

YEAR-END REPORT 1 JANUARY-31 DECEMBER 2023

We create renewable energy



Year-end report 1 January–31 December 2023

FOURTH QUARTER (1 OCTOBER–31 DECEMBER 2023)

- Net sales for the quarter amounted to MSEK 191 (106).
- Operating profit before depreciation and amortisation (EBITDA) was MSEK 82 (52).
- Operating profit (EBIT) was MSEK 65 (37).
- Profit after tax totalled MSEK 77 (36) and earnings per share amounted to SEK 1.81 (0.80).
- Operating cash flow was MSEK 180 (0) and cash flow after investments amounted to MSEK 123 (-73).
- Production generated 88 GWh (79) of green electricity with an average income of SEK 727 per MWh (857).
- The project portfolio increased by more than 1,000 MW during the quarter.

FULL-YEAR (1 JANUARY–31 DECEMBER 2023)

- Net sales for the period amounted to MSEK 503 (1,164).
- Operating profit before depreciation and amortisation (EBITDA) totalled MSEK 286 (851).
- Operating profit (EBIT) totalled MSEK 223 (790).
- Profit after tax totalled MSEK 200 (772) and earnings per share was SEK 4.65 (18.60).
- Operating cash flow was MSEK 222 (926) and cash flow after investments amounted to MSEK -316 (621).
- Production generated 288 GWh (292) of green electricity with an average income of SEK 829 per MWh (720).
- The project portfolio increased by more than 4,200 MW during the year.
- The Board proposes a dividend of SEK 1.20 (1.00) per share.

Selected key figures	12m 2023	12m 2022
- Net sales, MSEK	503	1,164
- EBITDA, MSEK	286	851
- Earnings per share, SEK	4.65	18.60
- Adjusted equity per share, SEK	58	61
- Equity/assets ratio, %	58	55
- Project portfolio, MW	~6,900	~2,600

SIGNIFICANT EVENTS DURING THE QUARTER

- The wind farm project Fasikan was divested in October 2023 to SCA. The total purchase price amounted to approximately MSEK 125, which also includes a variable portion that is dependent on how construction of the project progresses in relation to budget.
- Arise entered into a partnership agreement with SCA in October 2023. Arise and SCA will cooperate in the development of wind power in six identified land areas. The estimated total potential amounts to approximately 1,000 MW and the projects are included in Arise's project portfolio as early-stage projects. Arise will have a 49% ownership in the projects once they reach ready-to-build status.
- In November, Arise announced that the Board had resolved to utilise the authorisation granted by the Annual General Meeting in May 2023 to repurchase the Company's own shares corresponding to an amount of up to SEK 100 million ahead of the Annual General Meeting in 2024. During the quarter, a total of 564,908 own shares were repurchased for SEK 23,6 million.
- Karmen Bergholcs was appointed General Counsel. She took up her role on 15 January 2024 when she also joined Group Management.
- In December 2023 Arise acquired 70% of the Norwegian company Fenix Repower AS, a developer of solar, onshore wind and storage projects in Norway and Ukraine.

A strong quarter and year for Arise!

When summarising the fourth quarter, I can note that we continue to deliver good results. Income from the sale of the Fasikan project in combination with historically high income from our production means that all together, the quarter was very strong, with profit after tax of MSEK 77.

In December we carried out our second acquisition for the year when we acquired 70% of Fenix Repower. The acquisition means that we now have a project portfolio and local organisation to develop new projects (wind/solar/energy storage) in Ukraine. At the same time, we get local representation in Norway for developing our existing projects and securing new project rights. This is yet another step in growth and in diversifying the company with new geographies and technologies. We have successfully created a cost-efficient solution for developing projects in Ukraine, and while naturally this is a market with significant risks considering the ongoing war, it also has enormous potential when capital will be invested to rebuild the country's energy infrastructure. At the same time, it provides us with clear synergies through a local organisation in Norway, which we previously lacked.

Arise launched a share buyback programme in November for an amount of up to MSEK 100 with the purpose of creating value for our shareholders.

Our production delivered the highest annual income to date, despite relatively weak winds during the second half of the year and significantly lower market prices compared with 2022, primarily due to a successful price hedging strategy. Lebo, our wind power project, is proceeding according to plan and commissioning began in December. The commercial takeover is scheduled for the first quarter of 2024, meaning that we will increase own production by close to 30%. We also saw strong growth in our project portfolio during the year. In total, we increased the portfolio by over 4,200 MW in several geographies and with various technologies (wind/solar/energy storage).

Some milestones achieved during the year:

- Acquisition of Pohjan Voima, Finland
- Acquisition of Fenix Repower, Norway/Ukraine
- Share dividend for the first time in the history of the company
- Share buyback programme introduced
- The Skaftåsen wind power project taken over with full earn-out
- New financial targets for profitable growth presented at the Capital Markets Day
- Sale of the Fasikan project to SCA
- Development partnership with Persson Invest and SCA
- Commissioning of the Lebo project initiated

The electricity market can be briefly summarized by the significant variation in the spot price for electricity in 2023. Prices were notably lower than the extremes of the previous year, though they remained at historically high levels. An extensive hydrological surplus during the second half of the year contributed to this volatility and put considerable pressure on prices during the autumn. The

beginning of winter once again proved, however, that the energy crisis is not over and prices in southern Sweden increased to EUR 130 per MWh on a weekly basis.

In conclusion, the company delivered its second-best earnings to date, profit after tax of MSEK 200, which is proof of our strength. I look back on a good performance in 2023 with great satisfaction. Ahead of 2024, the conditions for new profitable transactions have improved. We accelerated projects in various markets and technologies in 2023 and our goal is now to realise at least one project sale during the year. At the same time, we expect own production to deliver strong earnings with good price hedging and look forward with confidence to another intense and good year for the company!

Halmstad, 15 February 2024

Per-Erik Eriksson
CEO



“The company delivered its second-best earnings to date, profit after tax of MSEK 200, which is proof of our strength.”

Net sales and results

MSEK	Q4 2023	Q4 2022	12m 2023	12m 2022
Net sales	191	106	503	1,164
EBITDA	82	52	286	851
EBIT	65	37	223	790
Profit before tax	77	36	200	772
Profit after tax	77	36	200	772

COMMENTS ON THE FOURTH QUARTER

Income for Development increased in the quarter due to the divestment of Fasikan. Uncertainty regarding completion of the Ranasjö- and Salsjöhöjden project also decreased, why additional revenue of MEUR 1.0 was recognised. Revenue in Solutions also increased primarily due to the management agreement for Skaftåsen and the construction agreement for Fasikan. For Production, the quarter was characterised by slightly weaker winds than normal in combination with maintenance.

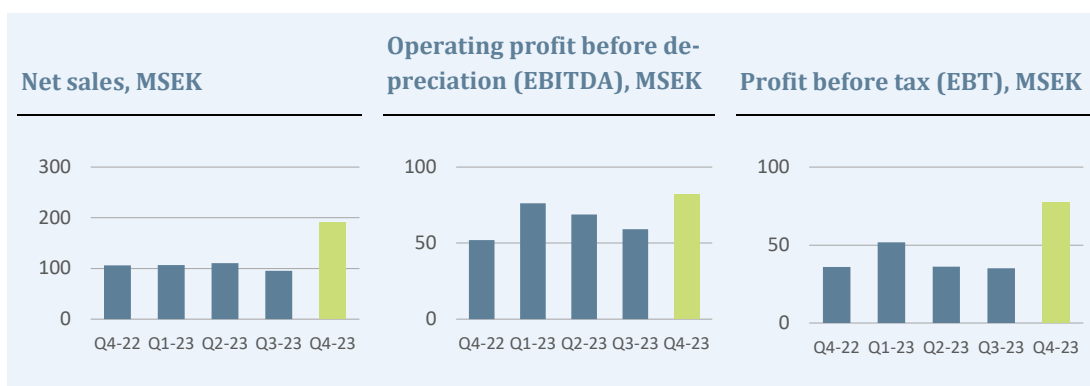
Net sales increased to MSEK 191 (106), mainly driven by higher income in Development. Production generated 88 GWh (79) green electricity while the average realised price amounted to SEK 727 per MWh (857), which is the result of lower market prices compared with the year-earlier quarter. Operating expenses amounted to MSEK -113 (-56), of which MSEK -22 (-16) pertained to costs for the Group's variable remuneration programme for 2023.

Overall, EBITDA increased to MSEK 82 (52). Depreciation amounted to MSEK -17 (-15), resulting in EBIT of MSEK 65 (37). Net financial items amounted to MSEK 12 (-1), of which exchange rate differences corresponded to MSEK 3 (7). The company's electricity production assets are valued in EUR and income is received in EUR. The company has therefore chosen to take loans in EUR, creating a natural hedge. Changes to the EUR/SEK exchange rate will continue to affect comparability of net financial items, whereby a strengthening of SEK will improve the net and vice versa. Corresponding reverse value changes in SEK terms for the underlying assets are not recognised.

Profit before and after tax amounted to MSEK 77 (36).

COMMENTS ON THE FULL YEAR

In addition to the divestment of Fasikan during the fourth quarter, the final settlement of Skaftåsen contributed positively to Development's income during the year. Income for Solutions increased during the year with good profitability, in part because the management agreement for Skaftåsen became effective after the commercial takeover. At the same time, income in Production increased as a result of higher year-on-year realised prices. In total, 288 GWh (292) of green electricity was produced, and the average price for production totalled SEK 829 per MWh (720). In total, net sales amounted to MSEK 503 (1,164). Operating expenses amounted to MSEK -232 (-322). EBITDA amounted to MSEK 286 (851) and EBIT to MSEK 223 (790). Net financial items amounted to MSEK -23 (-17), of which exchange rate differences corresponded to MSEK 9 (11). Profit before and after tax amounted to MSEK 200 (772).



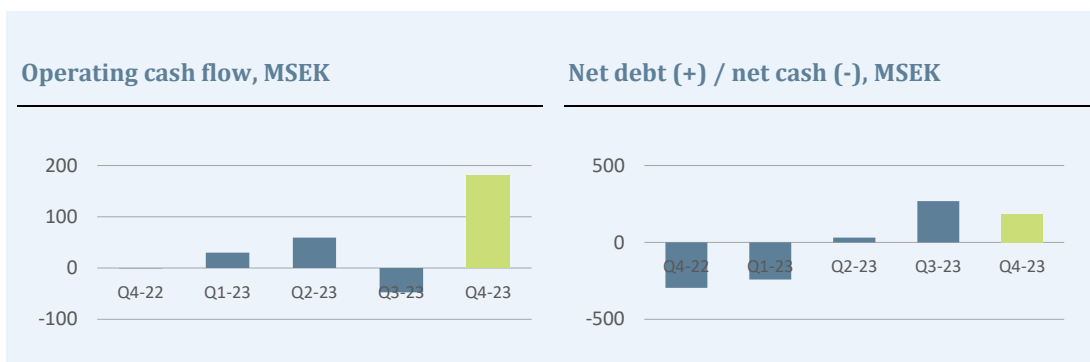
Cash flow and investments

COMMENTS ON THE FOURTH QUARTER

Cash flow from operating activities before changes in working capital was MSEK 113 (53). Changes in working capital were MSEK 67 (-53) and the total operating cash flow was thus MSEK 180 (0). Net cash flow from investing activities was MSEK -57 (-73), driven primarily by investments in Lebo. Cash flow after investments therefore amounted to MSEK 123 (-73). Amortisations of MSEK -17 (-7) were paid during the quarter while new loans of MSEK 58 (0) related to Lebo were raised. Interest and financing costs of MSEK -19 (-12) were paid. Share buybacks of MSEK -24 (0) were carried out. Net payments to or from blocked accounts totalled MSEK -1 (0), after which cash flow for the quarter, adjusted for lease effects, amounted to MSEK 119 (-90).

COMMENTS ON THE FULL YEAR

Cash flow from operating activities before changes in working capital was MSEK 312 (967). Changes in working capital were MSEK -90 (-41) and the total operating cash flow was thus MSEK 222 (926). Net cash flow from investing activities was MSEK -539 (-305) and pertained primarily to investments in Lebo and Pohjan Voima Oy. Cash flow after investments therefore amounted to MSEK -316 (621). Amortisations totalling MSEK -57 (-18) were paid and new loans amounting to MSEK 207 (523) were raised. Interest and financing costs of MSEK -62 (-33) were paid. A dividend of MSEK -44 (0) was paid out and share buybacks of MSEK -24 (0) were carried out. Net payments to or from blocked accounts totalled MSEK -1 (-9), after which cash flow, adjusted for lease effects, amounted to MSEK -306 (1,082).



Financing and liquidity

At the end of the period, the company had a net debt of MSEK 183 compared with net cash of MSEK 296 at the end of the year-earlier quarter. Cash and cash equivalents at the end of the period totalled MSEK 917 (1,220). At the end of the period, the equity/assets ratio was 58% (55).

Development

MSEK	Q4 2023	Q4 2022	12m 2023	12m 2022
Income	116	29	225	927
Cost of sold projects	-43	-	-43	-136
Other operating expenses and capitalised work	-16	-6	-45	-58
Operating profit before depreciation (EBITDA)	56	24	136	733
Operating profit (EBIT)	56	24	136	733
Profit before tax	73	26	128	738

COMMENTS ON THE FOURTH QUARTER

Income increased in the quarter due to the divestment of the Fasikan project. An additional MEUR 1.0 in revenue was recognised for the Ranasjö- and Salsjöhöjden project. Since the company's revenue recognition is in EUR, a stronger SEK had a negative impact on revenue during the quarter.

The construction of the Lebo project continued during the quarter and commissioning began during the end of the quarter as planned. The commercial takeover is still planned for the first quarter of 2024.

Development activities continued during the quarter for the HT Skogar portfolio as well as intensified work with development on Persson Invest's land. In the UK, work continued to develop the major solar project while activities to secure new project rights continued and has started to yield results. For the Tormsdale project in Scotland, the permit application is in process and the grid connection is secured. Transmission line work is ongoing for Finnåberget. The goal is to be able to divest the project in 2025, though there is some uncertainty regarding the capacity of the grid connection. Development activities related to the solar projects and battery projects in Sweden continued during the quarter. In Finland, development activities are proceeding according to plan. New early-stage projects were secured during the quarter and several additional projects are evaluated. Fenix Repower AS, a project developer in Norway and Ukraine, was acquired during the quarter including several potential projects with good conditions. In total, the company has a project portfolio of approximately 6,900 MW.

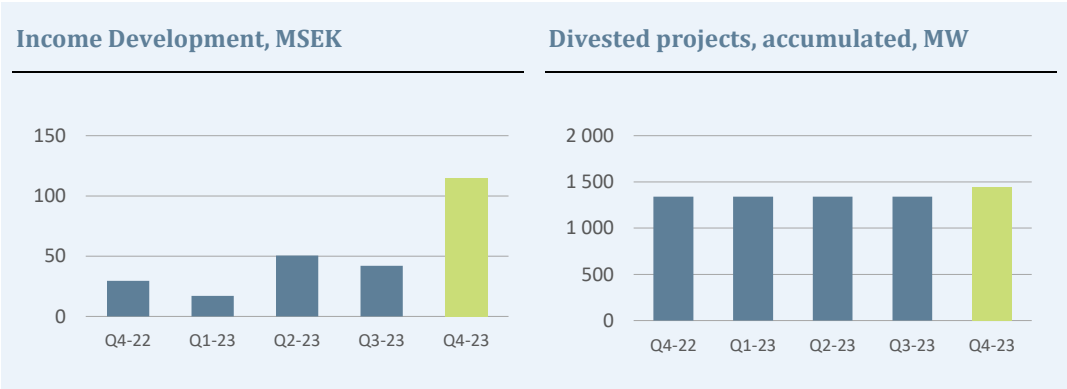
Income increased to MSEK 116 (29). The cost of sold projects amounted to MSEK -43 (0). Other operating expenses and capitalised work totalled MSEK -16 (-6). EBITDA increased to MSEK 56 (24). Depreciation and amortisation amounted to MSEK -1 (0), whereby EBIT amounted to MSEK 56 (24). Net financial



items amounted to MSEK 17 (2), of which exchange rate differences corresponded to MSEK 13 (10). Profit before tax thus amounted to MSEK 73 (26).

COMMENTS ON THE FULL YEAR

Income amounted to MSEK 225 (927), where the sale of Kölvalen had a significant impact on the year-earlier period. At the same time, the cost of sold projects and contracts fell to MSEK -43 (-136). Other operating expenses and capitalised work totalled MSEK -45 (-58), after which EBITDA amounted to MSEK 136 (733). Depreciation and amortisation amounted to MSEK -1 (0) and EBIT amounted to MSEK 136 (733). Net financial items amounted to MSEK -8 (4), of which exchange rate differences corresponded to MSEK 24 (26). Profit before tax thus amounted to MSEK 128 (738).



PORTFOLIO

Arise's development portfolio on the reporting date is presented below, amounting to approximately 6,900 MW. Fully developed, the portfolio would equate to an investment level of about SEK 80–90 billion.










The portfolio is divided into projects in later developmental phases, which amount to a total of approximately 900 MW, and projects in early developmental phases, which amount to a total of approximately 6,000 MW. The company is working actively to expand the project portfolio particularly concerning wind and solar power in the Nordic countries, UK and Ukraine, but is also continuously evaluating new geographies. Efforts to expand the project portfolio include greenfield projects and acquisitions of projects at varying stages. The company is also developing a number of projects in battery storage.

In working to increase its project portfolio, Arise evaluates a number of different conceivable projects. The vast majority of the projects being evaluated do not qualify for further development as they are not deemed realisable given their production conditions (wind and solar conditions), permit risks, grid capacity and economic potential. These primary factors were determined to be promising for the projects below. While individual projects may not always be realised, the overall project portfolio represents high potential value for the company, with relatively little capital tied-up and low risk.

Projects – late developmental phases

		MW
Finnåberget, SE 2		200
Tormsdale, Scotland	 	70
Finland*		620
Total		~900

Projects – early developmental phases

		MW
Sweden**		~3,350
Sweden	 	~360
Norway		~260
UK		~120
UK	 	~650
Finland*	 	~1,250
Total		~6,000

*) Represents Pohjan Voima's project portfolio. Arise's ownership in Pohjan Voima amounts to about 51%.

**) Including assessed total potential of about 1,000 MW from the partnership with SCA. Arise's future ownership in these projects amounts to 49%.

Production

MSEK	Q4 2023	Q4 2022	12m 2023	12m 2022
Income	65	68	242	211
Operating expenses	-14	-18	-52	-51
Operating profit before depreciation (EBITDA)	51	50	189	160
Operating profit (EBIT)	36	35	130	101
Profit before tax	42	27	115	65

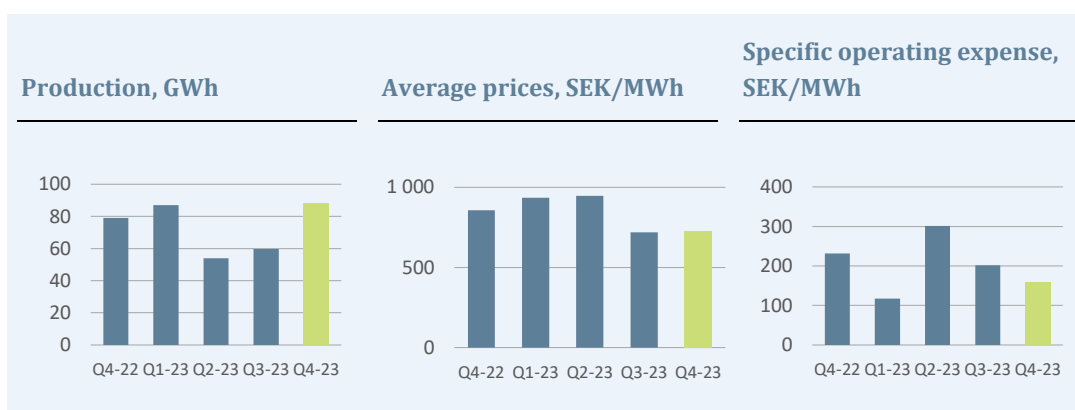
COMMENTS ON THE FOURTH QUARTER

Winds during the quarter were marginally weaker than normal and planned maintenance was carried out. However, overall production at the company's wind farms increased to 88 GWh (79). The average income amounted to SEK 727 per MWh (857) due to lower market prices than the year-earlier period. The company's price hedges meant that the average income nonetheless exceeded the average market price for the period.

Income amounted to MSEK 65 (68), in line with the year-earlier period. The specific operating expense amounted to SEK -159 SEK per MWh (-232). EBITDA increased somewhat to MSEK 51 (50). Depreciation amounted to MSEK -15 (-15) and EBIT thus increased to MSEK 36 (35).

Net financial items amounted to MSEK 6 (-8), of which exchange rate differences corresponded to MSEK 6 (-6). Profit before tax thus amounted to MSEK 42 (27).

In accordance with IFRS, the production assets are not recognized at market value, but the company tests for impairment annually. In the impairment test in 2023, the value in use of the production assets exceeded the carrying amount by about MEUR 60¹⁾.



1) Based on a discount rate of 8.2%, the company's forecasts and energy price forecasts prepared by external experts. A change in the discount rate of +/- one percentage point would affect the value by approximately MEUR 10.



Hedged electricity prices	Q1 2024	Q2 2024	Q3 2024	Q4 2024	2024
MWh, SE 4	28,400	21,800	22,100	22,100	94,400
EUR per MWh, SE4	106	104	104	104	104

COMMENTS ON THE FULL YEAR

Production at the company's wind farms declined somewhat to 288 GWh (292). At the same time, the average income was SEK 829 per MWh (720), which was higher than the market price for the year as a result of the positive impact of price hedging.

Income amounted to MSEK 242 (211). The specific operating expense amounted to SEK -182 per MWh (-174) and EBITDA increased to MSEK 189 (160). Depreciation amounted to MSEK -60 (-59), after which EBIT increased to MSEK 130 (101). Net financial items amounted to MSEK -15 (-36), of which exchange rate differences corresponded to MSEK -3 (-27). Profit before tax thus increased to MSEK 115 (65).

Solutions

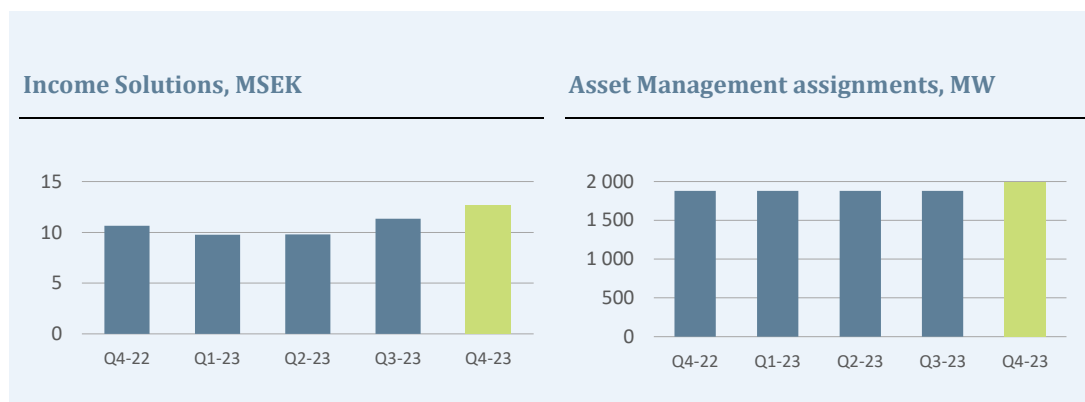
MSEK	Q4 2023	Q4 2022	12m 2023	12m 2022
Income	13	11	44	33
Operating expenses	-10	-9	-38	-34
Operating profit before depreciation (EBITDA)	2	1	5	-1
Operating profit / loss (EBIT)	2	1	5	-1
Profit / loss before tax	2	1	5	-1

COMMENTS ON THE FOURTH QUARTER

In Solutions, the Fasikan construction management agreement and the Skaftåsen asset management agreement led to increased income compared with the year-earlier period. Income amounted to MSEK 13 (11). Operating expenses amounted to MSEK -10 (-9). EBITDA was MSEK 2 (1). Depreciation and financial items were MSEK 0 (0) and EBIT and profit before tax thus amounted to MSEK 2 (1).

COMMENTS ON THE FULL YEAR

Income amounted to MSEK 44 (33). Operating expenses amounted to MSEK -38 (-34). EBITDA amounted to MSEK 5 (-1). Depreciation and financial items were MSEK 0 (0) and EBIT and profit/loss before tax thus amounted to MSEK 5 (-1).



OTHER SIGNIFICANT EVENTS DURING THE QUARTER

There were no other significant events during the quarter.

RELATED-PARTY TRANSACTIONS

No significant transactions with related parties took place during the period.

CONTINGENT LIABILITIES

The Group's contingent liabilities are related to guarantees and counter indemnities that are issued to support the Group's obligations connected to solar and wind power projects. These are described in more detail on page 89 under Note 21 in the 2022 Annual Report. During the fourth quarter, Arise entered into a counter indemnity for the bank guarantee issued for Arise Elnät AB and stood surety for the subsidiary Arise Wind HoldCo 8 AB's commitments under the share sales agreements for Fasikan Vind AB.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

There were no significant events after the end of the reporting period.

OUTLOOK

There continues to be high uncertainty and global risks concerning security politics and energy supply, which makes the ongoing energy transition increasingly obvious in society. Despite a weak economy, demand for renewable energy production remains very strong. The company is well positioned with production of renewable electricity and a strong project portfolio. Accordingly, we see very good opportunities for continued growth and continued shareholder value creation. Our strong financial situation means that we have increased opportunities to maximise value creation in the business and also optimise our long-term income from both production and the project portfolio.

RISKS AND UNCERTAINTIES

Risks and uncertainties affecting the Group are described on pages 49–50 of the 2022 Annual Report, and financial risk management is presented on pages 77–83. With the acquisition of Fenix Repower AS, Arise now operates in Ukraine. Russia's invasion of the country is primarily a humanitarian catastrophe, but it also entails risks for operations and personnel that Arise has in Ukraine. However, Arise's financial exposure to Ukraine is limited. No other significant changes have taken place that affect the reported risks.

OWNERSHIP STRUCTURE

A presentation of the company's ownership structure is available on the website (www.arise.se)



Parent Company

The Parent Company's operations comprise project development (identifying suitable solar and wind power locations, signing land lease agreements, producing impact assessments, preparing detailed development plans and permits), divesting projects, contracts and project management of new projects, managing internal and external projects (technically and financially) and managing the Group's electricity trading activities and guarantees of origin.

The Parent Company manages the Group's production plans and electricity hedges in accordance with the adopted financial policy.

During the year, the Parent Company's total income amounted to MSEK 48 (40) and purchases of electricity and certificates, personnel and other external expenses, capitalised work on own account and depreciation of non-current assets totalled MSEK -110 (-95), resulting in EBIT of MSEK -62 (-55). Dividends received led to a net financial income of MSEK 787 (-22), which together with Group contributions of MSEK 90 (113) led to net profit after tax of MSEK 815 (36). The Parent Company's net investments amounted to MSEK 517 (-307).

ACCOUNTING POLICIES

Arise applies the International Financial Reporting Standards (IFRS), as adopted by the EU, and the interpretations of these (IFRIC). This interim report has been prepared in accordance with IAS 34 "Interim Financial Reporting." The Parent Company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 of the Swedish Financial Reporting Board. With the exception of what is outlined below, the accounting policies are consistent with those applied in the 2022 Annual Report.

Reporting of asset acquisitions

Corporate acquisitions, the primary purpose of which is to acquire the company's project portfolio and rights and where the company's management organisation and administration are of secondary importance to the acquisition, are classed as asset acquisitions. Arise has therefore assessed that the acquisitions of Pohjan Voima Oy and Fenix Repower AS thus comprise asset acquisitions.

DIVIDENDS

The Board proposes a dividend of SEK 1.20 per share.

ANNUAL GENERAL MEETING

The AGM will be held in Halmstad, Sweden, on 7 May 2024. The Annual Report will be available on the company's website in early April.

REVIEW BY THE AUDITOR

This report has not been reviewed by the company's auditor.

FINANCIAL CALENDAR

- | | |
|--|------------------|
| ▪ First quarter (1 January-31 March) | 7 May 2024 |
| ▪ Second quarter (1 April-30 June) | 17 July 2024 |
| ▪ Third quarter (1 July-30 September) | 14 November 2024 |
| ▪ Fourth quarter (1 October-31 December) | 14 February 2025 |

Halmstad, 15 February 2024

Arise AB (publ)

Per-Erik Eriksson

CEO

FOR FURTHER INFORMATION, PLEASE CONTACT

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CONSOLIDATED INCOME STATEMENT

		2023	2022	2023	2022
		Q 4	Q 4	FY	FY
(Amounts rounded to the nearest MSEK)					
Net sales	Note 1	191	106	503	1,164
Other operating income		1	1	3	5
Total income		192	107	507	1,169
Capitalised work on own account		3	1	11	4
Personnel costs		-40	-30	-90	-63
Cost of sold projects		-43	-	-43	-136
Other external expenses		-26	-25	-92	-123
Other operating expenses		-4	0	-7	-1
Operating profit/loss before depreciation (EBITDA)		82	52	286	851
Depreciation and imp. of non-current assets	Note 2,3	-17	-15	-64	-61
Operating profit/loss (EBIT)		65	37	223	790
Profit/loss from financial items	Note 4	12	-1	-23	-17
Profit/loss before tax		77	36	200	772
Tax on profit/loss for the period		0	0	0	0
Net profit/loss for the period		77	36	200	772
Net profit/loss for the period attributable to:					
Parent company shareholders		80	36	206	772
Non-controlling interests		-3	-	-6	-
Earnings per share regarding profit/loss attributable to parent company shareholders:					
Earnings per share before dilution, SEK		1.81	0.80	4.65	18.60
Earnings per share after dilution, SEK		1.81	0.80	4.65	18.60

Treasury shares held by the Company, amounting to 619,102 shares, have not been included in calculating earnings per share and only financial instruments outstanding at the end of the period were considered.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2023	2022	2023	2022
(Amounts rounded to the nearest MSEK)	Q 4	Q 4	FY	FY
Net profit/loss for the period	77	36	200	772
<u>Other comprehensive income</u>				
Items that may be reclassified to the income statement				
Translation differences for period	-18	0	-4	0
Cash flow hedges	-40	336	165	45
Income tax attributable to components of other comprehensive income	8	-69	-34	-9
Other comprehensive income for the period, net after tax	-50	267	127	36
Total comprehensive income for the period	27	303	327	807
Total comprehensive income for the period attributable to:				
Parent company shareholders	42	303	337	807
Non-controlling interests	-14	-	-10	-

CONSOLIDATED BALANCE SHEET

	2023	2022
(Condensed, amounts rounded to the nearest MSEK)	31 Dec	31 Dec
Intangible assets	30	25
Property, plant and equipment ¹⁾	2,236	1,218
Non-current financial assets	244	190
Total non-current assets	2,510	1,432
Inventories	-	0
Other current assets	380	263
Cash and cash equivalents	917	1,220
Total current assets	1,297	1,483
TOTAL ASSETS	3,807	2,916
Equity attributed to parent company shareholders	1,887	1,616
Equity attributed to non-controlling interests	318	-
Total equity	2,206	1,616
Non-current interest-bearing liabilities ²⁾	1,135	980
Other non-current liabilities	200	-
Provisions	90	62
Total non-current liabilities	1,425	1,042
Current interest-bearing liabilities ²⁾	59	29
Other current liabilities	117	228
Total current liabilities	176	258
TOTAL EQUITY AND LIABILITIES	3,807	2,916

¹⁾ Property, plant and equipment include lease assets amounted to MSEK 60 (54) on December 31, 2023.

²⁾ Interest-bearing liabilities include lease liabilities amounted to MSEK 65 (57) on December 31, 2023.

CONSOLIDATED CASH FLOW STATEMENT

	2023	2022	2023	2022
(Condensed, amounts rounded to the nearest MSEK)	Q 4	Q 4	FY	FY
Cash flow from operating activities before changes in working capital	113	53	312	967
Cash flow from changes in working capital	67	-53	-90	-41
Cash flow from operating activities	180	0	222	926
Investments in non-current assets	-56	-67	-354	-176
Investments in non-current financial assets	-	-6	-47	-130
Acquisition of subsidiary	-1	-	-137	-
Cash flow from investing activities	-57	-73	-539	-305
Loan repayments	-17	-7	-57	-18
Loan raised	58	-	207	523
Amortization of lease liabilities	-1	-1	-8	-6
Interest and other financing costs	-19	-12	-62	-33
Net payment to blocked accounts	-1	0	-1	-9
Dividend to the parent company shareholders	-	-	-44	-
New share issue / warrants	-	3	-	3
Repurchase of own shares	-24	-	-24	-
Cash flow from financing activities	-4	-17	11	461
Cash flow for the period	119	-90	-306	1,082
Cash and cash equivalents at the beginning of the period	830	1,287	1,220	70
Exchange-rate difference in cash and cash equivalents	-32	23	3	68
Cash and cash equivalents at the end of the period	917	1,220	917	1,220
Interest-bearing liabilities at the end of the period (excl. lease liabilities)	1,129	952	1,129	952
Blocked cash at the end of the period	-29	-27	-29	-27
Net debt	183	-296	183	-296

Note 6

GROUP EQUITY

	2023	2022
(Condensed, amounts rounded to the nearest MSEK)	31 Dec	31 Dec
Opening balance	1,616	676
Profit/loss for the year	200	772
Other comprehensive income for the year	127	36
Dividend to the parent company shareholders	-44	-
Non-controlling interests from acquisition of subsidiary	331	-
New issue of shares/conversion of convertibles	-	132
Repurchase of own shares	-24	-
Closing balance	2,206	1,616

KEY PERFORMANCE INDICATORS FOR THE GROUP

	2023 Q 4	2022 Q 4	2023 FY	2022 FY
<u>Operational key performance indicators</u>				
Installed capacity at the end of the period, MW	139.2	139.2	139.2	139.2
Own electricity production during the period, GWh	87.6	79.0	288.4	292.2
Number of employees at the end of the period	67	41	67	41
<u>Financial key performance indicators</u>				
Earnings per share before dilution, SEK ¹⁾	1.81	0.80	4.65	18.60
Earnings per share after dilution, SEK ¹⁾	1.81	0.80	4.65	18.60
EBITDA margin, %	42.7%	48.4%	56.5%	72.8%
Operating margin, %	34.1%	34.2%	43.9%	67.6%
Return on capital employed (EBIT), %	7.5%	42.0%	7.5%	42.0%
Return on equity, %	10.5%	67.4%	10.5%	67.4%
Equity, MSEK	2,206	1,616	2,206	1,616
Average equity, MSEK	1,911	1,146	1,911	1,146
Net debt, MSEK	183	-296	183	-296
Equity/assets ratio, %	57.9%	55.4%	57.9%	55.4%
Debt/equity ratio, times	0,1	neg	0,1	neg
Equity per share, SEK	43	36	43	39
Equity per share after dilution, SEK	43	36	43	39
Adjusted equity per share, SEK	58	57	58	61
No. of shares at the end of the period, excl. treasury shares	43,875,133	44,440,041	43,875,133	44,440,041
Average number of shares	44,157,587	44,440,041	44,157,587	41,503,644
Average number of shares after dilution	44,157,587	44,440,041	44,157,587	41,503,644

¹⁾ Treasury shares held by the Company, amounting to 619,102 shares, have not been included in calculating earnings per share and only financial instruments outstanding at the end of the period were considered.

NOTE 1 – NET SALES

	2023	2022	2023	2022
(Amounts rounded to the nearest MSEK)	Q 4	Q 4	FY	FY
Electricity	63	67	238	208
Certificates and guarantees of origin	1	1	1	2
Development	115	29	224	924
Services	12	10	40	30
Total	191	106	503	1,164

Net sales include i) income from electricity (the sale of generated electricity, and gains and losses from electricity and currency derivatives attributable to the hedged electricity production), ii) earned and sold electricity certificates and guarantees of origin, and iii) development income from projects sold and compensation for development costs and iv) asset management income. The classification is based on an assessment of the nature of the income, the amount, timing and uncertainty surrounding income and cash flows. Income from electricity, income from electricity certificates and guarantees of origin are generated by the renewable electricity production owned by the Group, which are recognised in the Production segment. Income from development is mainly generated through the company's project portfolio and are recognised in the Development segment. Income from services is mainly generated through construction project management and asset management of renewable energy production and are recognised in the Solutions segment.

GROUP SEGMENT REPORTING

The division of segment reporting is based on the Group's products and services, meaning the grouping of operations. The segment Development, develops, constructs, and sells renewable energy projects. Production comprises the group's ownership in operating renewable energy assets. Solutions offers services in the form of construction project management and asset management for renewable energy production as well as other services. The Unallocated revenue/expenses pertains to the Group's shared expenses.

Quarter 4	Develop- ment		Production		Solutions		Unallocated rev./exp.		Eliminations		Group	
(Amounts rounded to the nearest MSEK)	Q 4 2023	Q 4 2022	Q 4 2023	Q 4 2022	Q 4 2023	Q 4 2022	Q 4 2023	Q 4 2022	Q 4 2023	Q 4 2022	Q 4 2023	Q 4 2022
Net sales, external	115	29	64	68	12	10	-	-	-	-	191	106
Net sales, internal	-	-	-	-	1	1	-	-	-1	-1	-	-
Other operating income	0	1	1	0	0	0	0	0	-	-	1	1
Total income	116	29	65	68	13	11	0	0	-1	-1	192	107
Capitalised work on own account	4	1	-	-	-	-	-	-	0	-	3	1
Operating expenses	-63	-7	-14	-18	-10	-9	-27	-23	1	1	-113	-56
EBIT before depr./imp. (EBITDA)	56	24	51	50	2	1	-27	-23	-	-	82	52
Depreciation/impair Note 2	-1	0	-15	-15	-	0	-1	0	-	-	-17	-15
Operating profit/loss (EBIT)	56	24	36	35	2	1	-28	-23	-	-	65	37
Net financial items	17	2	6	-8	0	0	-12	5	-	-	12	-1
Profit/loss before tax (EBT)	73	26	42	27	2	1	-40	-18	-	-	77	36
Intangible and tangible fixed assets (incl.leasing)	1,226	183	1,032	1,058	-	0	8	1	-	-	2,266	1,243

NOTE 2 – DEPRECIATION AND IMPAIRMENT OF NON-CURRENT ASSETS

Depreciation/amortisation	0	0	-15	-15	-	0	-1	0	-	-	-16	-15
Impairment and reversal of impairment	-1	-	-	-	-	-	-	-	-	-	-1	-
Depreciation and impairment	-1	0	-15	-15	-	0	-1	0	-	-	-17	-15

GROUP SEGMENT REPORTING

12 months	Develop- ment		Production		Solutions		Unallocated rev./exp.		Eliminations		Group	
(Amounts rounded to the nearest MSEK)	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Net sales, external	224	924	239	210	40	30	-	-	-	-	503	1,164
Net sales, internal	-	-	-	-	4	3	-	-	-4	-3	-	-
Other operating income	0	4	3	1	0	0	0	0	-	-	3	5
Total income	225	927	242	211	44	33	0	0	-4	-3	507	1,169
Capitalised work on own account	11	4	-	-	-	-	-	-	0	-	11	4
Operating expenses	-100	-198	-52	-51	-38	-34	-45	-42	4	3	-232	-322
EBIT before depr./imp. (EBITDA)	136	733	189	160	5	-1	-45	-42	-	-	286	851
Depreciation/impair. Note 3	-1	0	-60	-59	0	0	-3	-2	-	-	-64	-61
Operating profit/loss (EBIT)	136	733	130	101	5	-1	-48	-44	-	-	223	790
Net financial items	-8	4	-15	-36	0	0	0	14	-	-	-23	-17
Profit/loss before tax (EBT)	128	738	115	65	5	-1	-48	-30	-	-	200	772
Intangible and tangible fixed assets (incl. leasing)	1,226	183	1,032	1,058	-	0	8	1	-	-	2,266	1,243

NOTE 3 - DEPRECIATION AND IMPAIRMENT OF NON-CURRENT ASSETS

Depreciation/amortisation	0	0	-60	-59	0	0	-3	-2	-	-	-63	-61
Impairment and reversal of impairment	-1	-	-	-	-	-	-	-	-	-	-1	-
Depreciation and impairment	-1	0	-60	-59	0	0	-3	-2	-	-	-64	-61

NOTE 4 - PROFIT/LOSS FROM FINANCIAL ITEMS

(Amounts rounded to the nearest MSEK)	2023 Q 4	2022 Q 4	2023 FY	2022 FY
Interest income				
Other interest income	26	5	38	6
Interest expense				
Other interest expenses	-3	-1	-14	-5
Bond loan and convertibles	-12	-10	-46	-21
Other financial items				
Lease liabilities	-1	-1	-3	-3
Exchange rate difference loan/bond loan	42	-18	13	-67
Other financial expenses	-1	-1	-6	-5
Other exchange rate differences	-39	25	-4	78
Total	12	-1	-23	-17

NOTE 5 – FAIR VALUE OF FINANCIAL INSTRUMENTS

FAIR VALUE HIERARCHY

The financial instruments at fair value reported in the group's statement of financial position comprise derivative instruments. The derivatives comprise electricity futures, interest rate swaps and currency futures and are primarily used for hedging purposes. The valuation at fair value of derivative instruments belongs to Level 2 in the fair value hierarchy.

(Amounts rounded to the nearest MSEK)	2023 31 Dec	2022 31 Dec
Assets		
Derivatives held for hedging purposes		
- Derivative assets	58	26
Liabilities		
Derivatives held for hedging purposes		
- Derivative liabilities	-	-133

NOTE 6 – NET DEBT

	2023	2022
(Amounts rounded to the nearest MSEK)	31 Dec	31 Dec
Non-current liabilities	1,425	1,042
- of which interest-bearing non-current liabilities (excl. lease liabilities)	1,075	925
Current liabilities	176	258
- of which interest-bearing current liabilities (excl. lease liabilities)	53	27
Long and short term interest bearing debt liabilities (excl. lease liabilities)	1,129	952
Cash and cash equivalents at the end of the period	-917	-1,220
Blocked cash at the end of the period	-29	-27
Net debt	183	-296

Lease liabilities amounted to MSEK 65 (57) on December 31, 2023.

PARENT COMPANY INCOME STATEMENT

	2023	2022	2023	2022
(Amounts rounded to the nearest MSEK)	Q 4	Q 4	FY	FY
Electricity, certificates and guarantees of origin	-	-	0	1
Development and services	14	11	47	35
Other operating income	0	1	1	4
Total income	14	11	48	40
Capitalised work on own account	1	0	4	1
Purchases of electricity, certificates and guarantees of origin	0	0	0	-1
Cost of sold projects and asset management	-2	-2	-8	-9
Personnel costs	-32	-26	-71	-55
Other external expenses	-8	-7	-32	-30
Other operating expenses	-2	0	-2	-1
Operating profit/loss before depreciation (EBITDA)	-29	-23	-61	-54
Depreciation and imp. of non-current assets	-1	0	-1	0
Operating profit/loss (EBIT)	-29	-23	-62	-55
Profit/loss from financial items Note 1	777	-12	787	-22
Profit/loss after financial items	747	-35	725	-76
Group contribution	90	46	90	113
Profit/loss before tax	837	11	815	37
Tax on profit/loss for the period	-	0	-	0
Net profit/loss for the period	837	11	815	36

PARENT COMPANY BALANCE SHEET

	2023	2022
(Condensed, amounts rounded to the nearest MSEK)	31 Dec	31 Dec
Intangible assets	30	25
Property, plant and equipment	33	45
Non-current financial assets	1,568	1,013
Total non-current assets	1,631	1,083
Other current assets	83	49
Cash and cash equivalents	632	293
Total current assets	714	342
TOTAL ASSETS	2,345	1,424
Restricted equity	4	4
Non-restricted equity	1,511	764
Total equity	1,515	768
Non-current interest-bearing liabilities	549	548
Other non-current liabilities	200	-
Total non-current liabilities	749	548
Other current liabilities	81	108
Total current liabilities	81	108
TOTAL EQUITY AND LIABILITIES	2,345	1,424

PARENT COMPANY EQUITY

	2023	2022
(Condensed, amounts rounded to the nearest MSEK)	31 Dec	31 Dec
Opening balance	768	599
Profit/loss for the year	815	36
Dividend to the parent company shareholders	-44	-
New issue of shares/conversion of convertibles	-	132
Repurchase of own shares	-24	-
Closing balance	1,515	768

NOTE 1 – PROFIT/LOSS FROM FINANCIAL ITEMS

	2023	2022	2023	2022
(Amounts rounded to the nearest MSEK)	Q 4	Q 4	FY	FY
Interest income				
Intra-Group interest income	4	-	7	0
Other interest income	6	2	16	3
Interest expense				
Intra-Group interest expenses	-3	-1	-10	-3
Bond loan and convertibles	-12	-10	-46	-21
Other financial items				
Realized profit on sale of subsidiaries	-	0	54	2
Exchange rate difference bond loan	20	-11	2	-33
Impairment of subsidiary shares	-5	-	-5	-
Dividend on shares in subsidiaries	776	-	776	-
Other financial income and expenses	-1	-1	-3	-2
Other exchange rate differences	-9	7	-4	32
Total	777	-12	787	-22

DEFINITIONS OF KEY RATIOS

EBITDA margin

EBITDA as a percentage of total income.

Operating margin

EBIT as a percentage of total income.

Return on capital employed

Rolling 12-month EBIT as a percentage to average capital employed.

Return on equity

Rolling 12-month net profit as a percentage to average equity.

Equity per share

Equity attributable to the parent company shareholders divided by the average number of shares.

Equity per share after dilution

Equity attributable to the parent company shareholders adjusted for conversion of convertibles divided by the average number of shares after dilution.

Adjusted equity per share, SEK

Equity per share, adjusted for the excess value in the group's production assets according to the most recent impairment test, calculated at the exchange rate on the balance sheet date.

Net financial items

Financial income less financial expenses.

Average equity

Rolling 12-month average equity.

Operating cash flow

Cash flow from operating activities after changes in working capital.

Net debt

Interest-bearing liabilities, excl. lease liabilities, less cash and blocked cash and cash equivalents.

Debt/equity ratio

Net debt as a percentage of equity.

Specific operating expenses, SEK per MWh

Operating expenses for electricity production divided by electricity production during the period.

Equity/assets ratio

Equity as a percentage of total assets.

Capital employed

Equity plus interest-bearing debt.

Earnings per share

Share of profit after tax attributable to the parent company shareholders in relation to the average number of outstanding shares.

GENERAL INFORMATION ABOUT KEY FIGURES

In its reporting, Arise applies key ratios based on the company's accounting. The reason that these key ratios are applied in the reporting is that Arise believes that it makes it easier for external stakeholders to analyse the company's performance.

ROUNDING

Figures in this interim report have been rounded while calculations have been made without rounding. Hence, it can appear like certain tables and figures do not add up correctly.



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