



First- Quarter Report 2022



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CEO's review

Increasing energy prices and strong operational performance have increased the guidance for full-year revenue and EBITDA. The business development is progressing as expected, with a full-year signed pipeline and unchanged operational portfolio capacity guidance.

The first quarter has been significantly impacted by the increase in energy prices, inflation and interest rates, which have also led to corrections in the financial markets. The tragic Russian invasion of Ukraine has destabilised the gas market, putting pressure on the supply side of the electricity market. Further, the war has led to further discussion of Europe's energy supply security and a general objective for Europe to become independent of Russian gas, coal and oil.

Nordic Solar has no business partners, solar parks, affiliations or ties with Russia or Russian subsidiaries and will not engage with any Russian businesses. Nordic Solar does not have any economic exposure to Ukraine, and we continue to expect that the war will have no significant direct influence on our

business model or financial performance for the remainder of 2022.

Financials

Revenue for first quarter 2022 amounted to EURm 13, which is 29.5% higher than anticipated. Excess revenue is solely from the sale of electricity, and with the expectation of higher than anticipated electricity prices, we estimate that 2022 full-year revenue will be EURm 75, i.e. EURm 13 higher than the guidance amount presented in the annual report.

EBITDA totalled EURm 8.5, driven by the high revenue and partly a later than expected commissioning of the Goldalqueva solar park in Portugal that led us to be overly hedged, with a related cost of EURm 0.9. The cost has partly been offset by the solar park's high technical performance and higher electricity prices. Q1 EBITDA was EURm 3.6 ahead of budget. Consequently, the result before tax of Q1 2022 exceeded the budget by EURm 2.9 and totalled EURt 398 for the first quarter of 2022. The financials show strong growth on all parameters, which is in line with our targets.



Completion of the construction processes in Portugal and Poland combined with a large capital increase of EURm 31.9 caused our asset base to increase by EURm 20, during Q1 2022. Also, we welcomed 40 new shareholders. The share price development in the first three months of the year was 3.1%. The expected full-year return to shareholders has been increased to 9-13% from 7-11%. The increased guidance is caused by higher than expected electricity prices and a well-progressing development portfolio.

Operational performance and construction progress

We started a new constructional project in Denmark, where we are building a 33 MWp solar park in Lysabild. The construction is progressing as planned, and the plant is scheduled to be grid-connected in the autumn of 2022. Lysabild will be one of the first Danish solar park where biodiversity has been a central part of the park design. The biodiversity will provide ideal surroundings for animals and plants. The solar park will reduce CO₂ by 3.5 million kg on a yearly basis, and it will provide energy equal to 9,000 households' energy consumption. Further, we have another plant of 34 MWp that reached the ready-to-build status in Q1. The construction process is expected to be initiated in Q3. Our construction projects have experienced significant capital expenditure increases from rising

inflation due to the geopolitical tensions and supply-side restraints primarily as a result of lockdowns in Asia and the war in Ukraine.

Increased capital expenditures are offset by the short-term price increase in electricity from the gas restraints and the long-term structural need for electrification and clean energy solutions. Thus, construction processes planned for the remainder of 2022 are still attractive from a shareholder perspective.

In general, power production has exceeded our expectations due to the first three months being sunnier than usual. Production has especially been efficient in Northern Europe, where most solar parks are more than 25% ahead of the production budget. The technical performance of our portfolio has been as expected, and the parks ran without any major technical issues. Our newly constructed solar park in Portugal has significantly and constantly outperformed expected weather-corrected performance estimates. It is great that solar parks from our own pipeline are performing better than expected as the pipeline we intend to realise in the coming years exceeds 1,250 MWp.

The electricity generation was in Q1 6.9% above the production budget,

and revenue was EURm 3 higher than its estimate. The explanatory factors of the result are higher electricity prices and high production caused by high irradiation.

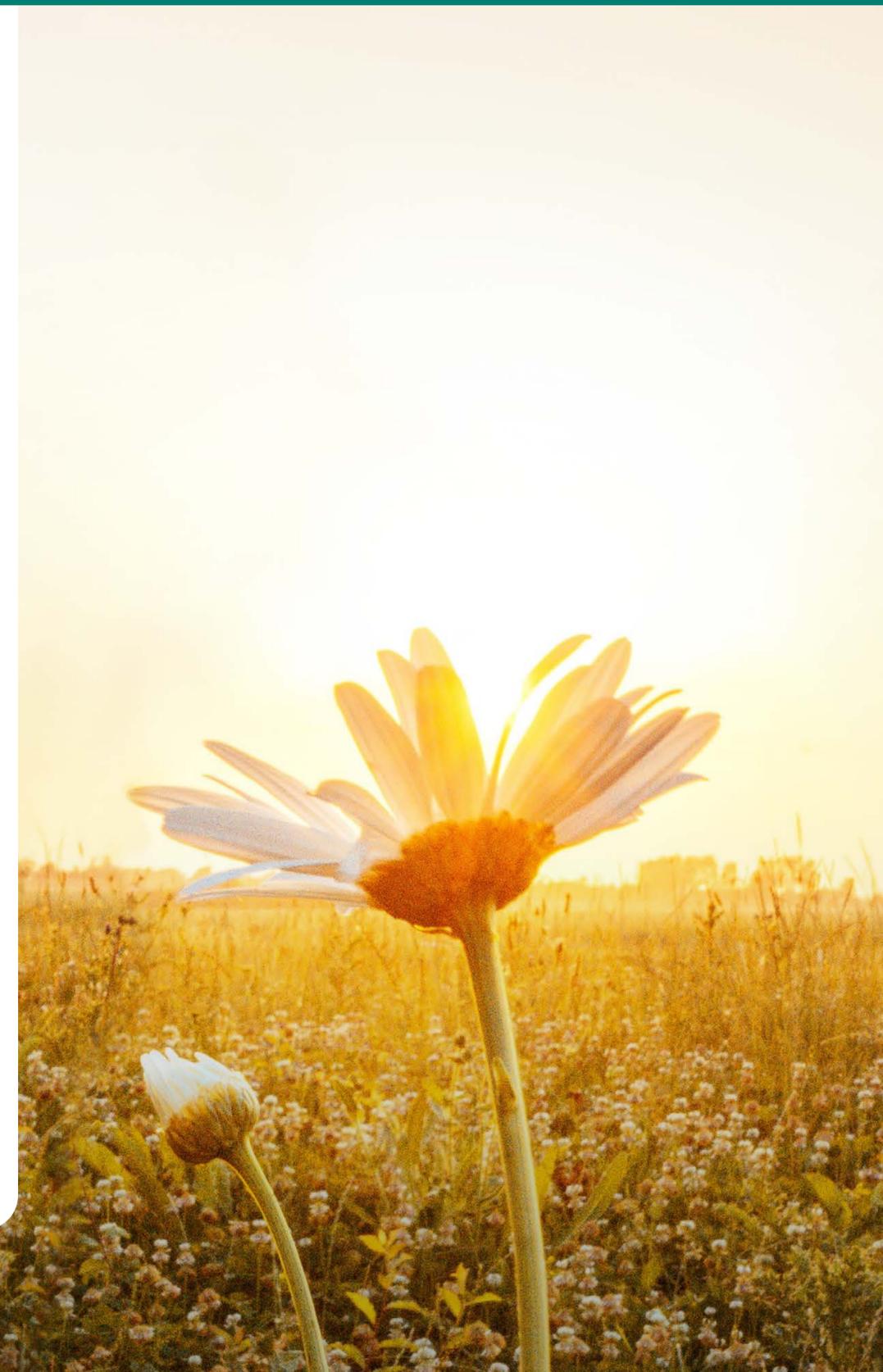
We expect electricity prices to remain high but with a depreciating trend in 2022 and 2023. We update our budgets quarterly and incorporate updated expectations for future electricity price trends. The quarterly updates impact the share price; thus, the share price may become more volatile as geopolitical tensions influence the electricity market.

Business development

In Denmark, we have during Q1 worked on three concrete development projects that would more than double our footprint in Denmark. The three projects are in different development phases and expected to be constructed between 2023 and 2025.

In February, we signed the project rights for a 50 MWp German development project. It is an exciting project designed with an experienced and competent co-development partner. The project is estimated to become ready-to-build by 2023.

Also in February, we signed an additional 100 MWp of project rights in Greece. The project rights signed were an addition to



our existing portfolio of project rights of 282 MWp. The total Greek portfolio of 382 MWp is expected to be ready-to-build during 2023 and 2024. Thus, the projects are estimated to be generating power by 2024-2025.

In March, we entered a new European market, Lithuania. This is an attractive market with a large growth potential and a structural need for renewable energy. We signed a 100 MWp project in Moletai, which marks the first Lithuanian investment and Nordic Solar's presence in our 11th European country. After the end of Q1 69 MWp of the 100 MWp project reached ready-to-build status and the acquisition was closed. On top of this a 180 MWp Lithuanian project that may reach ready to build later in 2022, was signed. Other proposals are being evaluated in Lithuania.

At the end of Q1 2022, the development portfolio totalled more than 1,250 MWp of signed projects, an increase of more than 200 MWp in the first quarter.

We concluded two project financing rounds for a 39 MWp solar park in Poland and a 27 MWp operational solar park in Portugal. Furthermore, we completed the refinancing of a Spanish solar park, for which we also initiated a consolidation of the 21 companies owning the solar park. In total, Nordic Solar will have loan proceeds of EURm 40 in Q2 2022. The proceeds will primarily be deployed into new project rights and in the development of existing project.

Overall, the company's development in Q1 2022 has been satisfactory and above expectations.



Nikolaj Holtet Hoff
CEO & Founder



Nordic Solar in brief

REVENUE

13.0 EURm

EURm 3 ahead of budget due to electricity price increases.

EBITDA

8.5 EURm

The EBITDA margin was 65% and full-year 2022 EBITDA is expected to be EURm 56.

PROFIT

200 EURk

Profit was better than expected. Full-year profit before tax is expected to be EURm 16.

NORDIC SOLAR RETURN

Q1 2022

3.1%

A shareholder return of 9-13% is expected for full year 2022.

SECURED REVENUE

Fixed-price contract

67%

Secured revenue is the percentage revenue that stems from fixed-price contracts.

EQUITY

Measured in fair value

365 EURm

An increase of EURm 40 in the first quarter of 2022.

INSTALLED CAPACITY

326 MWp

In Q1, we initiated the construction process of the 33 MWp project in Lysabild, Denmark.

EMPLOYEES

48

An increase of net 3 new employees in the first quarter. We expect to increase the organisation to more than 65 in 2022.

2022 Q1 INVESTMENT

EURm **20.2**

The majority was spent on grid bonds, construction and new project rights.

POWER PRODUCTION

64 GWh

We produced 7.5% more than budgeted for in Q1. We expect to produce more than 400 GWh in 2022.

SIGNED PIPELINE

+1.2 GWp

The pipeline increased by 20% in Q1 2022.

EQUITY RAISED Q1

EURm **31.9**

We continue to expect to raise approximately EURm 100 in 2022.

Financial highlights

Nordic Solar had a strong first quarter exceeding the expectations, as the financial highlights to the right display. Since the present report is the first quarterly report for the merged company, comparable historic year-on-year figures are not available. However, the revenue, EBITDA, profit before tax, cash flow, equity realised all underline that Nordic Solar continued its growth journey.

Revenue

Nordic Solar's electricity production was 6.9% higher than budgeted. Total power production of Q1 2022 was 64 GWh, which is enough power to generate electricity for 17,200 European households for a year. The primary driver of the high electricity generation was Northern Europe, where especially Denmark and Poland were large contributors to the high production. Poland and Denmark are 32% and 30%, respectively, ahead of budget, primarily driven by better than expected irradiation. Irradiation in Denmark was up by 29% in Q1 2022, while Polish irradiation was 27% ahead of simulated irradiation. No major issues were reported for our solar parks, and consequently, the portfolio's technical performance was as expected. Especially the newly constructed 48.5 MWp Portuguese solar park, Goldalqueva, showed promising technical performance. The solar park constructed by Nordic Solar and grid-connected at the beginning of February is showing high and stable performance during

different weather conditions unaffected by irradiation and temperature fluctuations. The stable technical performance of Goldalqueva impacted Nordic Solar's production in the Iberian peninsula, which had 14.3% lower irradiation than expected but only produced 10% lower than budget.

Revenue exceeded budget by 29.5%, equal to EURm 3 in Q1; primarily from the production in Portugal and Denmark. The common denominator of the solar parks in these countries is the high percentage of generated power sold at merchant prices. The overall secured revenue dropped from 73% for the full year in 2021 to 67% in Q1 2022. The drop is strictly a result of higher electricity prices that increase the share of revenue from merchant sale of energy. Our strategy is still to deliver an attractive risk-adjusted return to our shareholders by hedging at least 70% of revenue at Group level through either state-supported tariff regimes (FIT) or power purchasing agreements (PPA). Due to the higher than expected realised electricity prices, merchant revenues exceed our strategic target of 30% revenue, however the share of merchant revenue is expected to decrease with decreasing electricity prices in the coming years.

FINANCIAL HIGHLIGHTS

All figures are in EUR '000

| | 2022 Q1 IFRS | 2021 FY IFRS |
|---|--------------------|--------------------|
| Key figures | | |
| Revenue | 13,005 | 46,463 |
| Profit before amortisation, depreciation and impairment losses (EBITDA) | 8,487 | 32,242 |
| Profit before tax | 398 | 2,450 |
| Profit/loss for the period | 200 | 1,552 |
| NSE's share of profit/loss for the period | 195 | 1,406 |
| Balance sheet key figures | | |
| Property, plant and equipment | 428,276 | 379,763 |
| Cash | 66,226 | 51,741 |
| Total assets | 612,627 | 592,449 |
| Equity | 286,651 | 254,092 |
| Investment in property, plant and equipment and right-of-use assets | 5,060 | 94,503 |
| Interest-bearing debt (loans) | 270,875 | 280,388 |
| FINANCIAL RATIOS | | |
| EBITDA margin | 65.3% | 69.4% |
| Solvency ratio | 46.8% | 42.9% |
| CASH FLOW | | |
| Profit/loss before tax | 398 | 2,450 |
| Corporation tax paid | -42 | -1,567 |
| Non-cash transactions under profit and loss other than depreciation | 603 | 350 |
| Depreciation and impairment of property, plant and equipment | 5,777 | 20,229 |
| Repayment of project-related loans | -2,946 | -15,872 |
| Proceeds from financing of associated companies | 0 | 0 |
| Non-controlling interests' share of free cash | 2 | -5 |
| FREE CASH FLOW FROM OPERATIONS | 3,792 | 5,585 |

EBITDA

Operating profit (EBITDA) totalled EURm 8.5, which is EURm 3.6 higher than expected with an EBITDA margin of 65%. The realised EBITDA and the EBITDA margin are low compared to the expected EBITDA for 2022. The relatively low EBITDA and EBITDA margin are a result of the profile of solar production: high in the summer and low in the winter, while the cost side somehow remains constant. Thus, EBITDA is high compared to simulated performance.

Profit before tax

Profit before tax was EURm 2.9 higher than expected due to the significantly higher EBITDA in Q1 2022. Profit before tax is negatively impacted by hedge in the Portuguese solar park. The profit before tax was EURt 398 the result is affected by the seasonal variation in solar energy production as EBITDA.

Cash flow

Nordic Solar's free cash flow from operations was high as a result of the high electricity prices that also affected both revenue, EBITDA and EBIT. The free cash flow was EURm 3.8 which is considered satisfying.

Equity

Equity was EURm 286 at the end of March 2022 compared to EURm 254 at the end of 2021. The increase includes the raising of capital conducted at the end of January 2022, in which connection Nordic Solar converted loan tranches of EURm 31.9 to shares. A total of 1,720,293 new shares were issued.



Segment reporting

To provide a better understanding of Nordic Solar's business, we will continue presenting segment reporting. The financial statements are split into three segments of the company: Operational solar parks, development & construction solar parks and corporate services.

Operational solar parks

The operational solar parks include all energy-producing parks that have been operational for at least a full year. The operational business represented 75% of the asset base in Q1 2022, in comparison to the operational assets' share of the balance sheet in 2021, which was 62%. The operational solar park segment shows that Nordic Solar's operational solar parks have been well-performing in the first quarter of 2022 and that the operational portfolio is generating a profit. The segment does not include costs related to asset management performed by corporate services. The costs are eliminated in the consolidation. Had the asset management costs been included, the operational solar park segment results would be reduced by EURm 0.3 in the first quarter. The operational activities are generating solid results, and the majority of the Group's free cash flow in Q1 2022 stems from operational activities. In Q1, loans totalled EURm 221, which increased loans by EURm 7 compared to the 2021 figures presented in the annual report. The main contributor was the refinancing of a 2 MWp operational solar park in Spain.

Development & construction

The development and construction activities mainly consist of costs associated with solar park development and construction as well as solar parks that are not operational the full year of 2022. The results of this segment are expected to be negative. The asset base reflects both the cost of construction projects as well as costs related to the acquisition of new development and project rights. The development and construction projects represented a total asset base of EURm 85.9 equal to 14% of the Group's assets in Q1 2022. This is lower than the overall results of 2021 due to the grid connection of the Polish and Portuguese solar parks constructed in 2021. Significant investments were made in the acquisition of project rights during the first quarter, which increased the asset base by EURm 5. The project rights acquired during Q1 2022 constitute 54 MWp in Germany, 100 MWp in Greece and 100 MWp in Lithuania.

Corporate services

Corporate services are the cost centre which includes all head office expenses. Such expenses cover asset management of solar parks, development and construction services, costs related to capital raising, and general administrative costs. As the invoices are internal, such revenue has been eliminated. The corporate services have developed as expected in the first quarter of 2022, and we expect that expenses in the corporate service segment will continue to rise as we deliver on our growth ambitions.

CONSOLIDATED FINANCIAL STATEMENTS

All figures are in EUR '000

| | 1 January - March 2022 | | | |
|--|--------------------------|-----------------------------------|--------------------|--------------|
| | Solar parks in operation | Dev. & constructional solar parks | Corporate services | Group |
| Revenue | 12,584 | 422 | 0 | 13,005 |
| Gross profit | 9,415 | 697 | -252 | 9,860 |
| Profit before amortisation, depreciation and impairment losses (EBITDA) | 9,770 | 343 | -1,626 | 8,487 |
| Operating profit (EBIT) | 4,274 | 389 | -1,953 | 2,710 |
| Profit before tax | 1,972 | 347 | -1,921 | 398 |
| FREE CASH FLOW FROM OPERATIONS | 3,498 | -13 | 307 | 3,792 |

(EUR 1,000)

| | 31 March 2022 | | | |
|----------------------------------|-------------------------|-----------------------------------|--------------------|---------|
| | Operational solar parks | Dev. & constructional solar parks | Corporate services | Group |
| Balance sheet key figures | | | | |
| Property, plant and equipment | 352,527 | 104,454 | 619 | 457,600 |
| Cash | 43,731 | 5,836 | 16,659 | 66,226 |
| Total assets | 460,553 | 85,972 | 66,102 | 612,627 |
| Loans | 220,799 | 30,035 | 17,310 | 268,144 |

Pipeline

One of the main strategic ambitions is to ensure growth through building of a solid pipeline. The tangible strategic ambition include a signed pipeline of 2,000 MWp and having 1,000 MWp in operation by the end of 2024. Our expectations for 2022 remain the same; that, by year end, we have a signed pipeline of 1,750 MWp while having constructed another 33 MWp.

In Q1 2022, we signed solar project rights in Germany of 54 MWp, project rights in Greece of 100 MWp, and project rights in Lithuania of 100 MWp. With the signed project rights, Nordic Solar's pipeline totalled more than 1,200 MWp, excluding the current 33 MWp construction project in Lysabild. We remain confident that a pipeline of 1,750 MWp by the end of 2022 is within reach. We currently have several advanced discussions with sellers and developers across Europe, and we are continuously provided with attractive investment opportunities.

The construction project comprising 33 MWp in Denmark proceeds according to the plan. The engineering and procurement process was nearly concluded in Q1, and the site has been prepared for the actual construction. The project has been

somewhat affected by the war in Ukraine. The increased commodity prices of steel will impact the construction project costs. Furthermore, the price of solar panels has risen for the first time in 20 years, which will affect the profitability of the project. The increasing cost is offset by the supply side, where higher gas prices have put upward pressure on electricity prices all over Europe.

Increased construction costs have been included in the business cases of the full pipeline. In general, the expected increase in electricity prices offsets the increased construction costs, which implies that realisation of the pipeline is still attractive, with variations in individual markets. We have commenced the preparations for another 34 MWp construction project in Denmark. We have, thus, initiated the engineering and procurement phases and expect to launch the construction phase in the autumn. The project resembles the 33 MWp project. The construction processes are handled by our Engineering, Procurement and Construction (EPC) team, which performs the full EPC service, using external resources for the actual construction. The EPC team has grown significantly during the year to ensure the capacity to handle the growing pipeline.

Outlook 2022

Based on the solar park portfolio owned at the end of Q1 2022 and the realised electricity prices, including the expected price development, our guidance is positively affected.

Revenue

The expectation for 2022 is revenue of EURm 75, which is an increase of EURm 13 compared to the earlier guidance for 2022. The guidance is based on an assumption of normal irradiation, temperatures, and production for the remainder of the year, as well as decreasing electricity prices from the current high level, the remainder of 2022.

EBITDA and profit before tax

EBITDA in 2022, excluding new acquisitions and potential divestments, is expected to increase to EURm 56 from EURm 44. The expected EBITDA increase is predominantly driven by the high electricity prices in especially Portugal and Denmark, from where most merchant revenue derives. Profit before tax and minority interests is expected to

increase to EURm 16 from EURm 7, as communicated in the annual report.

Shareholders' return

A shareholder's return at the level of 9-13% is expected for 2022, which is revised from the original guidance of 7-11%. The guidance has been positively affected by both high electricity prices and a well-progressing development portfolio.

2022 dividend

The company expects to distribute dividends in the range of DKK 3-4 per share for the year 2022. The expected 2022 dividend is on the budgeted level despite a higher-than-expected operational free cash flow. The dividend guidance takes into account the company's considerable growth expectations and capital need.

Financial Statements



Consolidated financial statements

CONSOLIDATED INCOME STATEMENT

All figures are in EUR '000

| | Note | 2022 Q1 | 2021 FY |
|--|------|---------------|---------------|
| Revenue | 2 | 13,005 | 46,463 |
| Direct costs | | -1,313 | -4,538 |
| Other operating income | | 218 | 582 |
| Other external costs | | -2,050 | -6,386 |
| Gross profit | | 9,860 | 36,121 |
| Staff costs | | -1,373 | -3,879 |
| Profit before amortisation, depreciation and impairment losses (EBITDA) | | 8,487 | 32,242 |
| Amortisation, depreciation and impairment losses | 6 | -5,777 | -20,229 |
| Operating profit (EBIT) | | 2,710 | 12,013 |
| Financial income | | 747 | 836 |
| Financial expenses | | -3,059 | -10,399 |
| Profit before tax | | 398 | 2,450 |
| Income taxes | | -198 | -898 |
| PROFIT FOR THE YEAR | | 200 | 1,552 |
| Profit is attributable to: | | | |
| Owners of Nordic Solar A/S | | 195 | 1,406 |
| Non-controlling interests | | 5 | 146 |
| | | 200 | 1,552 |

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

All figures are in EUR '000

| | Note | 2022 Q1 | 2021 FY |
|--|------|--------------|---------------|
| PROFIT FOR THE YEAR | | 200 | 1,552 |
| Items that have been or may be reclassified to the income statement | | | |
| Exchange rate adjustments on translation of subsidiaries (net) | | -1,264 | -1,189 |
| Fair value adjustment of hedging instruments | | 2,629 | -7,019 |
| Tax on other comprehensive income | 7 | -343 | 1,166 |
| Other comprehensive income for the year | | 1,022 | -7,042 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | 1,222 | -5,490 |
| Comprehensive income is attributable to: | | | |
| Nordic Solar A/S' share | | 1,217 | -5,769 |
| Non-controlling interests | | 5 | 279 |
| | | 1,222 | -5,490 |

CONSOLIDATED BALANCE SHEET*All figures are in EUR '000*

| | Note | 2022 Q1 | 2021 FY |
|--------------------------------|------|----------------|----------------|
| ASSETS | | | |
| Goodwill | | 44,256 | 44,256 |
| Property, plant and equipment | 3 | 428,276 | 379,763 |
| Solar parks under construction | 3 | 29,324 | 79,946 |
| Non-current financial assets | | 160 | 160 |
| Deferred tax asset | | 14,555 | 14,158 |
| Other receivables | | 5,794 | 5,875 |
| Non-current assets | | 522,365 | 524,158 |
| Trade receivables | | 5,091 | 3,235 |
| Other receivables | | 15,499 | 12,385 |
| Prepayments | | 3,446 | 930 |
| Cash | | 66,226 | 51,741 |
| Current assets | | 90,262 | 68,291 |
| TOTAL ASSETS | | 612,627 | 592,449 |

| | Note | 2022 Q1 | 2021 FY |
|---|------|----------------|----------------|
| EQUITY AND LIABILITIES | | | |
| Share capital | 4 | 64,308 | 58,535 |
| Translation reserve | | -3,058 | -1,794 |
| Hedge reserve | | -6,882 | -9,295 |
| Retained earnings | | 224,515 | 198,883 |
| Proposed dividend for the year | | 7,604 | 7,604 |
| Equity attributable to shareholders of the parent company | | 286,487 | 253,933 |
| Non-controlling interests' share of equity | | 164 | 159 |
| Total equity | | 286,651 | 254,092 |
| Loans | 6 | 211,567 | 225,400 |
| Provisions | | 9,009 | 8,984 |
| Other payables | | 27,975 | 29,680 |
| Deferred tax liabilities | | 1,084 | 1,060 |
| Deferred income | | 204 | 211 |
| Non-current liabilities | | 249,839 | 265,335 |
| Loans | 6 | 56,577 | 50,689 |
| Trade payables | | 4,994 | 6,436 |
| Current income tax liabilities | | 2,454 | 1,582 |
| Other payables | | 12,112 | 14,315 |
| Current liabilities | | 76,137 | 73,022 |
| Total liabilities | | 325,976 | 338,357 |
| TOTAL EQUITY AND LIABILITIES | | 612,627 | 592,449 |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
All figures are in EUR '000

| | Share capital | Translation reserve | Hedge reserve | Retained earnings | Proposed dividend | Equity attributable to investors of the parent | Non-controlling interests' share of equity | Total equity |
|--|---------------|---------------------|---------------|-------------------|-------------------|--|--|----------------|
| EQUITY 1 JANUARY 2022 | 58,535 | -1,794 | -9,295 | 198,883 | 7,604 | 253,933 | 159 | 254,092 |
| Profit for the year | 0 | 0 | 0 | 195 | 0 | 195 | 5 | 200 |
| Exchange rate adjustments regarding subsidiaries | 0 | -1,264 | 0 | 0 | 0 | -1,264 | 0 | -1,264 |
| Fair value adjustment of hedging instruments | 0 | 0 | 2,756 | -127 | 0 | 2,629 | 0 | 2,629 |
| Tax on other comprehensive income | 0 | 0 | -343 | 0 | 0 | -343 | 0 | -343 |
| Total comprehensive income for the year | 0 | -1,264 | 2,413 | 68 | 0 | 1,217 | 5 | 1,222 |
| Transactions with shareholders | | | | | | | | |
| Capital increases including related costs | 5,773 | 0 | 0 | 25,740 | 0 | 31,513 | 0 | 31,513 |
| Value of share-based payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Acquisition of own shares | 0 | 0 | 0 | -176 | 0 | -176 | 0 | -176 |
| Sale of own shares | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends distributed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| EQUITY 31 MARCH 2022 | 64,308 | -3,058 | -6,882 | 224,515 | 7,604 | 286,487 | 164 | 286,651 |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
All figures are in EUR '000

| | Share capital | Translation reserve | Hedge reserve | Retained earnings | Proposed dividend | Equity attributable to investors of the parent | Non-controlling interests' share of equity | Total equity |
|--|---------------|---------------------|---------------|-------------------|-------------------|--|--|----------------|
| EQUITY 1 JANUARY 2021 | 23,113 | -600 | -3,314 | 60,869 | 5,158 | 85,226 | -48 | 85,178 |
| Profit for the year | 0 | 0 | 0 | -6,198 | 7,604 | 1,406 | 146 | 1,552 |
| Exchange rate adjustments regarding subsidiaries | 0 | -1,194 | 0 | 0 | 0 | -1,194 | 5 | -1,189 |
| Fair value adjustment of hedging instruments | 0 | 0 | -7,196 | 0 | 0 | -7,196 | 177 | -7,019 |
| Tax on other comprehensive income | 0 | 0 | 1,215 | 0 | 0 | 1,215 | -49 | 1,166 |
| Total comprehensive income for the year | 0 | -1,194 | -5,981 | -6,198 | 7,604 | -5,769 | 279 | -5,490 |
| Transactions with shareholders | | | | | | | | |
| Merger | 25,321 | 0 | 0 | 104,063 | 0 | 129,384 | 0 | 129,384 |
| Capital increases including related costs | 10,101 | 0 | 0 | 40,139 | 0 | 50,240 | 0 | 50,240 |
| Value of share-based payments | 0 | 0 | 0 | 10 | 0 | 10 | 0 | 10 |
| Acquisition of own shares | 0 | 0 | 0 | -1,344 | 0 | -1,344 | 0 | -1,344 |
| Sale of own shares | 0 | 0 | 0 | 1,344 | 0 | 1,344 | 0 | 1,344 |
| Dividends distributed | 0 | 0 | 0 | 0 | -5,158 | -5,158 | -72 | -5,230 |
| EQUITY 31 DECEMBER 2021 | 58,535 | -1,794 | -9,295 | 198,883 | 7,604 | 253,933 | 159 | 254,092 |

CONSOLIDATED STATEMENT OF CASH FLOWS
All figures are in EUR '000

| Note | 2022 Q1 | 2021 FY |
|--|---------------|----------------|
| Operating profit (EBIT) | 2,710 | 12,013 |
| Amortisation, depreciation and impairment losses | 5,777 | 20,229 |
| Share-based payment | 0 | 10 |
| Change in net working capital | -10,101 | 12,268 |
| Cash flows from ordinary operating activities | -1,614 | 44,520 |
| Financial income | 959 | 836 |
| Financial expenses | -3,056 | -10,116 |
| Income taxes paid | -42 | -1,567 |
| Cash flow from operating activities | -3,753 | 33,673 |
| Investments in solar parks | -5,060 | -96,922 |
| Acquired cash asset deals | 0 | 8,248 |
| Acquired cash business combinations | 0 | 1,973 |
| Cash flow from investing activities | -5,060 | -86,701 |
| Proceeds from borrowings | 25,005 | 42,647 |
| Repayments of borrowings | -31,828 | -12,267 |
| Repayments of lease liabilities | -1,209 | -3,605 |
| Net sale, own shares | -176 | -807 |
| Capital increases | 31,513 | 50,875 |
| Costs from capital increases | -7 | -635 |
| Dividend paid | 0 | -5,230 |
| Cash flow from financing activities | 23,298 | 70,978 |

| | | |
|---|---------------|---------------|
| Net cash flow for the period | 14,485 | 17,950 |
| Cash and cash equivalents, beginning of the year | 51,741 | 33,791 |
| CASH AND CASH EQUIVALENTS AT 31 MARCH 2022 | 66,226 | 51,741 |

Notes to the financial statements

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1. ACCOUNTING POLICIES

The interim financial report of Nordic Solar comprises a summary of the unaudited consolidated financial statements of Nordic Solar A/S and its subsidiaries.

The interim report for the first quarter of 2022 has been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU and additional requirements in accordance with the Danish Financial Statements Act.

The interim report does not contain all the information required for the annual report. Accordingly, this report should be read in conjunction with the annual report for the year ended 31 December 2021. No interim report has been prepared for the parent company.

Accounting policies remain unchanged compared to the annual report for the year ended 31 December 2021, to which reference is made.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

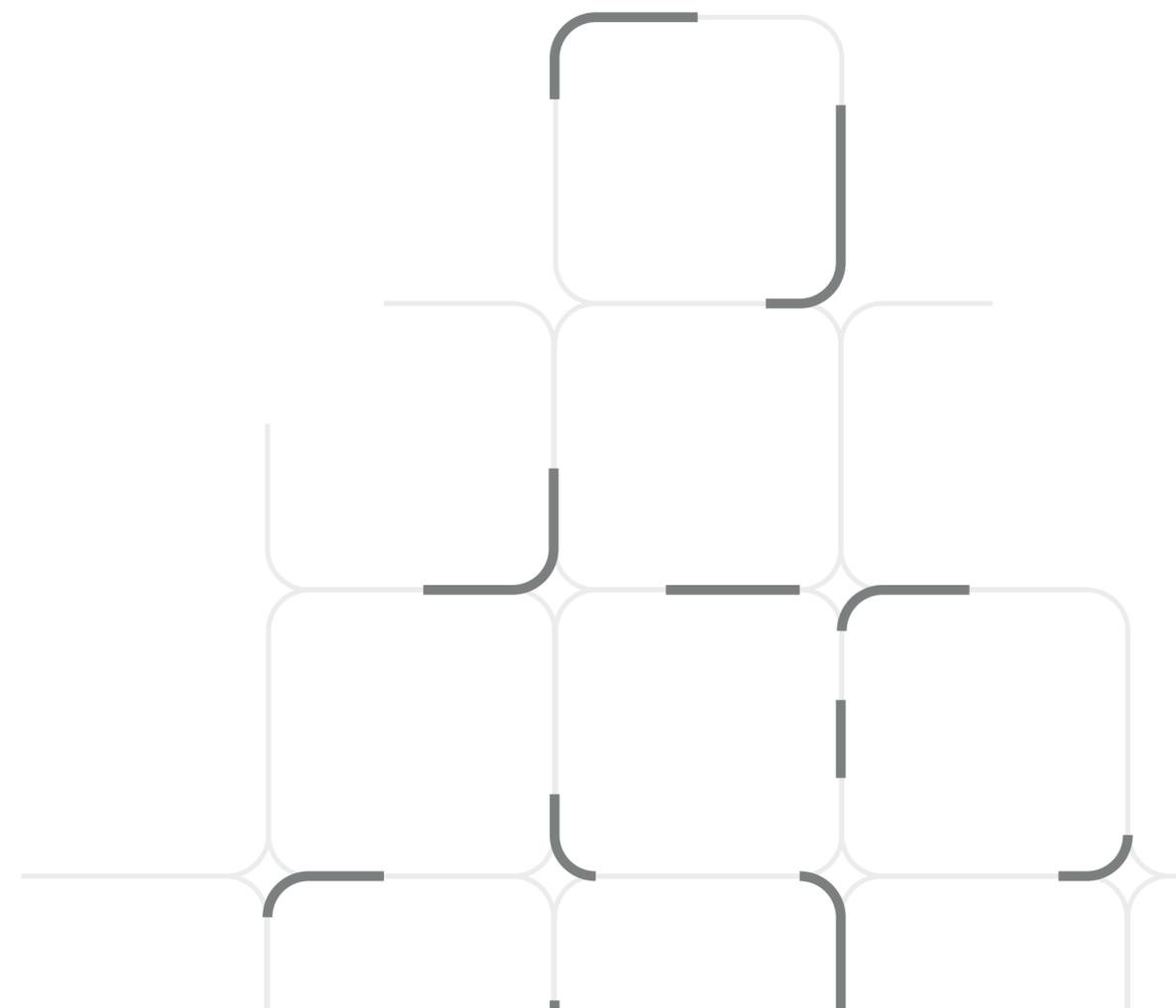
When preparing the interim financial reporting of Nordic Solar, Management makes a number of accounting estimates

and assumptions, which form the basis of recognition and measurement of Nordic Solar’s assets and liabilities. The estimates and assumptions made are based on experience and other factors considered reasonable by Management in the circumstances. Reference is made to the consolidated financial statements in the annual report for the year ended 31 December 2021, note 2.

NEW ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS

Nordic Solar has adopted all new, amended or revised accounting standards and interpretations as published by the IASB and endorsed by the EU effective for the accounting period beginning on 1 January 2022.

None of these amended standards and interpretations are expected to have any significant impact on our financial statements.



2. SEGMENT NOTE

All figures are in EUR '000

Q1 2022

| | Operation- al solar parks | Dev. & con- struction activities | Reportable segments | Corporate services and elimi- nations | Total |
|--|---------------------------------|--|------------------------|--|---------|
| Income statement | | | | | |
| Secured revenue | 8,292 | 422 | 8,713 | 0 | 8,713 |
| Merchant revenue | 4,292 | 0 | 4,292 | 0 | 4,292 |
| Revenue | 12,584 | 422 | 13,005 | 0 | 13,005 |
| Profit before amortisation, depreciation and impairment losses (EBITDA) | 9,770 | 343 | 10,112 | -1,626 | 8,487 |
| Depreciation, amortisation and impairment | -5,348 | -105 | -5,453 | -324 | -5,777 |
| Balance sheet | | | | | |
| Total assets | 460,553 | 85,972 | 546,525 | 66,102 | 612,627 |
| Investments in property, plant and equipment and solar parks under construction | 1,680 | 3,011 | 4,690 | 370 | 5,060 |
| Key ratios | | | | | |
| Free cash flow | 3,498 | -13 | 3,485 | 307 | 3,792 |

FY 2021

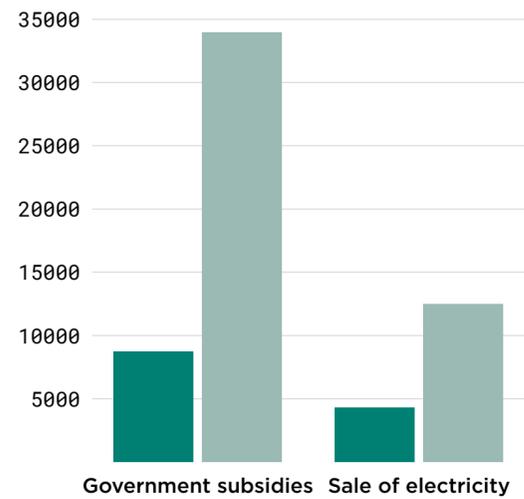
| | Operation- al solar parks | Dev. & con- struction activities | Reportable segments | Corporate services and elimi- nations | Total |
|--|---------------------------------|--|------------------------|--|---------|
| Income statement | | | | | |
| Secured revenue | 32,874 | 1,082 | 33,956 | 0 | 33,956 |
| Merchant revenue | 12,507 | 0 | 12,507 | 0 | 12,507 |
| Revenue | 45,381 | 1,082 | 46,463 | 0 | 46,463 |
| Profit before amortisation, depreciation and impairment losses (EBITDA) | 38,166 | -773 | 37,393 | -5,151 | 32,242 |
| Depreciation, amortisation and impairment | -18,761 | -280 | -19,041 | -1,188 | -20,229 |
| Balance sheet | | | | | |
| Total assets | 364,412 | 169,103 | 533,515 | 58,934 | 592,449 |
| Investments in property, plant and equipment and solar parks under construction | 19,614 | 74,889 | 94,503 | 0 | 94,503 |
| Key ratios | | | | | |
| Free cash flow | 11,500 | -5,236 | 6,264 | -680 | 5,584 |

2. SEGMENT NOTE (CONTINUED)

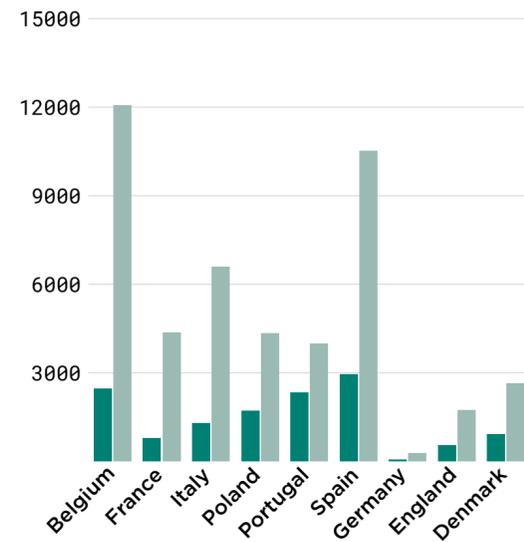
All figures are in EUR '000

● Q1 2022 ● FY 2021

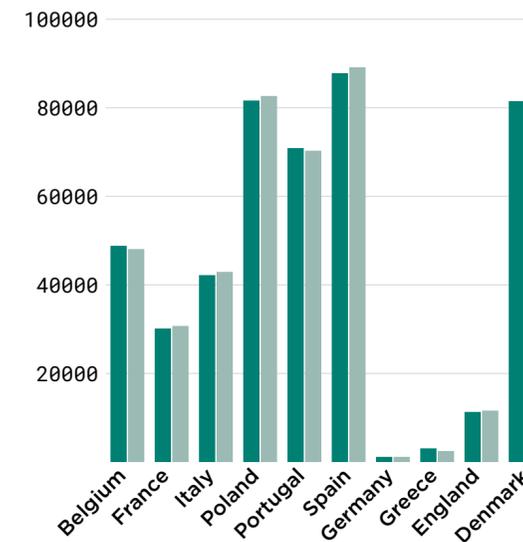
Type of revenue



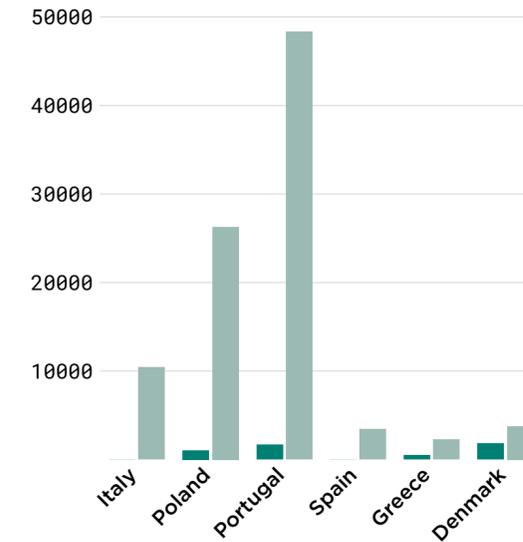
Net revenue by country



Property, plant and equipment and solar parks under construction



Investment in property, plant and equipment and solar parks under construction



4. SHARE CAPITAL

All figures are in EUR '000

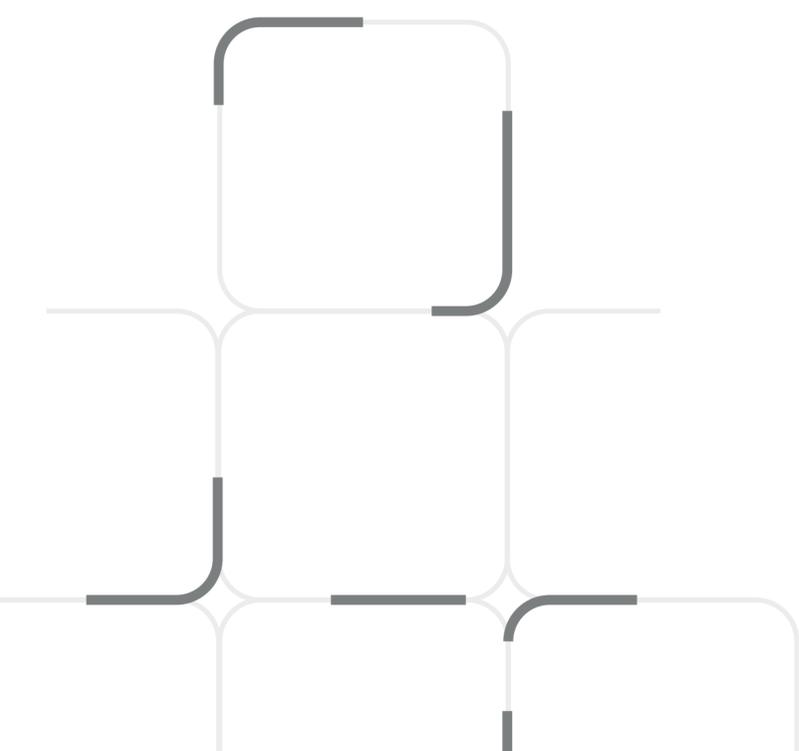
| | 2022 | 2021 |
|----------------------------------|---------------|---------------|
| | Q1 | FY |
| Changes in share capital: | | |
| Share capital 1 January | 58,535 | 23,113 |
| Merger | 0 | 25,321 |
| Capital increases | 5,773 | 10,101 |
| SHARE CAPITAL 31 MARCH | 64,308 | 58,535 |
| Cost of capital increases | 7 | 260 |

5. FINANCIAL INSTRUMENTS

As part of Group risk management, derivatives for hedging purposes are used in order to reduce the Group's exposure to market risks.

In Portugal, the Group has entered into a PPA classified as a hedging instrument. This contract locks the energy price on up to 70% of the produced energy over a period of 10 years. Measurement of the PPA's fair value is categorised as level 1 in the fair value hierarchy, as measurement is based on data from observable markets.

The Group has entered into interest rate swaps on borrowings, from a floating-rate interest to a fixed-rate interest. Measurement of the fair value of interest rate swaps is categorised as level 2 in the fair value hierarchy, as measurement is based on observable yield curves, as informed by the credit institutions in the Mark to Market statement.



6. CHANGES IN LIABILITIES
All figures are in EUR '000

| | Beginning of year | Proceeds from borrowings | Repayments | Non-cash changes* | Year end |
|--|-------------------|--------------------------|----------------|-------------------|----------------|
| 2022 | | | | | |
| Mortgage loans | 199,839 | 13,165 | -27,948 | 63 | 185,119 |
| Finance leases | 67,375 | 0 | -1,209 | 0 | 66,166 |
| Other credit institutions operational | 9,292 | 4,727 | -3,880 | 0 | 10,139 |
| Loan costs | -4,298 | -302 | 0 | 26 | -4,574 |
| Loans from investor | 3,879 | 7,415 | 0 | 0 | 11,294 |
| CASH FLOW FROM FINANCIAL ITEMS 31 MARCH 2022 | 276,087 | 25,005 | -33,037 | 89 | 268,144 |
| 2021 | | | | | |
| Mortgage loans | 158,606 | 42,317 | -11,500 | 10,416 | 199,839 |
| Finance leases | 49,119 | 0 | -3,605 | 21,861 | 67,375 |
| Other credit institutions operational | 10,678 | 25 | -767 | -644 | 9,292 |
| Loan costs | -3,372 | -822 | 0 | -104 | -4,298 |
| Loans from investor | 2,752 | 1,127 | 0 | 0 | 3,879 |
| CASH FLOW FROM FINANCIAL ITEMS 31 DECEMBER 2021 | 217,783 | 42,647 | -15,872 | 31,529 | 276,087 |

* Non-cash changes in 2022 mainly relates to exchange rate differences.

Statement by Management

Board of Directors and the Executive Management have discussed and approved the interim report for the period 1 January to 31 March 2022.

The Interim Report has not been audited or reviewed by the auditors.

The interim report has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and further requirements in accordance with the Danish Financial Statements Act.

In our opinion, the Interim Report give a true and fair view of the company and

the company's financial position on 31 March 2022 and of the results of its operations as well as the cash flows for the financial period 1 January 2022 to 31 March 2022.

In our opinion, Management's review includes a fair account of the matters dealt with.

Hellerup, 23 June 2022

