.10	0.00	-0.05	-0.01	-0.06
EBITDA per share	-0.00	-0.00	-0.00	-0.00	-0.00
EBITDA per share – diluted	-0.00	-0.00	-0.00	-0.00	-0.00
Number of shares issued at period end	285,924,614	285,924,614	285,924,614	285,924,614	285,924,614
Number of shares in circulation at period end	285,924,614	285,924,614	284,568,178	284,568,178	284,568,178
Weighted average number of shares for the period	285,160,214	285,924,614	284,403,068	284,504,579	284,444,685
Weighted average number of shares for the period – diluted	285,605,600	285,924,614	285,049,553	285,029,248	285,126,595
Share price					
Share price at period end in SEK	19.97	19.97	326.8	326.8	324.50
Share price at period end in USD ³	1.79	1.79	37.21	37.21	35.86
Key ratios²					
Return on equity (%)	9	0	–	–	-6
Return on capital employed (%)	0	0	44	19	-6
Equity ratio (%)	78	78	-22	-22	70
Net cash (-) / Net debt (+)	-10.8	-10.8	2,646.9	2,646.9	2,747.9

¹ Not applicable, proportionate financials are reported from the financial year 2022 only.

² Key ratios from continuing operations for comparative periods are calculated on equity attributable to the continuing operations only instead of equity as presented in the consolidated balance sheet and based on no debt attributable to continuing operations. Comparatives include discontinued operations.

³ Share price at period end in USD is calculated based on quoted share price in SEK and applicable SEK/USD exchange rate at period end

Key Ratio Definitions

EBITDA – Proportionate financials MUSD	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months
Operating profit	9.0	9.1
Add: depreciation	3.1	1.7
	12.1	10.8

EBITDA – Consolidated financials MUSD	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months	1 Jan 2021- 30 Sep 2021 9 months	1 Jul 2021- 30 Sep 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Operating profit/loss	-2.7	1.5	-14.9	-3.6	-18.2
Add: depreciation	0.6	0.6	0.0	0.0	–
	-2.1	2.1	-14.9	-3.6	-18.2

Net cash / Net debt MUSD	1 Jan 2022- 30 Sep 2022 9 months	1 Jul 2022- 30 Sep 2022 3 months	1 Jan 2021- 30 Sep 2021 9 months	1 Jul 2021- 30 Sep 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Senior notes	–	–	2,000.0	2,000.0	2,000.0
Interest bearing loans and borrowings – Non-Current	40.4	40.4	1,500.0	1,500.0	1,200.0
Interest bearing loans and borrowings – Current	11.3	11.3	–	–	–
Less: Cash and cash equivalents	-62.4	-62.4	-853.1	-853.1	-452.1
	-10.8	-10.8	2,646.9	2,646.9	2,747.9

Bridge from proportionate to consolidated financials

1 Jan – 30 Sep 2022 – 9 months MUSD	Proportionate financials	Residual owner- ship for fully consolidated entities ¹	Elimination of equity consolidated entities ²	Recognition of equity consolidated entities	Consolidated financials
Revenue	26.9	0.1	-25.1	0.7	2.6
Other income	2.2	–	-2.2	–	–
Operating expenses	-4.1	–	3.8	-0.2	-0.5
General and administration expenses	-12.9	–	–	–	-12.9
Share in result of associates and joint ventures	–	–	8.7	–	8.7
EBITDA	12.1	0.1	-14.8	0.5	-2.1
Depreciation	-3.1	–	2.5	–	-0.6
Operating profit (EBIT)	9.0	0.1	-12.3	0.5	-2.7
Net financial items	0.8	–	1.5	-0.6	1.7
Tax	18.5	–	10.8	–	29.3
Net result	28.3	0.1	–	-0.1	28.3

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 Ratio Definitions

EBIT (Earnings Before Interest and Tax): Operating profit

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

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.

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.

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).

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

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

Definitions and abbreviations

CHF	Swiss franc
EUR	Euro
NOK	Norwegian Krone
SEK	Swedish Krona
USD	US dollar
TSEK	Thousand SEK
TUSD	Thousand USD
MEUR	Million EUR
MSEK	Million SEK
MUSD	Million USD
BUSD	Billion US

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 third quarter results 2022.

Listen to Daniel Fitzgerald, CEO and Espen Hennie, CFO commenting on the report at a webcast held on 25 November 2022 at 14:00 CET followed by a question-and-answer session.

Registration for the webcast presentation is available on the website and the below link:

Link to webcast: https://us06web.zoom.us/webinar/register/WN_QNoHthpBTF62dr7gLD90NA

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Financial Calendar

- | | |
|---|------------------|
| • Interim report for the fourth quarter and year end 2022 | 15 February 2023 |
| • Interim report for the first quarter of 2023 | 3 May 2023 |
| • Annual General Meeting 2023 | 4 May 2023 |
| • Interim report for the second quarter of 2023 | 2 August 2023 |

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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