



Q3 2023 Interim Financial Report



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About Nordic Solar

Nordic Solar is a leading solar park developer, EPC provider and operator. Nordic Solar currently operates industrial solar parks across 12 European countries and has 390 MWp of operational solar parks under management, 334 MWp currently under construction and a development portfolio of 1,581 MWp. The Company is headquartered in Hellerup, Denmark and currently employs more than 100 people. For further information about Nordic Solar, please visit www.nordicsolar.eu.

Comparative figures

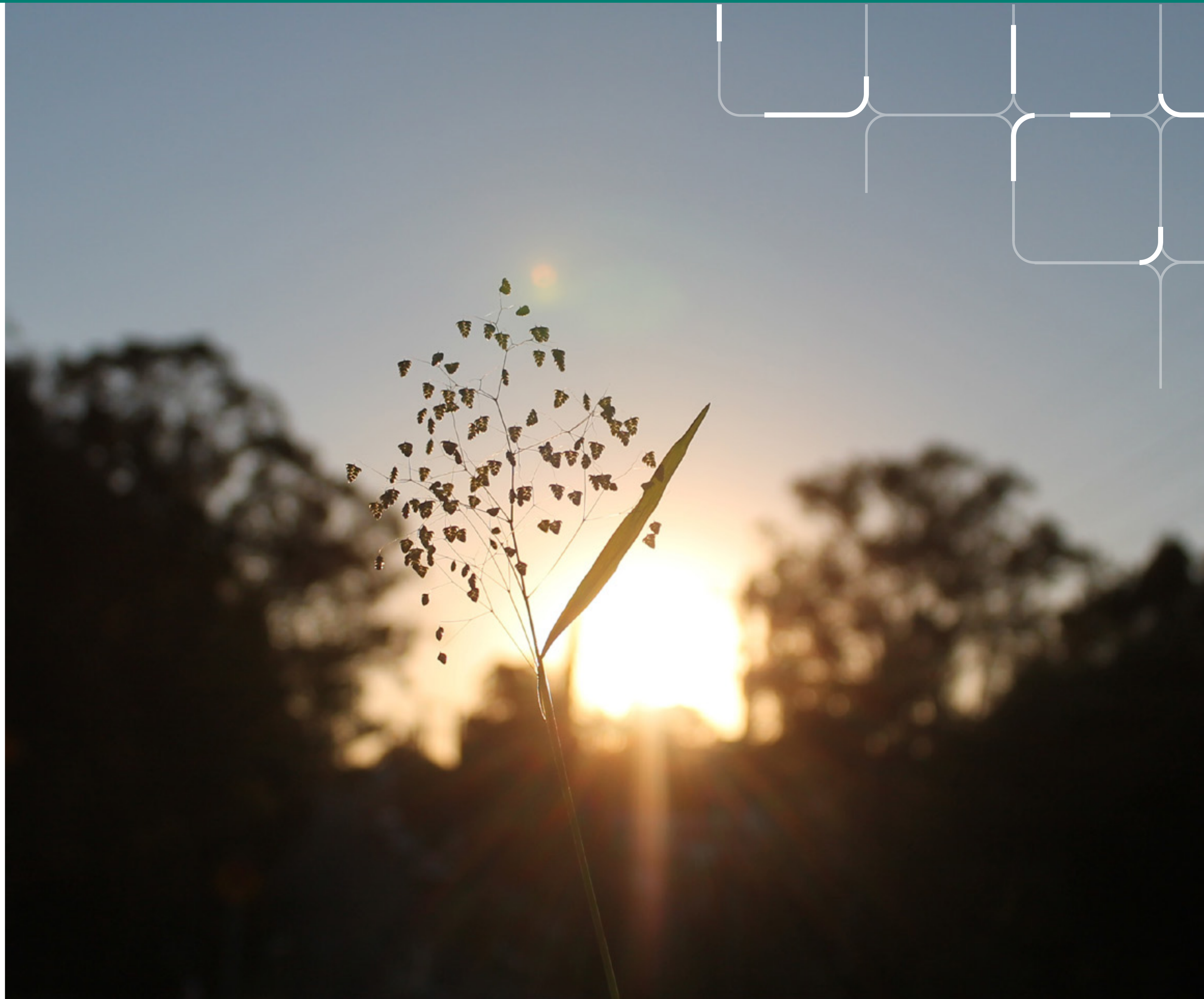
Unless otherwise stated, all figures in parentheses refer to the corresponding figures for the same period last year.

Glossary

A glossary explaining key terms used in the solar PV industry can be found on page 117 in the Annual Report for 2022.

Presentation of the Q3 2023 Interim Financial Report

In connection with the release of the Q3 2023 Interim Financial Report, Nordic Solar will host an online presentation on Wednesday 29 November 2023 at 15:00 CEST. During the event, our CEO and CFO will present the Interim Financial Report after which there will be a Q&A session. Registration details for the online event can be found via the following link: <https://hca.videosync.fi/2023-11-29-nordic-solar/register>. Please note that the event will be hosted in Danish.



Highlights Q3 2023



FINANCIAL RESULTS

Revenue

EUR 21.2 million (EUR 27.1 million) for the third quarter, corresponding to a decrease of 22% year-on-year. The addition of new operational capacity has not fully offset the impact of lower electricity prices during the period. The share of secured revenue increased to 66.8% (61.8%).

EBITDA

EUR 16.9 million (EUR 22.2 million) equal to a decrease of 24% year-on-year. The EBITDA margin was 79.7% (81.7%).

Profit

Profit before tax was EUR 6.5 million (EUR 12.5 million) equal to a decrease of 47.7% year-on-year. Profit for the period was EUR 5.1 million, corresponding to a decrease of 50.7% year-on-year.

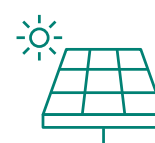
Free cash flow

EUR 10.4 million (EUR 13.1 million). The year-on-year decrease was primarily a result of lower earnings.

Financial outlook

Narrowed since last quarter:

Revenue:	EUR 57-63 million
EBITDA:	EUR 34-39 million



PORTFOLIO DEVELOPMENT

Development

Expected capacity of 1,581 MWp across 33 projects compared to 1,750 MWp at the end of Q3 2022, equal to a 10% decrease as more projects are now under construction.

During the quarter, we added one new project in Denmark of 71 MWp, while we advanced one project in Spain of 52 MWp into the construction phase.

Construction

Estimated capacity of 334 MWp across five projects under construction compared to 33 MWp at the end of Q3 2022. This is equal to an increase of more than 900%, reflecting that a number of projects have successfully come through the development phase.

Operation

Operational capacity of 390 MWp across 23 projects. This corresponds to an increase of 20% compared to Q3 2022. Total production in Q3 increased to 165 GWh, compared to 145 GWh in Q3 2022, equal to an increase of 14%. Average revenue price per MWh decreased by 31.6% to EUR 130 compared to EUR 190 the previous year.



MARKET DEVELOPMENT

Electricity prices

Electricity prices continued to fall year-on-year across European markets, but are stabilising compared to the extremely high and volatile energy prices witnessed in 2022. Prices are expected to remain above the levels witnessed before the war in Ukraine.

Energy mix

The gas market in Europe and the rest of the world remains sensitive to any potential disruptive impacts. This includes the ongoing war in Ukraine, global supply chains, the conflict between Israel and Hamas, increased growth in Asia and even minor events such as labour conflicts in Australia. The fragile gas market could lead to additional volatility and higher electricity prices during the winter period. This would especially be the case in a market scenario with cold weather combined with limited wind and solar production.

However, full gas storages and lessons learnt from the energy shortages experienced last year would limit the extent of any potential price volatility compared to the levels witnessed last winter. High levels of hydro and stable nuclear power compared to 2022 are also expected to act as stabilisers in the European energy mix.

Summary of financial information

FINANCIAL HIGHLIGHTS

All figures are in EUR '000

	2023 Q3 (9M)	2022 Q3 (9M)	2023 Q3 (3M)	2022 Q3 (3M)	2022 FY (12M)
Key figures					
Revenue	52,234	64,961	21,168	27,135	72,369
Profit before amortisation, depreciation and impairment losses (EBITDA)	34,408	48,710	16,861	22,178	49,313
Operating profit (EBIT)	14,450	30,218	9,935	16,013	24,035
Profit before tax	5,348	20,171	6,518	12,474	11,253
Profit/loss for the period	3,503	15,652	5,093	10,335	6,165
Nordic Solar A/S' share of profit/loss for the period	3,168	15,022	4,912	9,962	5,812
Balance key figures					
Property, plant and equipment	550,151	471,290	550,151	471,290	484,672
Cash	122,914	107,146	122,914	107,146	110,876
Total assets	793,600	686,850	793,600	686,850	706,772
Equity	341,719	326,435	341,719	326,435	338,414
Investment in property, plant and equipment and right of use assets	83,152	34,134	41,280	7,521	56,555
Interest-bearing debt (loans)	401,347	296,714	401,347	296,714	298,053
Financial ratios					
EBITDA margin	65.9%	75.0%	79.7%	81.7%	68.1%
EBIT margin	27.7%	46.5%	46.9%	59.0%	33.2%
Solvency ratio	43.1%	47.5%	43.1%	47.5%	47.9%
Cash flows					
Profit/loss before tax	5,348	20,171	6,518	12,474	11,253
Corporate tax	-1,995	-2,198	-672	-1,511	-2,622
Non-cash transactions under profit and loss other than depreciations	3,250	2,282	951	1,145	4,258
Depreciation and impairment of property, plant and equipment	19,958	18,492	6,926	6,165	25,278
Repayment of project related loans	-10,826	-11,181	-3,075	-5,381	-13,628
Non-controlling interests' share of free cash	-332	420	-253	250	558
Free cash flow from operations	15,403	27,986	10,395	13,142	25,097

CEO's review

The third quarter of 2023 was characterised by significantly lower electricity prices compared to 2022, which led to reduced profitability of the operational portfolio. We continued the strong development of our portfolio by significantly increasing the amount of expected capacity within our construction projects. We also updated our strategic plan to include 2026 and decided on important additions to our business. Welcoming the 100th employee to our organisation was a vital milestone in our growth, which was followed by our relocation to larger office premises around the corner. Our growth strategy combined with a solid employee base means we have a unique platform for continuing the execution of our development portfolio.

Updated strategy

Nordic Solar's Board of Directors has approved the next steps of Nordic Solar's strategy. Our strategic ambitions remain high as we aim to be among the leading full value chain solar energy companies in the Nordics, while building a world-class pipeline of development projects that can be converted into high-quality solar parks over time.

As part of our commitment to profitable development, Nordic Solar will in the future further increase investments in own greenfield projects. This will be in addition to our existing sourcing of new projects and project rights from third-party providers. Increased focus on greenfield development is aimed at securing higher returns and lower costs on these projects, combined with additional control

over the development process and quality. We are gradually incorporating this into our development strategy with effect over the coming three to five years.

The Board of Directors has approved another key addition to our strategy, which is increased focus on energy storage through batteries. The aim is to make our business model even more robust towards fluctuating energy prices, as well as increasing our competitiveness going forward. The addition of batteries to our business is a crucial component that enables us to enhance the profitability of our solar park portfolio, while giving us more flexibility in terms of managing power price fluctuations. Over time, many solar PV parks will need storage to obtain sufficient capture prices, diminish losses on negative prices as well as to share grid



access and interconnection costs. It is expected that gaining grid access in different regions in the future may require developers to include battery capacity on a project. The main focus within storage will be co-located batteries, however, stand-alone projects will be considered to some degree if we identify relevant opportunities.

Future financing

Execution of our current development portfolio demands capital. Currently, we expect liquidity to last Nordic Solar into 2025 with flexibility if needed, based on the decided timeline for execution of construction projects, divestments and project financing. Therefore, it has been decided to initiate a capital raising process in early 2024. This is in line with the communicated ambition of ensuring an initial public offering (IPO) in 2025. As the stock market attractiveness may shift, we remain flexible in terms of the financing format, and will seek to obtain the most suitable equity financing outcome that is available.

New office location

In September, we celebrated a significant milestone by welcoming our 100th employee to our growing team of talented employees. Our current office space has served us well over the past 6½ years, but it has over the past year become too small to accommodate our growth. We therefore decided to move to new office premises by 1 November, in the adjacent building to our former location.

This move not only represents a physical change but is a strategic decision to support our growth and create an even better working environment. We look forward

to creating an inspiring and innovative environment, while continuing to attract top-qualified employees to Nordic Solar.

Portfolio development

Our development portfolio covers an expected total production capacity of 1,581 MWp, while more development projects continue to reach the construction phase. During Q3, we added one new project to our Danish portfolio. In Spain, our Eresma project has been long underway since its signing during Covid-19 in 2020, and it has now moved into the construction phase.

Our construction portfolio now covers five projects under construction, and expected capacity has increased by more than 900% to 334 MWp over the past 12 months. This is a strong testament to our ability to convert additional development projects to construction and increase the relative share of construction projects as outlined in our strategy. Overall, construction is running in accordance with budget costs across our site locations.

Our operational portfolio has increased by 20% to 390 MWp across 23 projects. Total production increased to 165.3 GWh, which represents an increase of 14% compared to 144.5 GWh in Q3 2022. The 32 MWp solar park in Højby, Denmark, which was officially inaugurated on 15 August, is now fully operational and producing as expected.

Results

The financial performance of our portfolio is impacted by lower electricity prices compared to 2022, although

this was offset to some extent by additional production capacity. While Nordic Solar's share of secured revenue increased to 66.8%, the lower electricity prices heavily impacted our market-based revenue. Revenue decreased by 22% to EUR 21.2 million, while earnings (EBITDA) in the quarter were at EUR 16.9 million with an EBITDA margin of 80%. This was also affected by higher staff costs due to the larger organisation needed to support the execution of our construction and development projects.

A larger amount of operational solar parks also means higher direct costs and depreciation, which is reflected in EBIT of EUR 9.9 million. The profit for Q3 was EUR 5.1 million compared to EUR 10 million last year. The level of free cash flow remains strong at EUR 10.4 million, and maintaining solid cash flows will be vital in order for us to sustain future growth. Based on current earnings levels, and to ensure ongoing execution of our portfolio, we do not expect to pay out dividends in 2024 based on the 2023 full-year results.

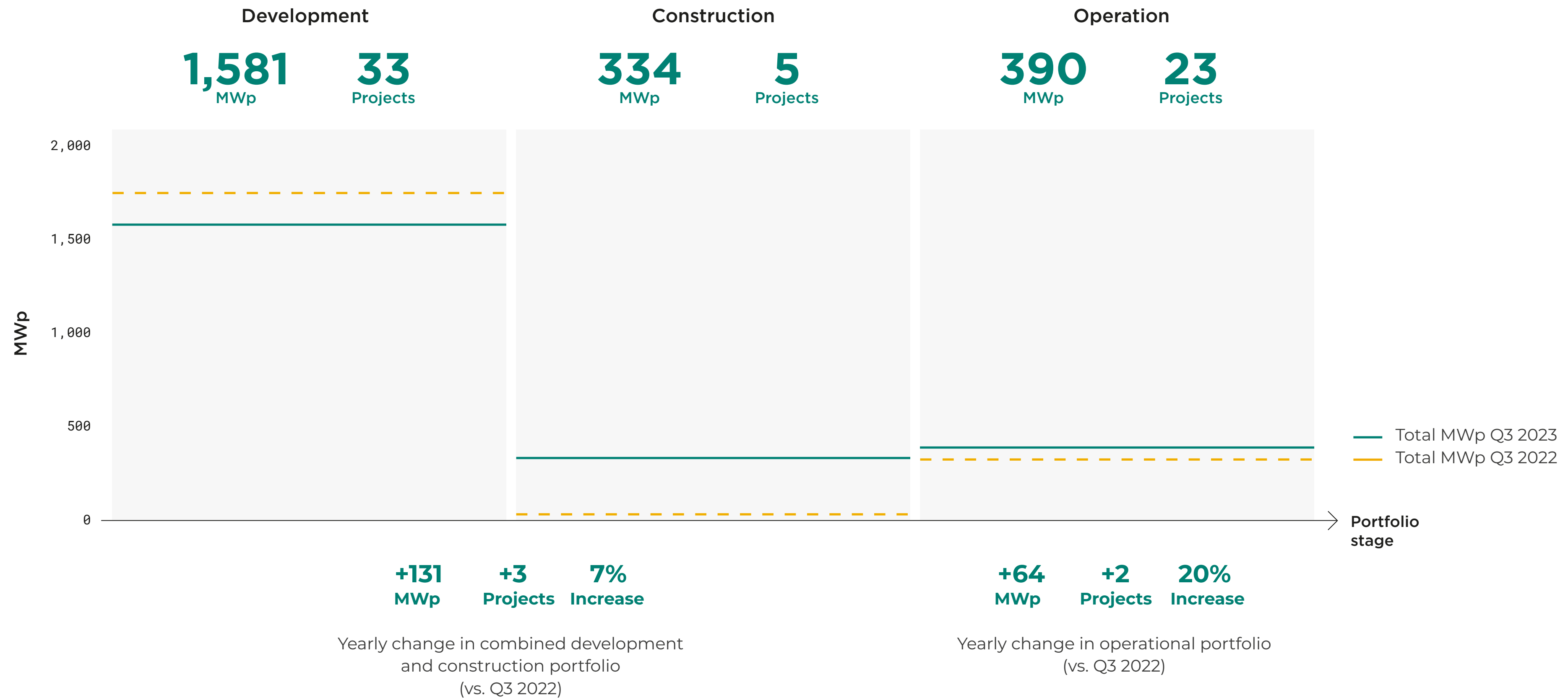
Lastly, we have narrowed our expectations for the full year with revenue now in the range of EUR 57-63 million and EBITDA in the range of EUR 34-39 million.



Nikolaj Holtet Hoff
CEO & Founder



Portfolio overview (end Q3)



Business review - Development and construction portfolio

Development portfolio

At the end of Q3 2023, the total expected production capacity of the Nordic Solar development portfolio equaled 1,581 MWp compared to 1,750 MWp at Q3 2022. The decline on a year-to-year basis was due to the net effect of solar park projects reaching the construction phase, only partly offset by new projects added to the development portfolio in the period. In addition, revision of the estimated output of development projects has reduced the total capacity by 20 MWp.

At the end of Q3, Nordic Solar had 33 projects under development. Italy comprises the largest geographical region with 542 MWp in expected capacity.

In Italy, we have received the building permit for our 44 MWp Bomarzo project. Presently, a thorough review of the project is being conducted before we proceed and begin construction. The development of two of our projects on Sicily is progressing positively as we have received the necessary environmental approvals for Mazzarino (61 MWp) and Gela (86 MWp).

In Gela, we achieved a positive outcome of the final conference in the building permit process and are now awaiting the official publication of the building permit

and expiry of the claim period. The projects are expected to be ready for construction during H1 2024.

In Denmark, we signed a new project on Zealand with a capacity of 71 MWp. We expect to be able to start construction in the first half of 2024 and are aiming for the solar park to be operational in the first half of 2025. The total Danish portfolio amounts to 204 MWp.

We achieved a full building permit for our development project Eresma in Spain of 53 MWp and have subsequently initiated the construction process. In addition, we are expecting to receive the building permit for the 52 MWp Tieste project in Germany during Q4 2023. On this project, we have secured a 20-year feed-in tariff (FIT) contract that ensures a floor price for 77% of the production.

Construction portfolio

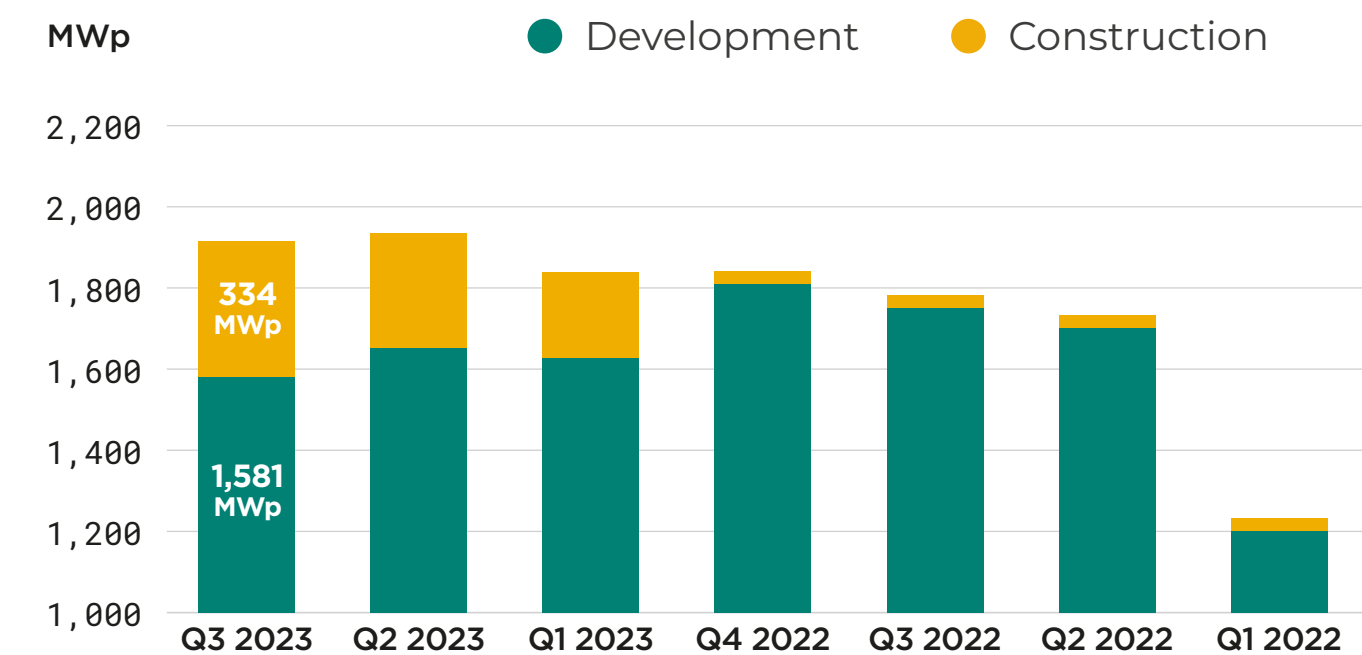
Nordic Solar continued to increase construction activities in 2023 in alignment with our strategic aims, adding one new project to the construction pipeline during the quarter. The total expected capacity under construction has now reached 334 MWp across five projects.

In Lithuania, the 99 MWp Moletai project

construction is in progress, with ramming and foundation works completed, more than half of the modules installed and cable trenching commenced. The project is now 66% complete. Optimisation of our project cost base means this project is currently 5% below the construction budget. The Švenčionys project in Lithuania (80 MWp) is currently in its early construction phase. Drainage research is complete, while pre-engineering studies are ongoing. Next step is to receive a building permit for the high voltage substation. Presently, the solar park is expected to finish construction and produce electricity in early 2025.

The construction of our Swedish Lindesberg project is progressing with orders placed for the main technological infrastructure, and an ongoing engineering process in place. The solar park with the expected capacity of 22 MWp is anticipated to finish construction and start to produce electricity in Q2 2024.

DEVELOPMENTS IN PORTFOLIO



	Q3-23	Q3-22
Development portfolio		
Total number of projects in development	33	34
Total expected capacity	1,581 MWp	1,750 MWp
Average expected capacity per project	47.9 MWp	51.5 MWp
Construction portfolio		
Total projects under construction (no.)	5	1
Total expected capacity	334 MWp	33 MWp

Business review - Operational portfolio

Operational portfolio

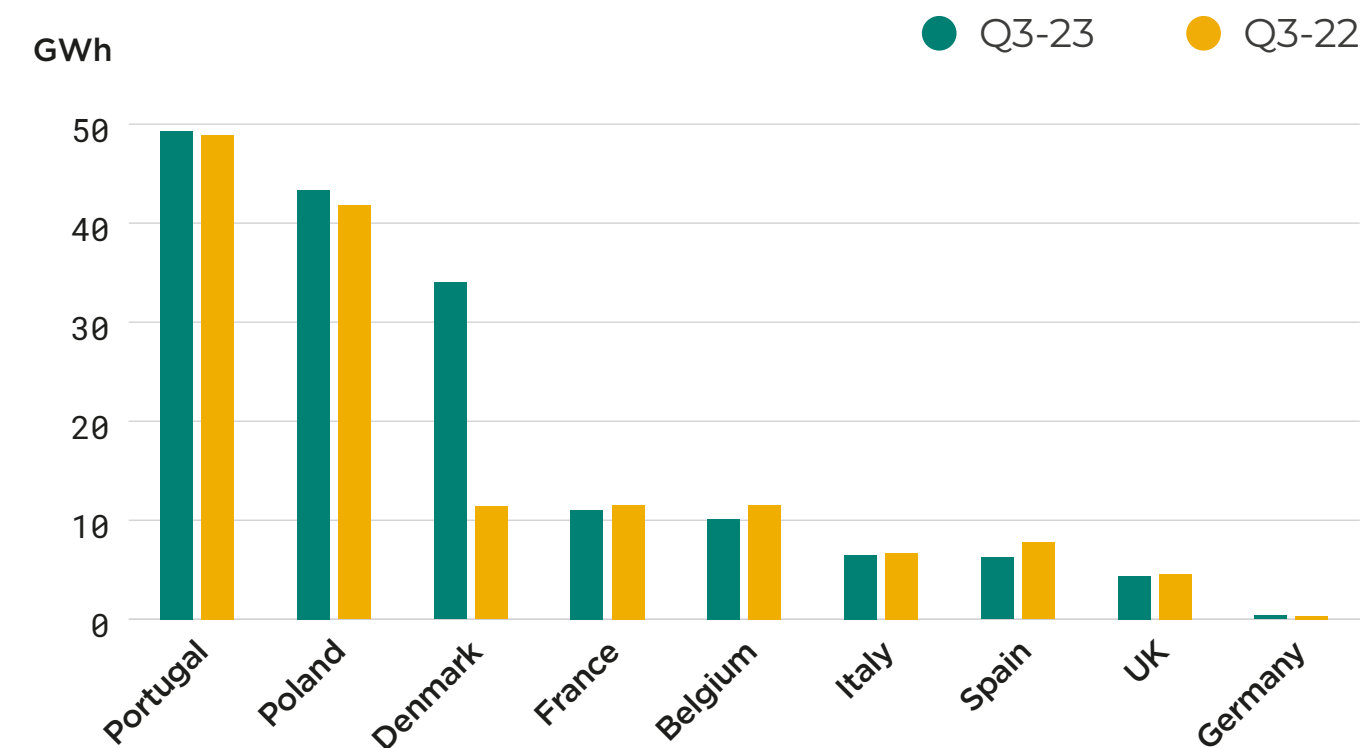
At the end of Q3, the operational portfolio consisted of 23 projects with a combined production capacity of 390 MWp compared to 326 MWp at the end of Q3 2022. This is equal to an increase of 20% year-on-year.

Total production increased to 165.3 GWh, compared to 144.5 GWh in Q3 2022. This is an increase of 14% year-on-year. Power production for Q3 2023 was driven by increased capacity and slightly higher irradiation than expected. Irradiation levels for Q3 were 1.8% higher than the 25-year average for the quarter.

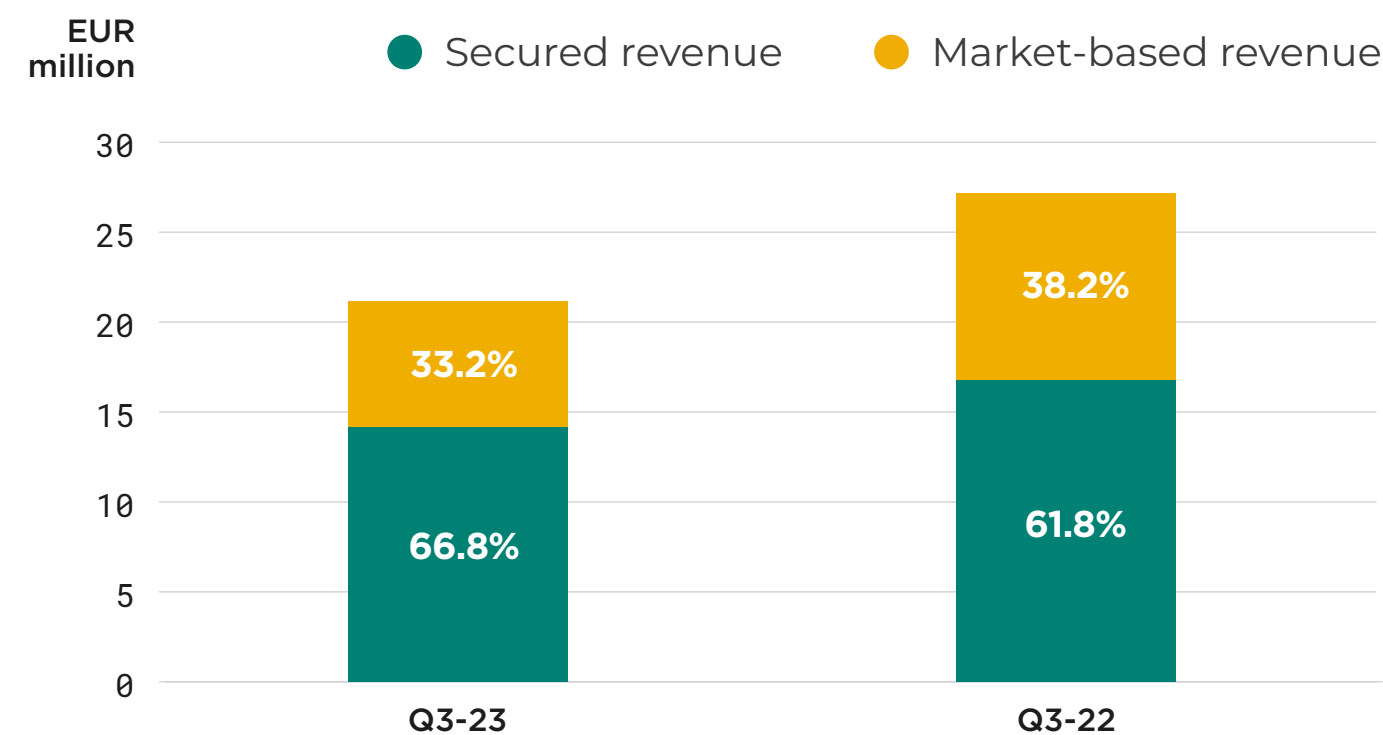
Production-based availability on the operational projects remained very high and was 99.3% for Q3 (99.8% in Q3 2022). Based on precise real-time monitoring of all solar parks, Nordic Solar can effectively respond to any technical issues quickly, minimising loss of production.

The 32 MWp solar park in Højby, Denmark, which was officially inaugurated on 15 August, is operational and producing as expected.

GEOGRAPHICAL PRODUCTION OUTPUT

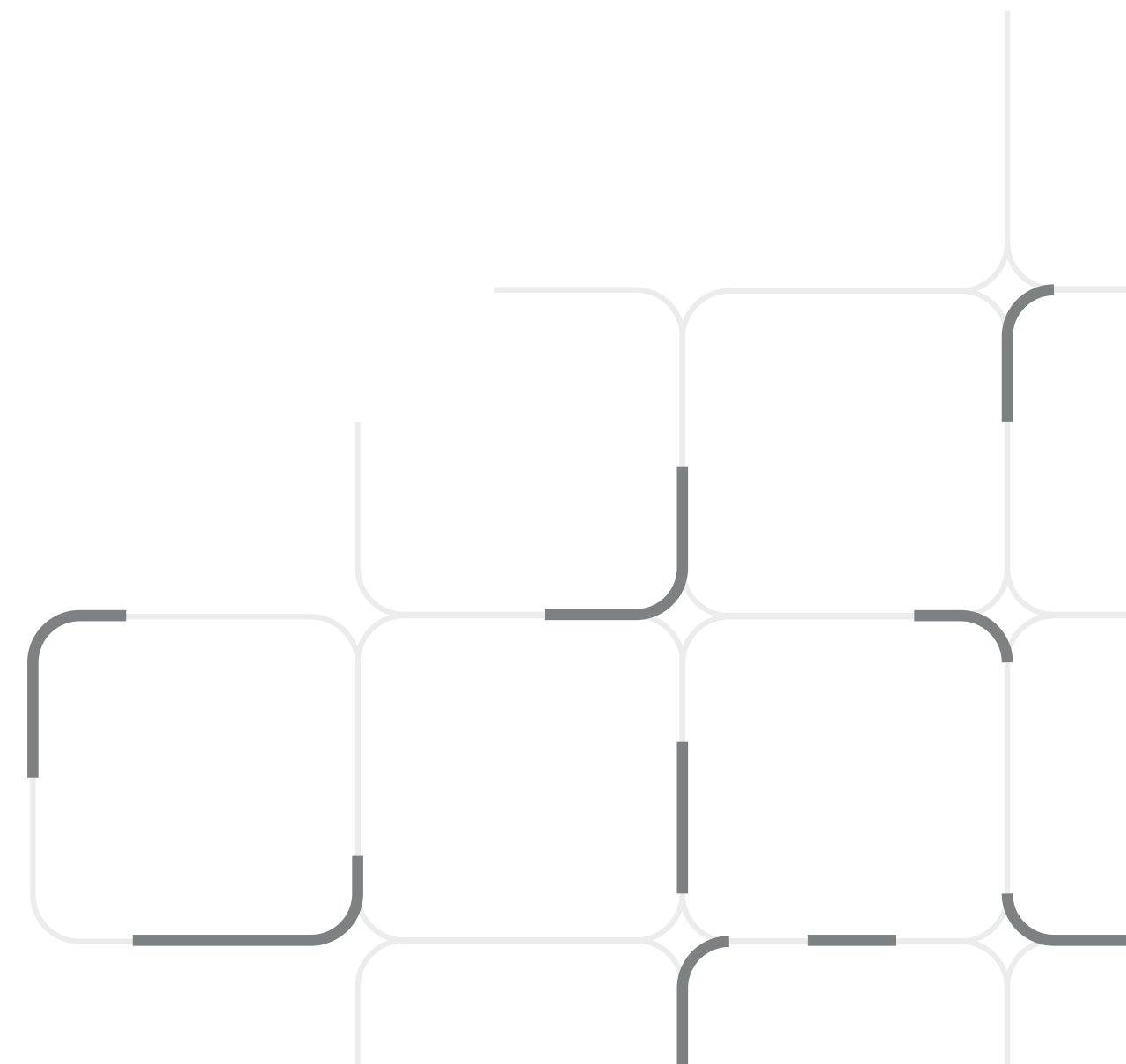


SECURED AND MARKET-BASED REVENUE SPLIT



Operational portfolio

	Q3-23	Q3-22
Total projects in operation	23	21
Total output capacity	390 MWp	326 MWp
Total energy produced	165.3 GWh	144.5 GWh
Average output level per project	7.2 GWh	6.9 GWh
Secured revenue of total	66.8%	61.8%
Seasonal irradiation vs. historical average	+1.8%	+1.9%
Technical availability	99.3%	99.8%



Financial review

Income statement for the third quarter of 2023

Revenue decreased by 22% to EUR 21.2 million compared to EUR 27.1 million at the end of Q3 the previous year. The year-on-year decrease was primarily a result of lower market prices for electricity, but partly offset by a larger portfolio of operational assets (+20%).

Average revenue per produced MWh

amounted to EUR 130 compared to EUR 190 last year. Secured revenue accounted for 66.8% of total revenue for the year compared to 61.8% last year. The year-on-year increase was primarily driven by lower market prices leading to a smaller share of total electricity being sold at market prices.

Direct costs increased by 38% to EUR 1.9 million compared to EUR 1.4 million the year before, primarily as a result of the larger portfolio of operational assets and a reversal of previous one-off repair costs.

Other external costs decreased by 59.6% to EUR 0.8 million compared to EUR 2.1 million last year. The year-on-year decrease was primarily driven by one-off costs in 2022 and cost savings.

Gross profit was EUR 18.4 million compared to EUR 23.7 million in the previous year, with a gross margin remaining at 87% (87.2%).

EBITDA amounted to EUR 16.9 million compared

to EUR 22.2 million the year before. The year-on-year decrease was primarily a result of the lower revenue for the period and higher costs related to a larger operational portfolio, including higher staff costs due to the larger organisation required to support the Company's continued growth. EBITDA margins were 79.7% for Q3 2023 and 81.7% for Q3 2022.

Depreciation and amortisation amounted to EUR 6.9 million compared to EUR 6.2 million last year following depreciation of a larger operational asset base.

EBIT amounted to EUR 9.9 million compared to EUR 16 million last year. EBIT margins were 46.9% for Q3 2023 and 59% for Q3 2022.

Net financial items constituted a net expense of EUR 3.4 million (EUR 3.5 million) and remained at the same level. This is due to increased interest levels to some extent offsetting positive exchange rate developments.

Profit before tax amounted to EUR 6.5 million compared to a profit before tax of EUR 12.5 million the year before reflecting the above-mentioned development.

Tax for the period constituted a net expense of EUR 1.4 million compared to a net expense of EUR 2.1 million last year. The effective tax rate was 21.9% compared to 17.1% the previous year.

The effective tax rate was impacted by non-deductible depreciation of goodwill.

Profit for the period was a profit of EUR 5.1 million compared to a profit of EUR 10.3 million in the previous year. Profit for the period is attributable to Nordic Solar A/S' shareholders by EUR 4.9 million and to non-controlling interests by EUR 0.2 million compared to EUR 10 million and EUR 0.4 million the previous year.

Other comprehensive income amounted to an expense of EUR 2 million compared to an expense of EUR 0.7 million the year before. The year-on-year increase was primarily driven by changes in fair value adjustments of hedging instruments and higher exchange rate adjustments on redenomination of subsidiaries, but partly offset by lower tax on other comprehensive income.

Balance sheet at 30 September 2023

The balance sheet total was EUR 793.6 million on 30 September 2023 compared to EUR 706.8 million on 31 December 2022 and EUR 686.9 million on 30 September 2022.

Net interest-bearing debt amounted to EUR 278.4 million on 30 September 2023 compared to EUR 189.6 million as of 30 September 2022. This quarter's increase was primarily a result of the addition of loans in the period offset by a higher cash position as a result of positive cash flow in the quarter.

Equity totalled EUR 341.7 million on 30 September 2023 compared to EUR 338.4 million at the end of 2022 and EUR 326.4 million at the end of Q3 2022. The stable development in equity since the beginning of the year has been driven by positive a impact from comprehensive income following higher reserves for hedging offset by the payment of dividends.

Equity attributable to shareholders in Nordic Solar A/S amounted to EUR 340.5 million, while equity attributable to non-controlling interests amounted to EUR 1.2 million.

Capital employed was EUR 738 million compared to EUR 613 million at 30 September 2022. The increase was primarily a result of the construction activities.

Return on capital employed ("ROCE") was 1.1% compared to 4.9% at 30 September 2022. The year-on-year decrease was primarily a result of lower earnings.

Cash flow for the third quarter of 2023

Cash flow from ordinary operating activities amounted to EUR 17.2 million compared to EUR 15.9 million the previous year. The year-on-year increase was primarily a result of changes in net working capital in the period.

Cash flow from operating activities amounted to EUR 13.5 million compared to EUR 12.5 million the year before. The year-on-year increase was primarily a result of changes in net working capital in the period.

Free cash flow from operations amounted to EUR 10.4 million compared to EUR 13.1 million

in the previous year. The year-on-year decrease was primarily a result of lower earnings.

Investments in solar parks amounted to EUR 43.1 million compared to EUR 7.5 million in the previous year. The higher level of investments compared to the previous year was driven by the acquisition of project rights as well as

construction activities related to solar parks currently under construction.

Cash flow from financing activities amounted to EUR 67.5 million compared to EUR 8.7 million last year. The year-on-year increase was primarily a result of increased proceeds from borrowings.

	2023	2022
Equity on 1 January	338,414	254,092
Profit for the period	3,503	15,652
Exchange rate adjustments regarding subsidiaries	-1,086	-1,730
Fair value adjustment of hedging instruments	10,305	17,084
Tax on other comprehensive income	-2,149	-4,183
Total comprehensive income for the period	10,573	26,823
Transactions with shareholders		
Capital increases, including related costs	0	52,026
Value of share-based payments	1,733	1,655
Acquisition of own shares	0	-720
Sale of own shares	0	163
Dividends distributed	-9,001	-7,604
Equity on 30 September	341,719	326,435



Financial outlook for 2023

The financial outlook for the full year 2023 has been narrowed since last quarter.

We now expect revenue, excluding revenue from divestments of solar parks, in the range of EUR 57 million to EUR 63 million. Further, we expect EBITDA in the range of EUR 34 million to EUR 39 million.

The financial outlook is based on the portfolio of solar parks owned at the end of October 2023, the assumption that electricity prices will gradually decrease in

2023 compared to 2022 and move towards the expected average levels for 2024, as well as expected stable regulatory regimes. Potential divestments of solar park assets are not included in the financial outlook for 2023.

The growth strategy of the company implies that the Company's strong cash flows will primarily be used to sustain future growth. Based on current earnings levels, it is not expected that any dividend payout will take place based on 2023 full-year

results. The expected revenue for 2023 is partly secured through the current power purchase agreements ("PPA") and feed-in tariffs, and reflects ordinary operational uncertainties, including, but not limited to, weather conditions, solar irradiation and production-based availability, all of which could potentially impact production.

Sensitivity guidance

All other things being equal, the sensitivities for two key assumptions for 2023 are listed in the table below.

Factors	Change	Effect on revenue	Effect on EBITDA
Electricity prices	+/- 5% (EUR per MWh)*	+/- EUR 0.049 million	+/- EUR 0.049 million
Production	+/- 1% GWh**	+/- EUR 0.032 million	+/- EUR 0.032 million

* Only applied to the part of the portfolio selling electricity at market prices

** Applied to all production, but only in November and December

DEVELOPMENTS IN OUTLOOK 2023

All figures are in EURm

Outlook 2023	Q3 2023	Q2 2023	Q1 2023	Annual report 2022
Revenue	57-63	57-67	65-85	65-85
EBITDA	34-39	32-39	45-60	45-60

2023 financial outlook

Revenue EUR

57-63
million

EBITDA EUR

34-39
million

Financials

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Consolidated financial statements

CONSOLIDATED INCOME STATEMENT

All figures are in EUR '000

	Note	2023 Q3 (9M)	2022 Q3 (9M)	2023 Q3 (3M)	2022 Q3 (3M)
Revenue	2	52,234	64,961	21,168	27,135
Direct costs		-6,872	-4,195	-1,946	-1,409
Other operating income		378	125	35	15
Other external costs		-4,202	-6,903	-833	-2,066
Gross profit		41,538	53,988	18,424	23,675
Staff costs		-7,130	-5,278	-1,563	-1,497
Profit before amortisation, depreciation and impairment losses (EBITDA)		34,408	48,710	16,861	22,178
Amortisation, depreciation and impairment losses		-19,958	-18,492	-6,926	-6,165
Operating profit (EBIT)		14,450	30,218	9,935	16,013
Financial income		4,291	1,777	1,867	881
Financial expenses		-13,393	-11,824	-5,284	-4,420
Profit before tax		5,348	20,171	6,518	12,474
Income taxes		-1,845	-4,519	-1,425	-2,139
Profit for the period		3,503	15,652	5,093	10,335
Profit is attributable to:					
Owners of Nordic Solar A/S		3,168	15,022	4,912	9,962
Non-controlling interests		335	630	181	373
		3,503	15,652	5,093	10,335

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

All figures are in EUR '000

	Note	2023 Q3 (9M)	2022 Q3 (9M)	2023 Q3 (3M)	2022 Q3 (3M)
Profit for the period		3,503	15,652	5,093	10,335
Items that have been or may be reclassified to the income statement:					
Exchange rate adjustments on translation of subsidiaries (net)		-1,086	-1,730	-1,804	-799
Fair value adjustment of hedging instruments		9,160	16,388	-636	255
Of which recycled to financial items		1,145	696	548	1,132
Tax on other comprehensive income		-2,149	-4,183	-134	-1,249
Other comprehensive income for the period		7,070	11,171	-2,026	-661
Total comprehensive income for the period		10,573	26,823	3,067	9,674
Comprehensive income is attributable to:					
Nordic Solar A/S share		10,209	25,811	2,837	9,223
Non-controlling interests		364	1,012	230	451
		10,573	26,823	3,067	9,674

CONSOLIDATED BALANCE SHEET

All figures are in EUR '000

Note	30 September 2023	31 December 2022	30 September 2022
Assets			
Goodwill	44,256	44,256	44,256
Property, plant and equipment	550,151	484,672	471,290
Non-current financial assets	146	163	162
Deferred tax asset	10,630	12,200	12,197
Other receivables	15,683	20,566	17,415
Non-current assets	620,866	561,857	545,320
Trade receivables	17,264	10,096	9,472
Other receivables	4,073	9,277	15,105
Prepayments	28,483	14,666	9,807
Cash	122,914	110,876	107,146
Current assets	172,734	144,915	141,530
Total assets	793,600	706,772	686,850

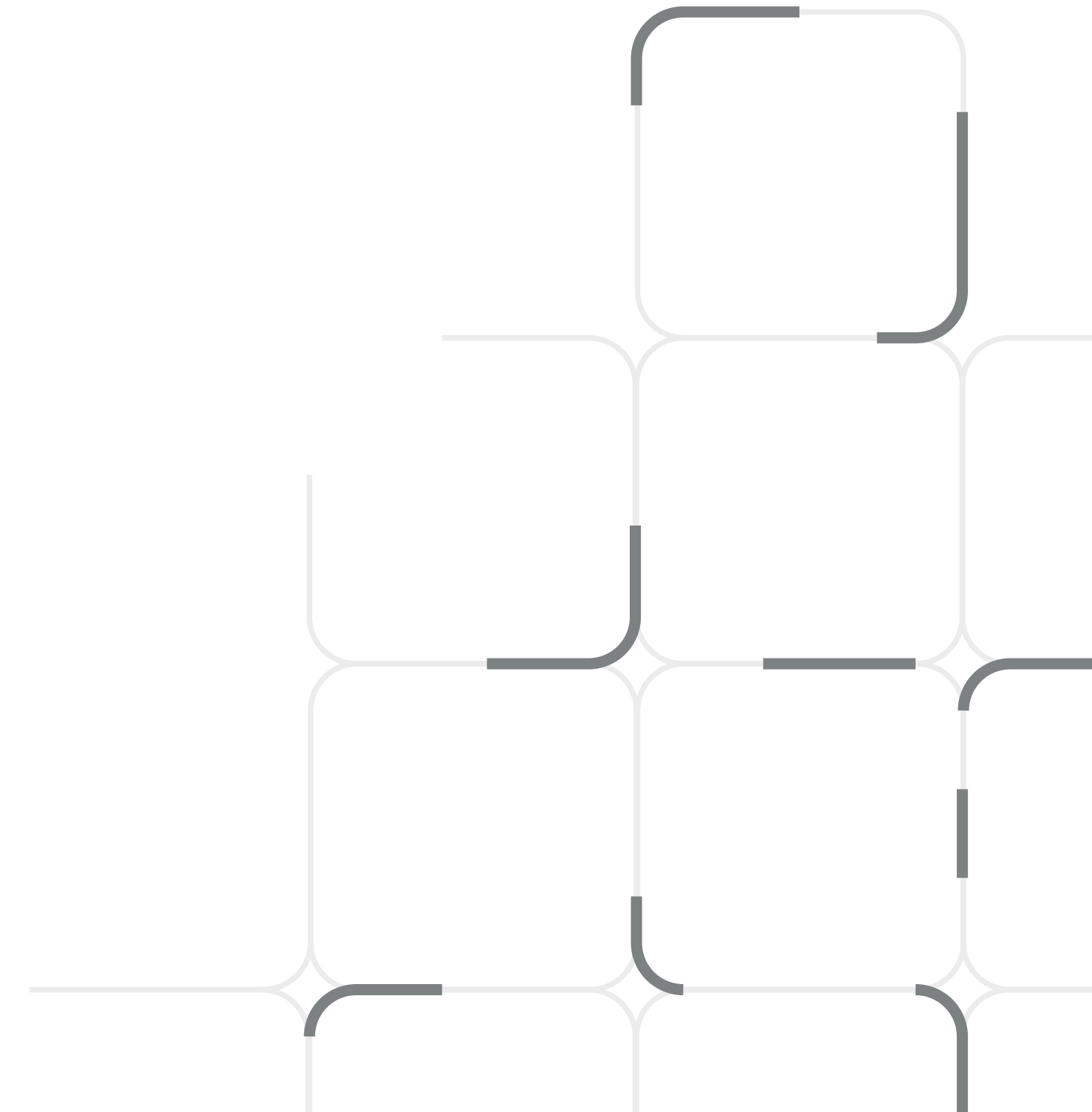
Note	30 September 2023	31 December 2022	30 September 2022
Equity and liabilities			
Share capital	71,354	71,354	67,777
Translation reserve	-3,413	-2,552	-3,524
Reserve for hedging	10,524	2,711	3,351
Retained earnings	262,013	256,985	257,660
Proposed dividend for the period	0	9,019	0
Equity attributable to shareholders of the parent company	340,478	337,517	325,264
Non-controlling interests' share of equity	1,241	897	1,171
Total equity	341,719	338,414	326,435
Loans	362,784	250,133	255,111
Provisions	7,090	6,425	6,119
Other payables	21,577	29,260	21,923
Deferred tax liabilities	4,849	4,524	2,904
Deferred income	126	1,344	195
Non-current liabilities	396,426	291,686	286,252
Loans	21,111	43,478	36,809
Trade payables	22,063	11,057	12,984
Current income tax liabilities	867	1,086	4,464
Other payables	11,414	21,051	19,906
Current liabilities	55,455	76,672	74,163
Total liabilities	451,881	368,358	360,415
Total equity and liabilities	793,600	706,772	686,850

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

		Share capital	Translation reserve	Reserve for hedging	Retained earnings	Proposed dividend	Equity attributable to investors of the parent	Non-controlling interests' share of equity	Total equity
Equity at 1 January 2023	Note	71,354	-2,354	2,386	257,112	9,019	337,517	897	338,414
Profit for the period		0	0	0	3,168	0	3,168	335	3,503
Exchange rate adjustments regarding subsidiaries		0	-1,059	0	0	-38	-1,097	11	-1,086
Fair value adjustment of hedging instruments		0	0	10,281	0	0	10,281	24	10,305
Tax on other comprehensive income		0	0	-2,143	0	0	-2,143	-6	-2,149
Total comprehensive income for the period		0	-1,059	8,138	3,168	-38	10,209	364	10,573
Transactions with shareholders									
Value of share-based payments		0	0	0	1,733	0	1,733	0	1,733
Dividend paid		0	0	0	0	-8,981	-8,981	-20	-9,001
Equity at 30 September 2023		71,354	-3,413	10,524	262,013	0	340,478	1,241	341,719
Equity at 1 January 2022	Note	58,535	-1,794	-9,295	198,883	7,604	253,933	159	254,092
Profit for the year		0	0	0	15,022	0	15,022	630	15,652
Exchange rate adjustments regarding subsidiaries		0	-1,730	0	0	0	-1,730	0	-1,730
Fair value adjustment of hedging instruments		0	0	16,655	-127	0	16,528	556	17,084
Tax on other comprehensive income		0	0	-4,009	0	0	-4,009	-174	-4,183
Total comprehensive income for the year		0	-1,730	12,646	14,895	0	25,811	1,012	26,823
Transactions with shareholders									
Capital increases including related costs		9,242	0	0	42,784	0	52,026	0	52,026
Value of share-based payments		0	0	0	1,655	0	1,655	0	1,655
Acquisition of own shares		0	0	0	-720	0	-720	0	-720
Sale of own shares		0	0	0	163	0	163	0	163
Dividend paid		0	0	0	0	-7,604	-7,604	0	-7,604
Equity at 30 September 2022		67,777	-3,524	3,351	257,660	0	325,264	1,171	326,435

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

	Note	2023 Q3 (9M)	2022 Q3 (9M)	2023 Q3 (3M)	2022 Q3 (3M)
Operating profit (EBIT)		14,450	30,218	9,935	16,013
Amortisation, depreciation and impairment losses		19,958	18,492	6,926	6,165
Share-based payment	7	1,733	1,655	590	542
Change in net working capital		1,196	-9,882	-240	-6,845
Cash flows from ordinary operating activities		37,337	40,483	17,211	15,875
Financial income		2,215	1,777	996	1,062
Financial expenses		-11,453	-9,793	-4,063	-2,914
Corporate tax		-1,995	-2,198	-672	-1,511
Cash flow from operating activities		26,104	30,269	13,472	12,512
Investments in solar parks	3	-84,952	-34,134	-43,080	-7,521
Acquired cash asset deals		0	-100	0	-1,374
Cash flow from investing activities		-84,952	-34,234	-43,080	-8,895
Proceeds from borrowings	6	96,304	67,978	72,185	4,950
Repayment of borrowings	6	-12,257	-50,067	-3,362	-15,141
Repayment of lease liabilities	6	-4,180	-2,405	-1,347	-1,053
Net sale, own shares		0	-557	0	-277
Capital increases	4	0	51,459	0	19,946
Costs of capital increases	4	0	566	0	250
Dividend paid		-8,981	-7,604	0	0
Cash flow from financing activities		70,886	59,370	67,476	8,675
Net cash flow for the period		12,038	55,405	37,868	12,293
Cash and cash equivalents, beginning of the period		110,876	51,741	85,046	94,853
Cash and cash equivalents, end of the period		122,914	107,146	122,914	107,146



Notes to the consolidated 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 Financial Report has been prepared in accordance with the International Financial Reporting Standards (“IFRS”), IAS 34 “Interim Financial Reporting” as adopted by the EU and additional requirements in accordance with the Danish Financial Statements Act (“Årsregnskabsloven”).

Definitions of alternative reporting measures can be found on page 96 of the annual report for 2022.

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 2022. 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 2022, 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 2022, 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 2023.

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

2. SEGMENT NOTE

The segmented reporting is split into three main working areas of the Company: Operational solar parks, Development & construction, and Corporate services.

Operational solar parks

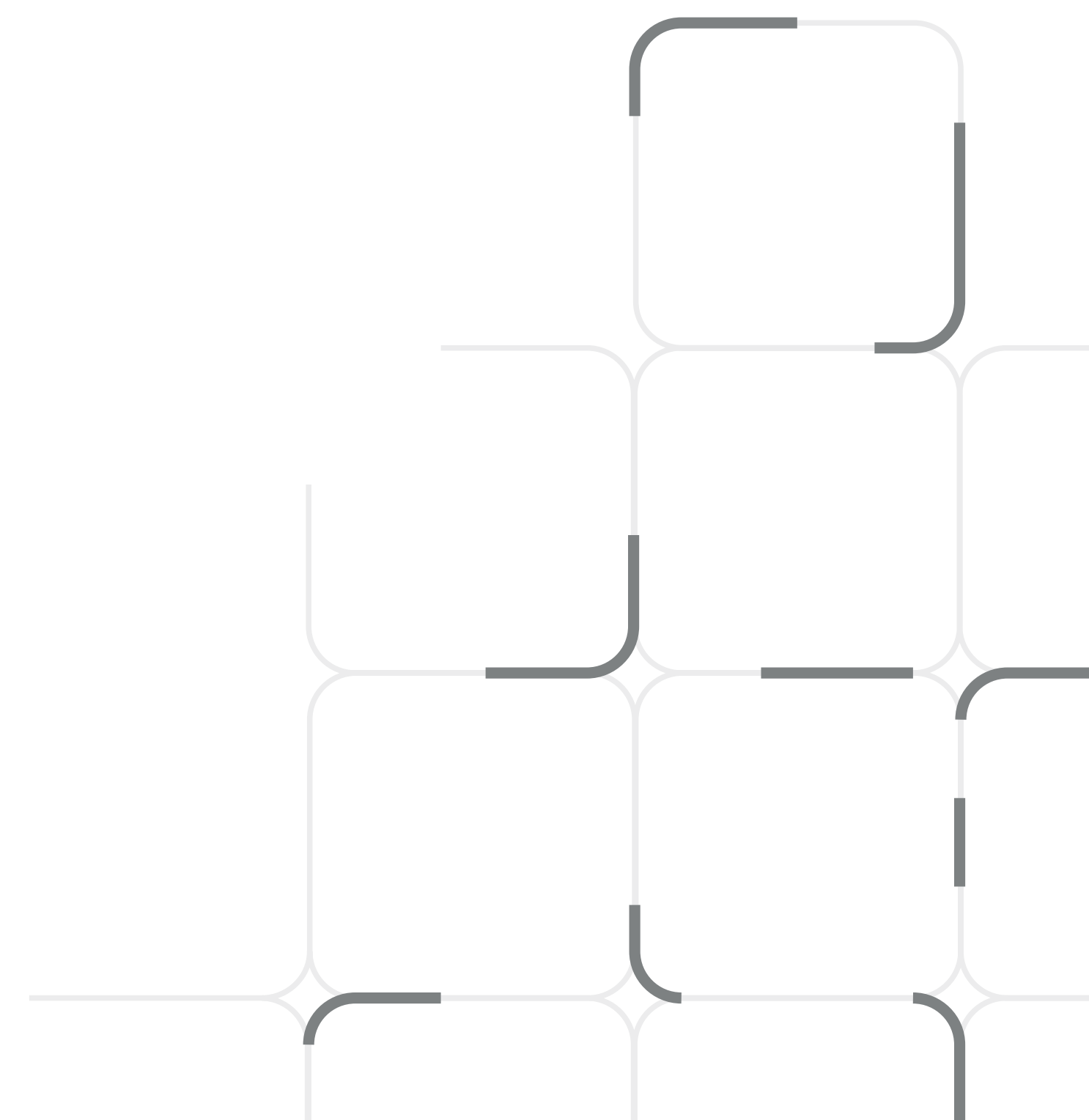
The operational solar parks include all energy-producing parks that have been operational for at least a full year.

Development & construction

The development and construction activities consist of costs associated with solar park developments and construction projects as well as solar parks that have not been operational for a full year. The asset base reflects both the cost of construction projects as well as costs related to acquisitions of new development and project rights.

Corporate services

Corporate services are all part of a 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 expenses. As the invoices are internal, such revenue has been eliminated.



2. SEGMENT NOTE

All figures are in EUR '000

2023 Q3 (9M)

	Operation- al solar parks	Dev. & con- struction activities	Reportable segments	Corporate services and elimi- nations	Total
Income statement					
Secured revenue	37,459	0	37,459	0	37,459
Merchant revenue	14,775	0	14,775	0	14,775
Total revenue	52,234	0	52,234	0	52,234
Profit before amortisation, depreciation and impairment losses (EBITDA)	37,073	-2,475	34,598	-190	34,408
Depreciation, amortisation and impairment	-18,766	-152	-18,918	-1,040	-19,958
Balance sheet					
Total assets	517,148	142,156	659,304	134,296	793,600
Investments in property, plant and equipment and solar parks under construction	28,002	52,414	80,416	2,736	83,152
Key ratios					
Free cash flow from operations	17,525	-2,977	14,548	855	15,403

2022 Q3 (9M)

	Operation- al solar parks	Dev. & con- struction activities	Reportable segments	Corporate services and elimi- nations	Total
Income statement					
Secured revenue	42,417	0	42,417	0	42,417
Merchant revenue	22,544	0	22,544	0	22,544
Total revenue	64,961	0	64,961	0	64,961
Profit before amortisation, depreciation and impairment losses (EBITDA)	52,364	-2,627	49,737	-1,027	48,710
Depreciation, amortisation and impairment	-17,490	0	-17,490	-1,002	-18,492
Balance sheet					
Total assets	481,976	89,748	571,723	115,126	686,850
Investments in property, plant and equipment and solar parks under construction	944	33,017	33,961	172	34,133
Key ratios					
Free cash flow from operations	31,795	-3,170	28,625	-639	27,986

2. SEGMENT NOTE (CONTINUED)

All figures are in EUR '000

2023 Q3 (3M)

	Operation- al solar parks	Dev. & con- struction activities	Reportable segments	Corporate services and elimi- nations	Total
Income statement					
Secured revenue	14,150	0	14,150	0	14,150
Merchant revenue	7,018	0	7,018	0	7,018
Total revenue	21,168	0	21,168	0	21,168
Profit before amortisation, depreciation and impairment losses (EBITDA)	16,433	-723	15,710	1,151	16,861
Depreciation, amortisation and impairment	-6,465	-111	-6,576	-350	-6,926
Balance sheet					
Total assets	517,148	142,156	659,304	134,296	793,600
Investments in property, plant and equipment and solar parks under construction	22,797	25,819	48,616	-7,333	41,283
Key ratios					
Free cash flow from operations	9,345	110	9,455	940	10,395

2022 Q3 (3M)

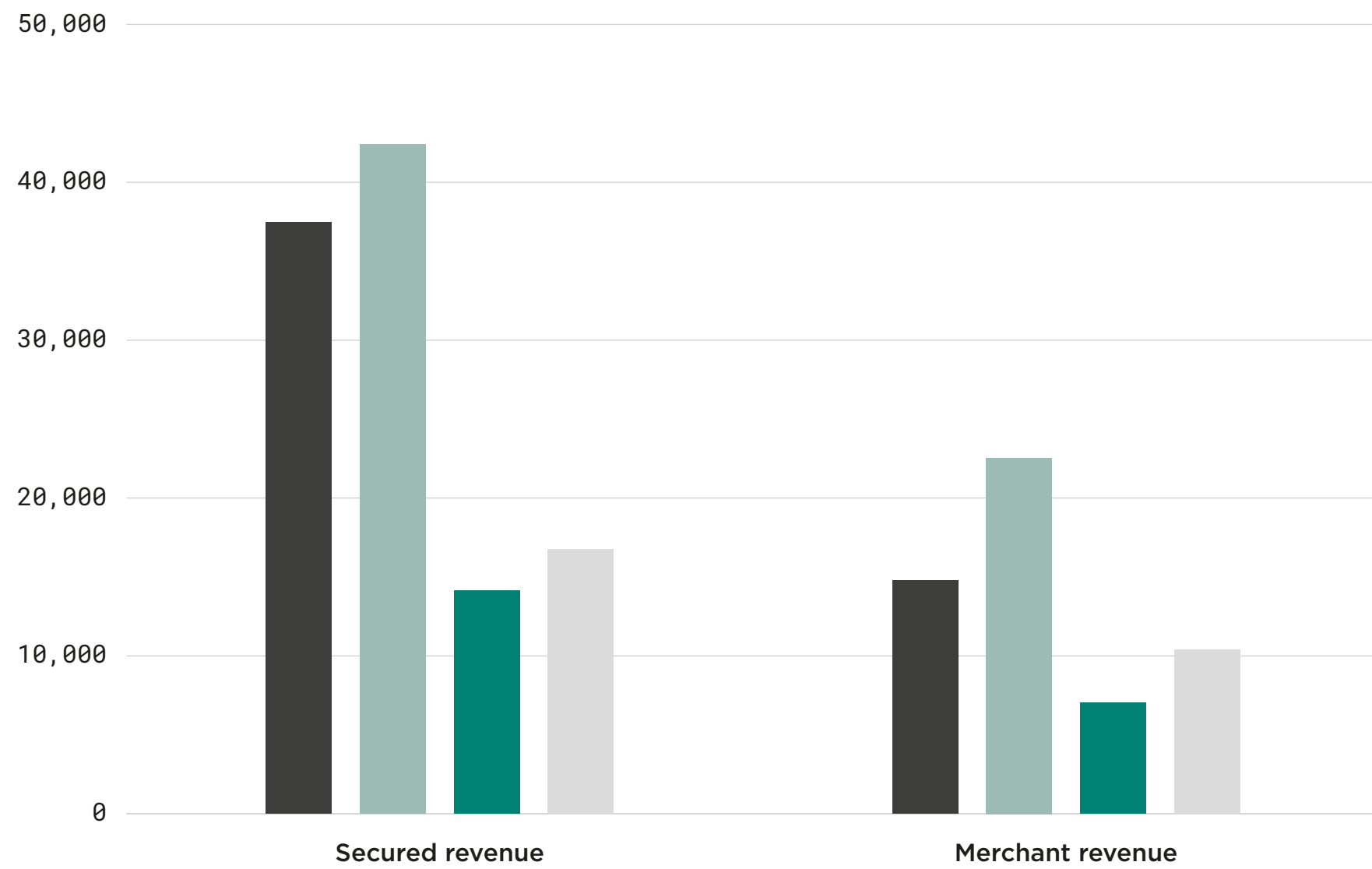
	Operation- al solar parks	Dev. & con- struction activities	Reportable segments	Corporate services and elimi- nations	Total
Income statement					
Secured revenue	16,770	0	16,770	0	16,770
Merchant revenue	10,365	0	10,365	0	10,365
Total revenue	27,135	0	27,135	0	27,135
Profit before amortisation, depreciation and impairment losses (EBITDA)	23,229	-716	22,513	-336	22,178
Depreciation, amortisation and impairment	-5,936	0	-5,936	-229	-6,165
Balance sheet					
Total assets	481,976	89,748	571,723	115,128	686,852
Investments in property, plant and equipment and solar parks under construction	-3,554	11,023	7,469	52	7,521
Key ratios					
Free cash flow from operations	12,366	27	12,393	750	13,143

2. SEGMENT NOTE (CONTINUED)

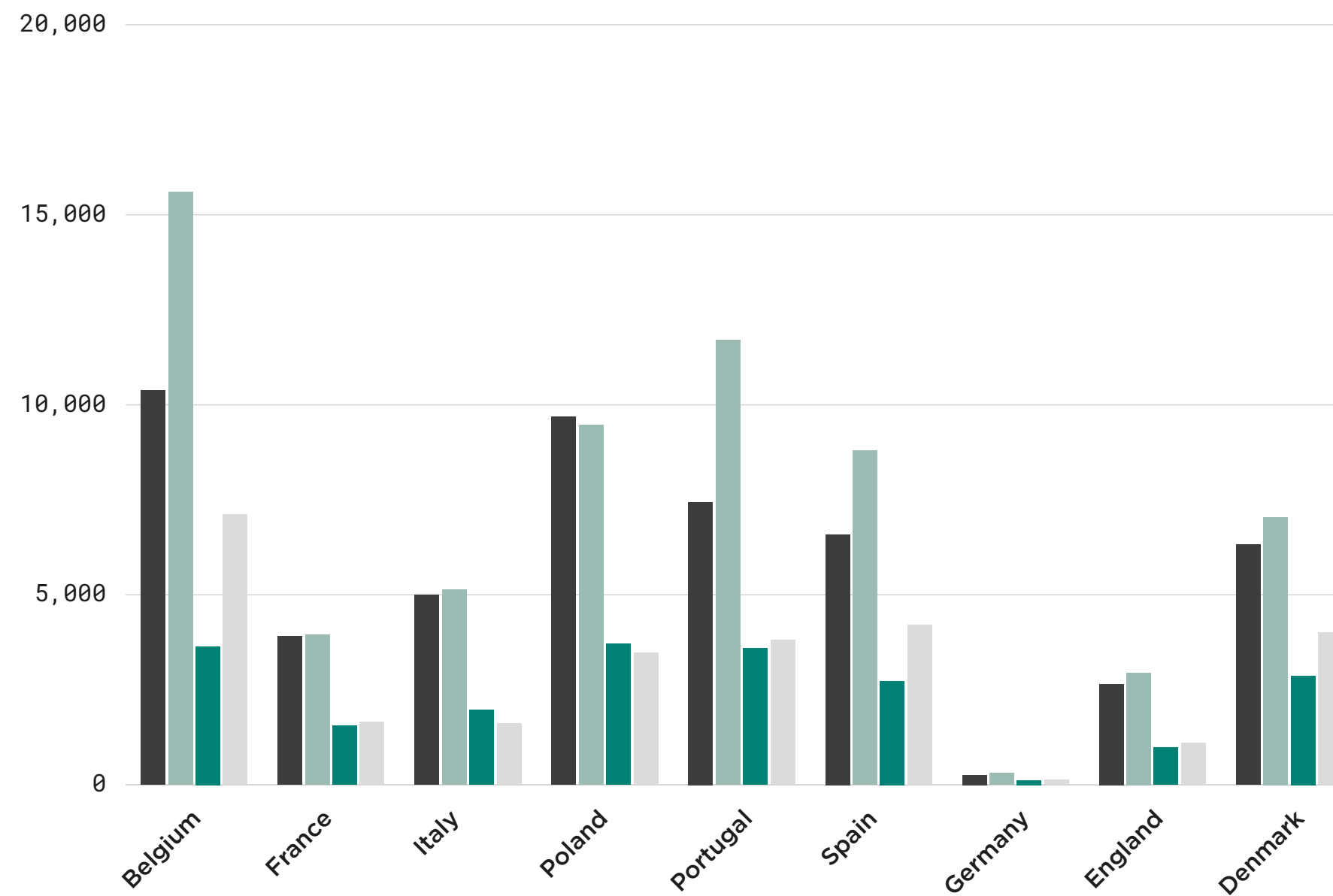
All figures are in EUR '000

Q3 2023 (9M)
 Q3 2022 (9M)
 Q3 2023 (3M)
 Q3 2022 (3M)

Type of revenue



Net revenue by country

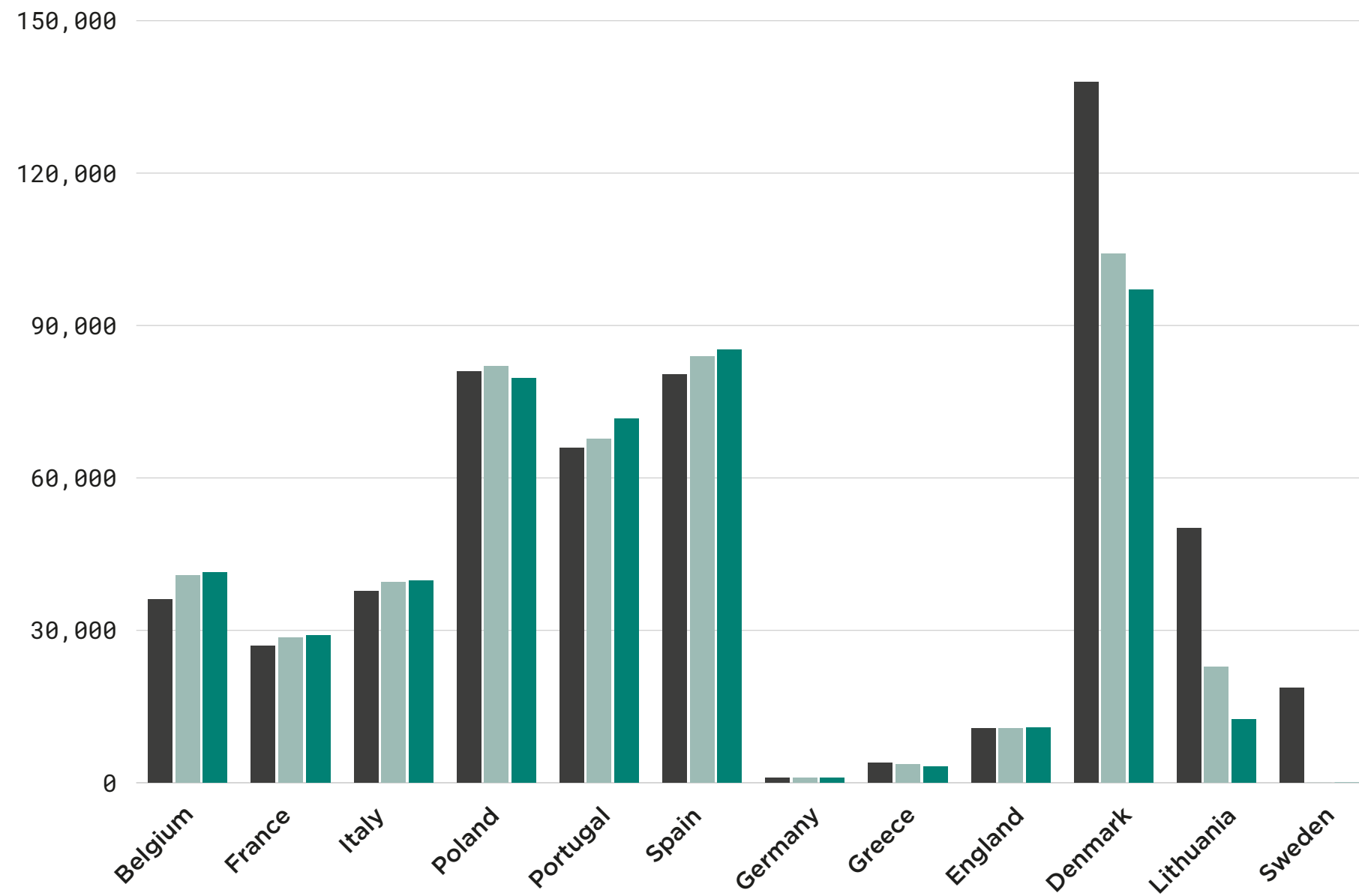


2. SEGMENT NOTE (CONTINUED)

All figures are in EUR '000

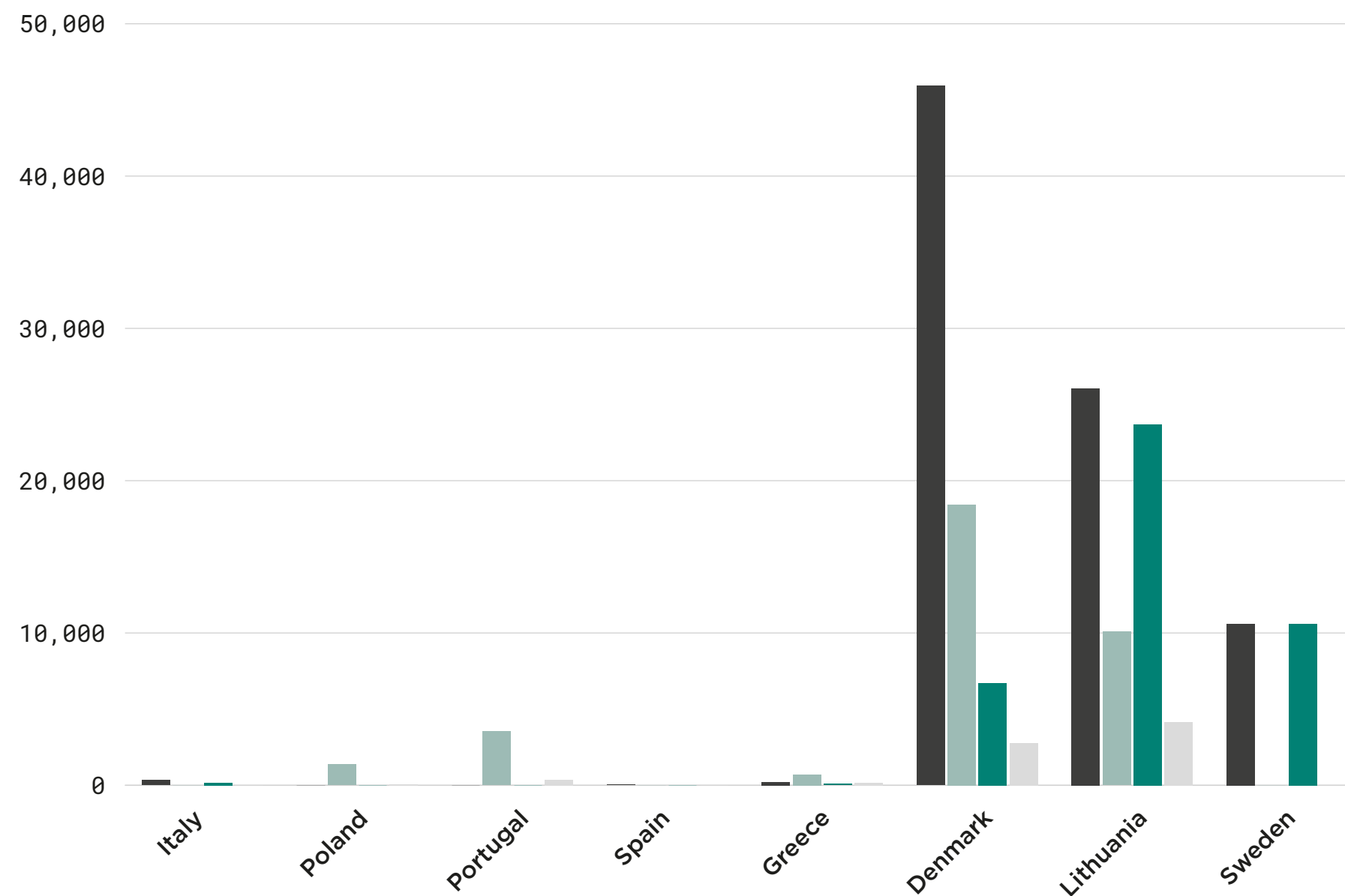
● Q3 2023 ● FY 2022 ● Q2 2022

Property, plant and equipment and solar parks under construction



● Q3 2023 (9M) ● Q3 2022 (9M) ● Q3 2023 (3M) ● Q3 2022 (3M)

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



3. PROPERTY, PLANT AND EQUIPMENT

All figures are in EUR '000

	Solar parks	Fixtures and fittings, tools and equipment	Leased solar parks	Leased land and roof tops	Solar parks under construction	Total
Cost 1 January 2023	440,128	1,111	71,266	45,008	25,402	582,915
Additions during the year	11,587	229	0	8,131	63,205	83,152
Remeasurements during the year	0	0	0	1,800	0	1,800
Disposals during the year	-2,389	0	0	-149	0	-2,538
Transfer to/from other asset type	29,671	0	0	0	-29,671	0
Exchange rate adjustments	986	0	0	0	-13	973
Cost 30 September 2023	479,983	1,340	71,266	54,790	58,923	666,302
Depreciation and impairment 1 January 2023	-50,704	-622	-40,212	-6,705		-98,243
Depreciation for the period	-15,405	-157	-2,776	-1,824		-20,162
Disposals during the period	2,278	0	0	149		2,427
Exchange rate adjustments	-173	0	0	0		-173
Depreciation and impairment 30 September 2023	-64,004	-779	-42,988	-8,380		-116,151
Carrying amount 30 September 2023	415,979	561	28,278	46,410	58,923	550,151
	Solar parks	Fixtures and fittings, tools and equipment	Leased solar parks	Leased land and roof tops	Solar parks under construction	Total
Cost 1 January 2022	355,556	901	56,481	39,669	79,946	532,553
Additions during the period	8,110	173	0	1,636	24,215	34,134
Transfer to/from other asset type	49,943	0	14,785	684	-64,708	704
Exchange rate adjustments	-3,068	0	0	0	-1,152	-4,220
Cost 30 September 2022	410,541	1,074	71,266	41,989	38,301	536,171
Depreciation and impairment 1 January 2022	-46,731	-424	-21,737	-3,952		-72,844
Depreciation for the period	-14,150	-143	-2,777	-1,610		-18,680
Transfer to/from other asset type	14,777	0	-14,777	-704		-704
Exchange rate adjustments	347	0	0	0		347
Depreciation and impairment 30 September 2022	-45,747	-567	-39,291	-6,266		-91,881
Carrying amount 30 September 2022	364,784	507	31,975	35,723	38,301	471,290

4. SHARE CAPITAL

All figures are in EUR '000

	2023 30 September	2022 31 December	2022 30 September
Changes in share capital:			
Share capital beginning of period	71,354	58,535	58,535
Capital increases	0	12,819	9,242
SHARE CAPITAL END OF PERIOD	71,354	71,354	67,777
Fees related to capital increase	0	789	566

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 by 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 floating-rate interest to fixed-rate interest.

Measurement of the fair value of the 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

Changes in liabilities arising from financing activities	Beginning of period	Proceeds from borrowings	Repayments	Non-cash changes*	End of period (30 September)
2023 Q3 (9M)					
Mortgage loans	204,367	15,795	-10,826	430	209,766
Finance leases	65,942	0	-4,180	9,564	71,326
Other credit institutions	27,023	93,942	-1,431	-19	119,515
Loan costs	-4,441	-13,453	0	442	-17,452
Loans from investor	720	20	0	0	740
Cash flow from financial items	293,611	96,304	-16,437	10,417	383,895
	Beginning of period	Proceeds from borrowings	Repayments	Non-cash changes*	End of period (30 September)
2022 Q3 (9M)					
Mortgage loans	199,839	42,222	-36,367	63	205,757
Finance leases	67,375	0	-2,405	0	64,970
Other credit institutions	9,292	19,102	-4,760	0	23,634
Loan costs	-4,298	-760	0	264	-4,794
Loans from investor	3,879	7,414	-8,940	0	2,353
Cash flow from financial items	276,087	67,978	-52,472	327	291,920

* Non-cash changes are related to exchange rate differences, including liabilities from acquired assets.

7. SHARE-BASED PAYMENTS

The Group has established a warrant programme for the employees and members of the Board of Directors. Each warrant entitles the recipient to subscribe for one share in the Company at a nominal value of DKK 25. The warrants are vested over a three-year period. The warrants may be exercised over a period of seven years after the grant.

The subscription price for shares subscribed under warrants granted is the weighted average subscription price per share during the vesting period less accumulated paid distributions of any kind (including capital reductions and resale of issued shares to the Company since its inception. However, the subscription price must be a minimum of DKK 25 per share. The fair value of granted warrants is calculated based on the Black & Scholes valuation model. The

assumptions used are based on Management's estimates.

The estimated volatility is based on the historical volatility in similar companies.

Accounting policies

The fair value of the equity-settled warrant programme is measured at the time of grant and recognised in the income statement as other external costs and staff costs over the period until the final right to warrants is earned. The off-setting item is recognised directly in equity. The fair value of the options granted is estimated on the basis of the Black & Scholes model. The estimate takes into account the terms and conditions applicable to the grant of warrants and Management's expectations of the development in the elements on which the valuation model is based.

	Average exercise price EUR	Number
Specification of outstanding warrants		
Outstanding 1 January 2022	16.33	1,584,234
Granted during the period	19.26	91,000
Forfeited during the period	17.92	-58,486
Outstanding 1 January 2023	16.45	1,616,748
Granted during the period	19.19	95,500
Forfeited during the period	19.02	-12,930
Outstanding 30 September 2023		1,699,318

	Number of warrants	Fair value EUR	Assumptions				Fair value
			Share price ranges EUR	Expected life-time (years)	Volatility	Risk-free interest rate	
Fair value of warrants at the grant date							
10 June 2021	1,552,234	6,511,630	17.30	4.50	30%	-0.43	
29 December 2021	32,000	146,969	18.58	4.50	30%	-0.31	
16 June 2022	46,500	248,976	19.09	4.50	30%	1.79	
14 September 2022	19,500	108,039	19.68	4.50	30%	1.85	
19 December 2022	25,000	144,390	19.77	4.50	30%	2.44	
15 July 2023	95,500	548,576	19.19	4.50	30%	2.84	5.74

In 2023, costs relating to the warrant programme have been recognised at EUR 1,733k (2022: EUR 1,655k).

Statement by the Board of Directors and the Executive Management

The Board of Directors and the Executive Management have today discussed and approved the Interim Financial Report of Nordic Solar A/S for the period 1 January 2023 to 30 September 2023. The Interim Financial Report has neither been audited nor reviewed by the Company's independent auditors.

The Interim Financial Report has been prepared in accordance with the International Financial Reporting Standards ("IFRS"), IAS 34 "Interim Financial Reporting" as adopted by the EU and additional requirements in accordance with the Danish Financial Statements Act ("Årsregnskabsloven").

In our opinion, the interim consolidated financial statements (pages 14-17) give a true and fair view of Nordic Solar's consolidated assets, liabilities and financial position at 30 September 2023 and of the results of Nordic Solar's consolidated operations and cash flows for the period 1 January 2023 to 30 September 2023.

Furthermore, in our opinion, the CEO's review (pages 5-6) includes a fair review of the development in Nordic Solar's operations and financial conditions, the results for the period, cash flows and financial position as well as a description of the most significant risks and uncertainty factors that Nordic Solar faces, relative to the disclosures in the annual report for 2022.

Hellerup, 29 November 2023

Board of Directors

Christian Sagild, Chair
Iben Mai Winsløw
Frank Schyberg
Vibeke Bak Solok
Christian Dulong Hoff

Executive Management

Nikolaj Holtet Hoff, CEO
Anders Søgaard-Jensen, CCO

Forward-looking statements

The interim financial report contains certain forward-looking statements, including, but not limited to, the statements and expectations contained in the section “Financial outlook for 2023” on page 12 of this report. Statements herein, other than statements of historical fact, regarding our future results of operations, financial conditions, cash flows, business strategy, plans and future objectives are forward-looking statements. Words such as “targets”, “ambition”, “believe”, “expect”, “aim”, “intend”, “plan”, “seek”, “will”, “may”, “should”, “anticipate”, “continue”, “predict” or variations of these words, as well as other statements regarding matters that are not historical facts or regarding future events or prospects, constitute forward-looking statements.

Nordic Solar A/S (hereinafter referred to as “Nordic Solar” or “the Company”) has based these forward-looking statements on its current views with respect to future events

and financial performance. These views involve a number of risks and uncertainties, which could cause actual results to differ materially from those predicted in the forward-looking statements and from the past performance of Nordic Solar. While the Company believes that the estimates and projections reflected in the forward-looking statements are reasonable, they may prove materially incorrect and actual results may materially differ due to a variety of factors, including, but not limited to, changes in temperature, solar irradiation, precipitation levels, the development in the power, coal, carbon, gas, oil, currency and interest rate markets, changes in legislation, regulation or standards, the renegotiation of contracts, changes in the competitive environment in the Company’s markets and reliability of supply, as well as customer-created delays affecting product installation, grid connections and other revenue recognition factors.

All forward-looking statements contained in the interim financial report are expressively qualified by the cautionary statements contained or referred to in this statement. Undue reliance should not be placed on forward-looking statements.

Additional factors that may affect future results are contained in the “Risk and risk management” section on pages 60 to 61 of the 2022 Annual Report, available at www.nordicsolar.eu, and these factors should also be considered. Each forward-looking statement speaks only as of the date of this interim financial report. Unless required by law, Nordic Solar is under no duty and undertakes no obligation to update or revise any forward-looking statement after the distribution of this interim financial report, whether as a result of new information, future events or otherwise.



Colophon

BOARD OF DIRECTORS

Christian Sagild, Chair
Iben Mai Winsløw
Frank Schyberg
Vibeke Bak Solok
Christian Dulong Hoff

NOMINATION AND REMUNERATION COMMITTEE

Christian Sagild, Committee Chair
Iben Mai Winsløw
Frank Schyberg

AUDIT AND RISK COMMITTEE

Vibeke Bak Solok, Committee Chair
Christian Sagild
Christian Dulong Hoff

EXECUTIVE MANAGEMENT

Nikolaj Holtet Hoff, CEO
Anders Søggaard-Jensen, CCO

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PUBLICATION

29 November 2023

DESIGN AND LAYOUT

Westring kbh



