Nordic Solar

Q1 2024

Interim Financial Report

Contents of this report

About Nordic Solar

Nordic Solar is a Danish solar energy company which develops, constructs and operates utility-scale solar parks across Europe. Since its establishment in 2010, the need and the market for renewable energy have increased sharply, and Nordic Solar intends to play a key role in the green transition. The Company is owned by approx. 725 shareholders and employs more than 100 employees. Today, Nordic Solar operates solar parks with a total capacity of almost 500 MWp across Europe and has projects under development and under construction totalling 2.3 GWp. Read more at 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 in the Annual Report for 2023 on page 132.

Overview Q1 2024

Financial results

Revenue
EUR 7.6 million (EUR 10.2 million) for the first quarter, corresponding to a decrease of 26%. Primarily a result of lower electricity prices and lower production related to reduced irradiation levels and unusually high curtailment. The share of secured revenue increased to 78% (68%).

EBITDA
EUR 3.0 million (EUR 5.2 million) equal to a decrease of 43% year-on-year. The EBITDA margin was 39% (50%).

Result for the period
Loss before tax was EUR 7.6 million (EUR -4.6 million) equal to a decrease of 65% year-on-year. Loss for the period was EUR 6.1 million (EUR -4.2 million), corresponding to a decrease of 45% year-on-year.

Cash flow from ordinary operating activities
EUR 9.4 million (EUR -2.3 million). The year-on-year increase was primarily a result of changes in net working capital.

Financial outlook
Maintained full-year expectations:

Revenue:	EUR 57-69 million
EBITDA:	EUR 36-48 million

Portfolio development

Development
Expected capacity of 2,083 MWp across 36 projects compared to 1,600 MWp at the end of Q1 2023, equal to a 30% increase. During the quarter, 412 MWp in new greenfield capacity was added to the development portfolio, while 2.3 MWp was divested.

Construction
Estimated capacity of 247 MWp across four projects under construction compared to 212 MWp at the end of Q1 2023. One project in Lithuania (99 MWp) finalised construction and became fully operational in late March.

Operation
Operational capacity of 469 MWp across 23 projects, compared to 358 MWp at the end of Q1 2023. Total production amounted to 61 GWh, compared to 70 GWh in Q1 2023, equal to a decrease of 13%. Decreased power production mainly driven by lower-than-expected solar irradiation, poor weather conditions and curtailment. Average revenue price per MWh decreased by 15% to EUR 123.2 compared to EUR 145.5 in Q1 2023.

Market development

Electricity prices
While electricity prices across Europe have stabilised compared to the volatile developments in 2023, average prices continued to decrease during the quarter. Electricity prices are expected to have bottomed out for the year and gradually improve across European markets during Q2 and Q3.

Energy mix
The overall energy mix in Europe is currently stabilised by five-year high gas storage levels combined with high levels of hydro and stable nuclear power. This has curtailed the electricity price volatility experienced in 2022 and 2023.

However, particularly the gas market in Europe remains sensitive to any disruptive impacts on supply chains or from geopolitical developments. This includes the ongoing war in Ukraine, global supply chains, the ongoing conflict in Israel and Palestine, and any escalation of this conflict across the broader Middle East region.

Summary of financial information

Financial highlights

All figures are in EUR '000

Key figures	2024 Q1 (3M)	2023 Q1 (3M)	2023 FY (12M)
Revenue	7,609	10,247	58,932
Profit before amortisation, depreciation and impairment losses (EBITDA)	2,965	5,172	32,817
Net financial items	-4,274	-3,240	-13,547
Profit before tax	-7,593	-4,584	-7,415
Profit/loss for the year	-6,086	-4,179	-9,228
NSE's share of profit/loss for the year	-6,025	-4,158	-9,483
Secured revenue of total	78.1%	67.6%	75.7%
Balance sheet key figures			
Property, plant and equipment	624,450	506,639	601,063
Cash	109,596	97,562	115,403
Total assets	824,522	694,729	807,959
Equity	327,555	340,269	327,494
Investment in property, plant and equipment and right-of-use assets	35,643	14,580	149,034
Interest-bearing debt (loans)	445,665	298,513	425,107
Share-related key figures and financial ratios			
EBITDA margin	39.0%	50.5%	55.7%
Solvency ratio	39.7%	49.0%	40.5%
Return on capital employed	-0.4%	-0.2%	0.8%
Number of shares	21,260,107	21,260,107	21,260,107
Book value per share, EUR	15.36	15.96	15.36
Cash flow from ordinary operating activities	9,353	-2,258	37,842

CEO's review

Revenue in the first quarter of 2024 was impacted by lower electricity prices and production levels as a consequence of lower-than-expected irradiation due to poor weather across Europe and unusually high curtailment in solar parks in Poland. Combined with higher staff costs, this led to reduced profitability of the operational portfolio. We progressed on our strategic initiatives, divesting part of our Portuguese portfolio, while adding new greenfield capacity in Sweden. In addition, we finalised our largest contruction project to date and brought it into operation. On a strategic level, we have started the process of searching for new equity in the private market, as we do not currently consider the public IPO market to be attractive for the company.

Results

For the first three months of 2024, revenue was realised at EUR 7.6 million compared to EUR 10.2 million at the end of Q1 2023. This was mainly due to lower market prices for electricity on the market-based share of our revenue. In addition, we had 13% lower production on our operational portfolio in the quarter driven by lower-than-expected solar irradiation and poor weather conditions across Europe. In addition, we experienced temporary ordered shutdowns (curtailments) of our solar parks in Poland due to grid constraints in the country. The divestment of our Italian rooftop portfolio in late 2023 further reduced production year-on-year.

Although a large part of Nordic Solar's revenue is hedged through fixed-price contracts (Power Purchase Agreements and Feed-in Tariffs), this could not fully offset the short-term impact of lower electricity prices and bad weather in Q1 2024.

While divestments contributed EUR 2.7 million to our gross profit, EBITDA decreased by 43% to EUR 3 million compared to EUR 5.2 million the year before. This is mainly driven by decreased revenue, increased direct costs from a larger operational portfolio and higher staff costs. Our EBITDA margin decreased to 39% from 50% in Q1 of last year. The result for the period amounted to a loss of a EUR 6.1 million compared to a loss of EUR 4.2 million in Q1 last year. Cash flows from ordinary operating activities increased to EUR 9.4 million, up from a negative EUR 2.3 million in Q1 last year.

Divestment in Portugal

In February, we managed to divest part of our portfolio in Portugal, Trofa (2.3 MWp), to the energy group EOS Holding, which invests in solar energy on the European market. This marked our second strategic divestment in the portfolio, which complements our focus on investing in large-scale solar parks going forward. The divestment contributed EUR 2.7 million to our EBITDA in Q1 2024.

Greenfield development in Sweden

As part of our focus on developing projects at an earlier stage in the value chain, we signed two land lease agreements in Sweden during March that will form the basis for developing our future greenfield activities in the country. With these two agreements, the capacity of our development portfolio has increased by 412 MWp.

We expect to gradually increase our focus on adding greenfield projects in addition to our ongoing sourcing of new projects and project rights from third-party providers. With the increased focus on greenfield development, we aim to secure higher returns and lower costs on these projects, combined with additional control over the development process and quality.

Finalised construction in Lithuania

The construction of our Moletai project in Lithuania (99 MWp) has now been finalised and has moved into operation. We managed to secure the first power production in late March, and the project is expected to contribute significantly to our operational portfolio.

Portfolio impact from electricity prices and panel prices

In Q1 2024, electricity prices were considerably lower than in Q1 2023, with average capture prices in Europe falling below 60 EUR/MWh. While approximately 78% of our revenue in Q1 2024 was hedged through fixed-price contracts, the lower electricity prices still impact the business cases on projects that are already under construction. In contrast, panel prices also continued to drop, which positively affects business cases on development projects that have yet to progress into construction. Overall, the market premium attached to our development portfolio remains attractive, but the volatile developments in electricity prices, interest rates and construction costs mean that we are highly focused on ensuring viable, long-term business cases on the maturing part of our development portfolio.

Portfolio development

Our development portfolio covers an expected total production capacity of 2,083 MWp following the recent addition of Swedish greenfield projects. The majority of our development portfolio is mature with 22 projects having already reached, or are expected to reach, ready-to-build status within one year. This is a large advancement compared to 10 projects with this maturity at the end of Q1 2023. This means that the value of our development portfolio is materialising as the projects are approaching the construction phase.

At end of the Q1 2024, Nordic Solar's projects under construction amounted to 247 MWp, covering four projects with a large part of this capacity expected to become operational during 2024. Our constructed Moletai project in Lithuania (99 MWp) became fully operational in late March. We have begun the construction of the Hultsfred project (92 MWp) in Sweden, which is expected to be grid connected in 2025. Overall, construction is running in accordance with budget costs across our site locations.

Our operational portfolio increased by 31% to 469 MWp compared to 358 MWp at the end of Q1 last year. We now have 23 projects with an average project capacity of 20.4 MWp. Despite the added capacity, total electricity production decreased to 61.5 GWh for the quarter compared to 70.4 GWh in Q1 2023 following lower irradiation, poor weather and curtailment. On a portfolio level, Portugal remains our largest geographical region accounting for 36% of total production.

Future financing

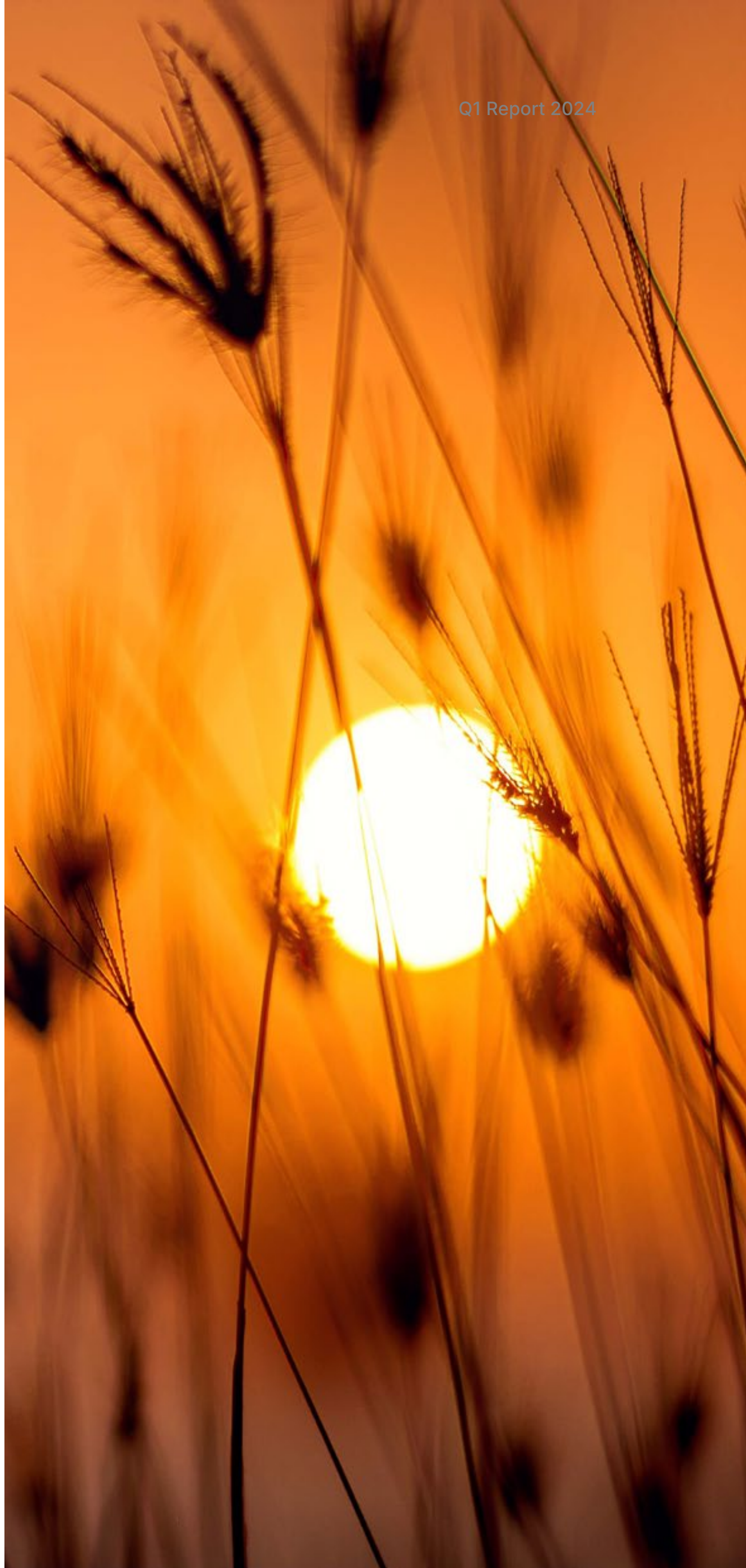
At our Annual General Meeting in April, we shared with shareholders our proposed next steps in terms of ensuring future financing of Nordic Solar's growth.

The clear conclusion from our process is that Nordic Solar and our shareholders are best served with raising capital in the private market at this point in time. The reason being that the stock market would currently not be expected to fully value Nordic Solar's future portfolio and growth sufficiently.

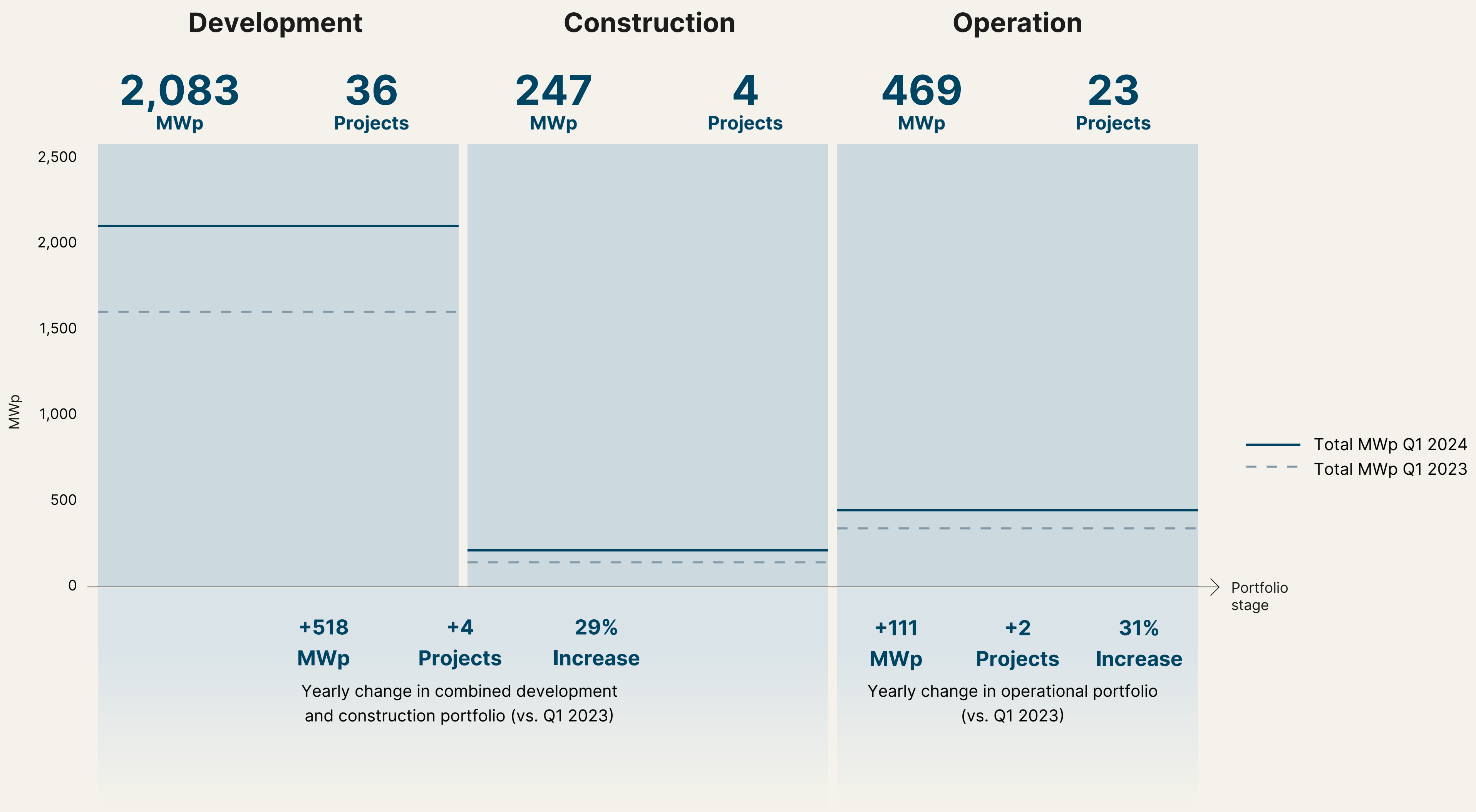
The value of our current and future platform is expected to be better understood and valued in the private market at this stage of Nordic Solar's growth journey. Therefore, together with the Board of Directors, we will initiate the process of raising equity capital in the private market.

Our overall aim is to reach the best possible long-term financing that ensures shareholder value and will enable us to reach our strategic targets.

Nikolaj Holtet Hoff
Chief Executive Officer



Portfolio overview (end Q1 2024)



Development and construction portfolio

Development portfolio

At the end of Q1 2024, the total expected production capacity of the Nordic Solar development portfolio had increased by 30% to 2,083 MWp compared to 1,600 MWp at the end of Q1 2023, and 1,675 MWp at the end of 2023.

During the quarter, 412 MWp was added to the development portfolio, while existing project capacity was reduced by 4 MWp. At the end of the quarter, Nordic Solar had 36 projects under development with an average capacity of 58 MWp per project.

The majority of the development portfolio is mature with 22 projects having already reached, or are expected to reach, ready-to-build status within one year*. This capacity amounts to 1,095 MWp, or more than half of the entire development portfolio.

Regional project development

The development portfolio of 36 projects is diversified across seven European countries.

During the quarter, Sweden became the largest geographical region with 747 MWp in expected capacity. Italy represents the second largest development region with 617 MWp, while Greece remains the third largest region with 397 MWp in expected capacity.

In Sweden, we signed two land lease agreements that will form the basis for developing our future greenfield activities in the country. The combined added capacity in Sweden amounted to 412 MWp.

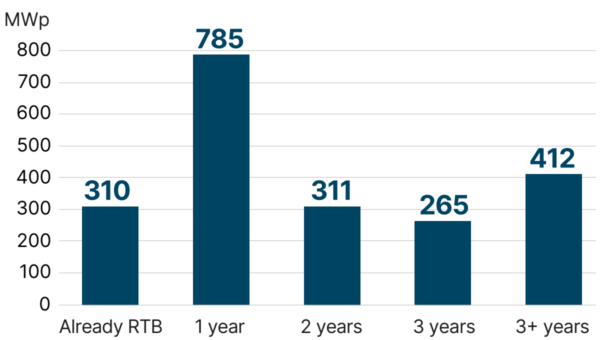
Our project on the Swedish island of Gotland, Visby (40 MWp), has been approved by the authorities and has reached ready-to-build status. Meanwhile, construction will not commence until 2026, as grid connection is only planned for late 2027.

In Italy, focus has been on progressing Butera 1 (90 MWp) and Bomarzo (40 MWp) towards the construction stage. This involved activities related to improving the final design, optimising procurement and coordinating with public authorities, e.g. on the handling of archaeological findings. The projects are expected to be ready for construction during Q2 and Q3 2024.

In Lithuania, our Jonava 4 project (180 MWp) remains in the ready-to-build stage, and is expected to progress into construction in early 2025, in line with the agreed grid connection date.

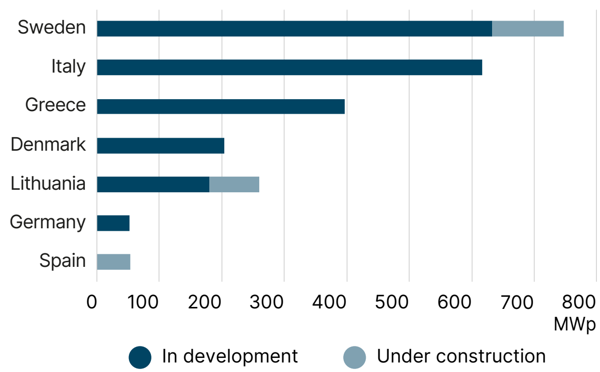
In Denmark, our project on Zealand, Severinsminde (71 MWp), is progressing, and we expect to be able to start construction in Q3 2024, aiming for the solar park to be operational in the first half of 2025. Our German project in Tieste (52 MWp) is still pending its building permit following complaints.

Project maturity (estimated time until RTB* status)



* The estimated timeline until ready-to-build (RTB) status is based on all project development milestones being reached. Projects that have reached RTB status await final investment decision before progressing to the construction phase.

Country distribution of development and construction projects



Development portfolio	End Q1-24	End Q1-23
No. of projects	36	33
Combined capacity (MWp)	2,083	1,600
No. of projects with less than one year left or already reached ready-to-build status	22	10
Average capacity (MWp)	57.9	48.5
Added during quarter (MWp)	412	65
Progressed to construction during quarter (MWp)	0	179

Construction portfolio

At end of the Q1 2024, Nordic Solar's projects under construction amounted to 247 MWp, covering four projects.

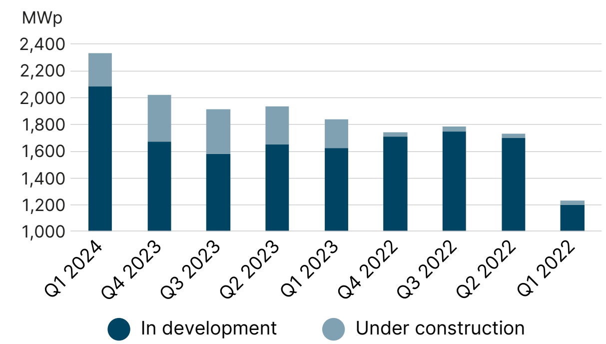
Our Moletai project in Lithuania (99 MWp) finalised construction and became fully operational in late March. For the remainder of 2024, focus in Lithuania will therefore shift towards the initial construction of the Svencionys project (80 MWp), which is expected to finish construction and produce electricity in early 2025.

In Sweden, we have begun the construction of the Hultsfred project (92 MWp), which will last into 2025. We expect to be able to connect the project to the grid in early 2026. Construction of our minor project, Lindesberg (22 MWp), is progressing according to plan. We have engaged in dialogue with banks, which may provide project financing for the two projects.

In Spain, the construction of our Eresma project (53 MWp) is on schedule, and we have entered into dialogue on project financing of the project.

In addition to the dialogue with banks on the long-term financing in Sweden and Spain, we are also working on securing long-term power purchase agreements (PPAs) for the projects.

Project capacity in development and under construction



Development & construction projects	Q1-24	Q1-23
No. of projects	4	3
Combined capacity (MWp)	247	212
Average capacity (MWp)	61.7	70.8
Relative share of construction projects in portfolio	11%	12%
Finalised construction during quarter (MWp)	99	0

Operational portfolio

Portfolio developments

Our operational portfolio increased by 31% to 469 MWp compared to 358 MWp at the end of Q1 last year. During the quarter, the construction completion of our Moletai project contributed 99 MWp to the operational portfolio, while the divestment of our Trofa project in Portugal reduced capacity by 2.3 MWp.

Year-on-year, the portfolio increased to 23 projects with an average project capacity of 20.4 MWp during the quarter, which is a slight increase compared to an average of 17 GWh in Q1 2023.

Production and average output

Despite the added capacity, total electricity production decreased to 61.5 GWh for the quarter compared to 70.4 GWh in Q1 2023. The divestment of our Italian rooftop portfolio and part of our Portuguese portfolio reduced production capacity in the short term. Meanwhile, as the Moletai project was only added at the end of the quarter, the project has not at this point contributed much to production output.

The decreased power production was mainly driven by lower-than-expected solar irradiation and poor weather across several European countries during the first three months of 2024. In addition, the Polish portfolio was impacted by temporary shutdowns (curtailments) ordered by the distribution network operator due to grid constraints.

Production-based availability of the operational projects remained high at 98.7% for Q1 2024 (99.5% for Q1 2023).

Secured revenue

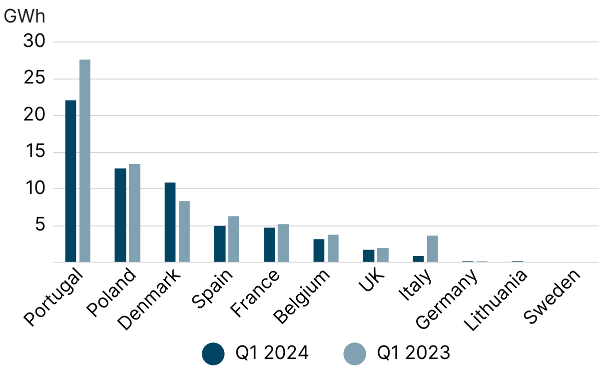
Nordic Solar's share of secured revenue increased to 78% (68% in Q1 2023) as the lower electricity prices reduced the share of market-based revenue. The level of secured revenue is considerably above our strategic target of more than 65% of portfolio revenue secured via feed-in-tariffs or power purchase agreements.

Regional developments

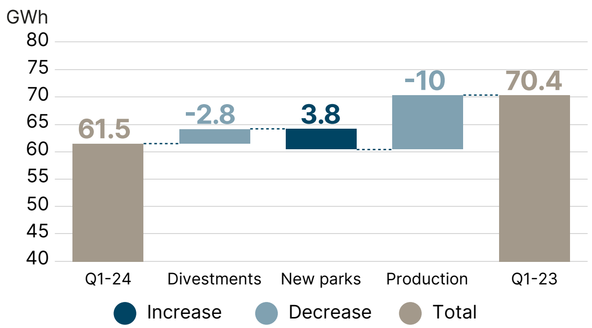
In terms of geographical distribution of production, Portugal remains the largest energy provider in the portfolio with 36% of total production. Additionally, Poland contributed 21% of the production revenue while Denmark contributed 18%.

In Lithuania, electricity generation from the completed project was secured from the end of March, and is expected to contribute significantly to our operational portfolio going forward.

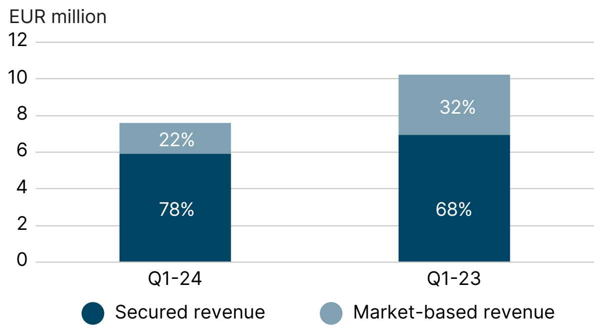
Geographical production output



Power production development



Secured and market-based revenue



Operational portfolio	Q1-24	Q1-23
No. of projects	23	21
Combined capacity (MWp)	469	358
Average project capacity (MWp)	20.4	17
Production (GWh)	61.5	70.4
Average production per project (GWh)	2.7	3.4
Seasonal irradiation vs. historical average (%)	-8.1%	-0.8%
Technical availability (%)	98.7%	99.5%
Secured revenue of total (%)	78%	67.6%

Financial review

Income statement for the first quarter of 2024

Revenue decreased by 26% to EUR 7.6 million compared to EUR 10.2 million at the end of Q1 in 2023. The year-on-year decrease was primarily a result of lower market prices for electricity on the market-based share of the revenue. The decrease was further impacted by a 13% lower production of 61 GWh compared to last year.

Average revenue per produced MWh amounted to EUR 123.2 compared to EUR 145.5 in Q1 2023, driven by lower electricity prices in the operational portfolio.

Secured revenue accounted for 78% of total revenue for the quarter compared to 68% in Q1 2023. 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.

Other operating income increased to EUR 2.9 million compared to EUR 0.2 million in Q1 2023. This is a result of the divestment of Trofa in Portugal in February.

Direct costs increased by 37% to EUR 2.0 million compared to EUR 1.4 million in Q1 2023 primarily as a result of the larger portfolio of operational assets.

Other external costs increased by 58% to EUR 2.1 million compared to EUR 1.3 million in Q1 2023, primarily driven by an increase in costs related to increase in structuring and divestment activities.

Gross profit amounted to EUR 6.4 million compared to EUR 7.7 million in Q1 2023, corresponding to gross margins of 84% and 75%, respectively. The gross profit is negatively impacted by lower electricity prices, lower production and increased direct costs, while positively impacted by increased other operating income from divestments.

EBITDA decreased by 43% to EUR 3.0 million compared to EUR 5.2 million in Q1 2023. The year-on-year decrease is primarily driven by the decreased revenue, increased direct costs and higher staff costs.

EBITDA margins was 39% in Q1 2024 compared to 50% in Q1 2023.

Depreciation and amortisation remained stable at EUR 6.3 million compared to EUR 6.5 million in Q1 2023.

EBIT decreased to a negative EUR 3.3 million compared to a negative EUR 1.3 million last year. EBIT margins were -44% for Q1 2024 and -13% for Q1 2023.

Net financial items constituted a net expense of EUR 4.3 million compared to a net expense of EUR 3.2 million in Q1 2023.

The net expense was impacted by increased interest levels and depreciation of capitalised financial costs.

Loss before tax decreased to EUR 7.6 million compared to a loss of EUR 4.6 million in Q1 2023, reflecting the above-mentioned development.

Tax for the period constituted a net income of EUR 1.5 million compared to a net income of EUR 0.4 million last year. The effective tax rate was 20% compared to 9% in Q1 2023. The effective tax rate was impacted by higher deferred tax levels. Non-deductible goodwill depreciations impacted the effective tax rate by 4% points.

Loss for the period amounted to EUR 6.1 million compared to a loss of EUR 4.2 million in Q1 2023. Loss for the period is attributable to Nordic Solar A/S' shareholders by a negative EUR 6 million and to non-controlling interests by a negative EUR 0.06 million compared to EUR 4.2 million and EUR 0.02 million in Q1 2023.

Other comprehensive income amounted to EUR 5.5 million compared to EUR 5.5 million in Q1 2023. The stable year-on-year development is held up by fair value adjustment of hedging instruments.

Balance sheet at 31 March 2024

The balance sheet total was EUR 825 million at 31 March 2024 compared to EUR 808 million at 31 December 2023 and EUR 694.7 million at 31 March 2023.

Goodwill increased by EUR 0.3 million to EUR 44.6 million following increased activity related to our Spanish portfolio.

Net interest-bearing debt amounted to EUR 445.7 million at 31 March 2024 compared to EUR 298.5 million at 31 March 2023. This quarter's increase was primarily a result of the addition of loans in the period.

Equity totalled EUR 327.6 million at 31 March 2024 compared to EUR 327.5 million at the end of 2023 and EUR 340.3 million at the end of Q1 2023. The loss for the period and tax on other comprehensive income negatively impacted equity, but was more than offset by positive fair value adjustments of hedging instruments.

Equity attributable to shareholders in Nordic Solar A/S amounted to EUR 327 million, while equity attributable to non-controlling interests amounted to EUR 1.0 million.

Cash flow for the first quarter of 2024

Cash flow from ordinary operating activities amounted to EUR 9.4 million compared to EUR -2.3 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 5.9 million compared to EUR -5.0 million the year before. The year-on-year increase was primarily a result of changes in net working capital in the period.

Investments in solar parks amounted to EUR 33.5 million compared to EUR 6.9 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 -29.1 million compared to EUR -6.9 million last year. The year-on-year increase was primarily a result of increased proceeds from borrowings.

Equity

All figures are in EUR '000

	2024	2023
Equity on 1 January	**327,494**	**338,414**
Profit for the period	-6,086	-4,179
Exchange rate adjustments regarding subsidiaries	98	228
Fair value adjustment of hedging instruments	6,793	6,820
Tax on other comprehensive income	-1,393	-1,579
Total comprehensive income for the period	**-588**	**1,290**
Transactions with shareholders		
Capital increases, including related costs	0	-2
Value of share-based payments	649	567
Equity on 31 March	**327,555**	**340,269**

Financial outlook for 2024

The outlook for the full year 2024 is based on the portfolio of solar parks owned at the end of April 2024, and the assumption that monthly electricity prices will develop through the year as predicted by third-party market analysts as well as stable regulatory regimes. As the electricity markets can be highly volatile at times, we continuously monitor the market price developments to account for future deviations and prepare our outlook accordingly.

The financial outlook assumes a higher production than for 2023, reaching 554 GWh for the year. The estimated production volume reflects the expected connection dates for projects under construction and standard production assumptions for the operating assets.

Going forward, the EBITDA effect of profit from divested solar parks will be specified. Profit from already realised divestments in 2024 at the time of reporting are included in the outlook. In addition, profit from expected divestments for the rest of 2024 of EUR 5 million are included in the EBITDA outlook.

Based on these assumptions, we maintain our expectations for full-year revenue in the range of EUR 57 million to EUR 69 million. Further, we maintain our expectations for EBITDA, including profit from divestments, in the range of EUR 36 million to EUR 48 million.

The expected revenue for 2024 is partly secured through the current power purchase agreements and reflects ordinary operational uncertainties, including weather conditions, solar irradiation and production-based availability, all of which could potentially impact production.

Sensitivity guidance

All else being equal, the sensitivities for 2024 of our two key assumptions are listed below.

2024 financial outlook

Revenue

57-69

EUR million

EBITDA

36-48

EUR million

Financial report	FY 2023	Q1 2024
Date of publication	**18 Mar 24**	**16 May 24**
Revenue	57-69	57-69
EBITDA	36-48	36-48

Note: Figures in EUR million.

Factors	Change	Effect on revenue	Effect on EBITDA
Electricity prices	+/- 5% (EUR per MWh)*	+/- EUR 0.8 million	+/- EUR 0.8 million
Production	+/- 1% GWh	+/- EUR 0.5 million	+/- EUR 0.5 million

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

Sun.
People.
Energy.

Financials

Consolidated financial statements

Consolidated income statement

All figures are in EUR '000

	Note	2024 Q1	2023 Q1
Revenue	2	**7,609**	**10,247**
Direct costs		-1,984	-1,444
Other operating income		2,893	236
Other external expenses		-2,108	-1,338
Gross profit		**6,410**	**7,701**
Staff costs		-3,445	-2,529
Profit before amortisation, depreciation and impairment losses (EBITDA)		**2,965**	**5,172**
Amortisation, depreciation and impairment losses		-6,284	-6,516
Operating profit (EBIT)		**-3,319**	**-1,344**
Financial income		1,398	655
Financial expenses		-5,672	-3,895
Profit/loss before tax		**-7,593**	**-4,584**
Income taxes		1,507	405
Profit/loss for the year		**-6,086**	**-4,179**

	2024 Q1	2023 Q1
Profit/loss is attributable to:		
Owners of Nordic Solar A/S	-6,025	-4,158
Non-controlling interests	-61	-21
	-6,086	**-4,179**

Consolidated statement of comprehensive income

All figures are in EUR '000

	Note	2024 Q1	2023 Q1
Profit/loss for the year		**-6,086**	**-4,179**
Items that have been or may be reclassified to the income statement			
Exchange rate adjustments on translation of subsidiaries (net)		98	228
Fair value adjustment of hedging instruments		5,020	6,846
Of which recycled to financial items		1,773	-26
Tax on other comprehensive income		-1,393	-1,579
Other comprehensive income for the year		**5,498**	**5,469**
Total comprehensive income for the year		**-588**	**1,290**

	2024 Q1	2023 Q1
Comprehensive income is attributable to:		
Owners of Nordic Solar A/S	-557	1,322
Non-controlling interests	-31	-32
	-588	**1,290**

Consolidated balance sheet

All figures are in EUR '000

ASSETS	Note	31 March 2024	31 December 2023	31 March 2023
Goodwill		44,584	44,256	44,256
Property, plant and equipment	3	624,450	601,063	506,639
Non-current financial assets		2,156	2,083	172
Deferred tax asset		13,086	12,459	10,613
Other receivables		12,373	11,557	19,329
Non-current assets		**696,649**	**671,373**	**581,009**
Trade receivables		7,581	7,047	10,282
Other receivables		9,027	6,983	4,894
Prepayments		1,669	1,315	952
Cash		109,596	115,403	97,592
Current assets		**127,873**	**130,748**	**113,720**
Assets held for sale		**0**	**5,838**	**0**
TOTAL ASSETS		**824,522**	**807,959**	**694,729**

All figures are in EUR '000

EQUITY AND LIABILITIES	Note	31 March 2024	31 December 2023	31 March 2023
Share capital	4	71,354	71,354	71,354
Translation reserve		-1,566	-1,687	-2,126
Reserve for hedging		12,208	6,861	7,638
Retained earnings		244,603	249,979	253,519
Proposed dividend for the year		0	0	9,019
Equity attributable to shareholders of the parent company		**326,599**	**326,507**	**339,404**
Non-controlling interests' share of equity		956	987	865
Total equity		**327,555**	**327,494**	**340,269**
Loans		391,788	369,656	251,760
Provisions		10,489	10,556	6,594
Other payables		18,994	23,146	24,900
Deferred tax liabilities		6,076	5,650	3,912
Deferred income		220	160	1,453
Non-current liabilities		**427,567**	**409,078**	**288,619**
Loans		45,974	46,205	42,423
Trade payables		18,693	12,026	11,335
Current income tax liabilities		79	552	1,024
Other payables		4,654	9,024	11,059
Current liabilities		**69,400**	**67,807**	**65,841**
Liabilities relating to assets held for sale		**0**	**3,580**	**0**
Total liabilities		**496,967**	**480,465**	**354,460**
TOTAL EQUITY AND LIABILITIES		**824,522**	**807,959**	**694,729**

Consolidated statement of changes in equity

All figures are in EUR '000

	Note	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 1 January 2024		**71,354**	**-1,687**	**6,861**	**249,979**	**0**	**326,507**	**987**	**327,494**
Loss for the period		0	0	0	-6,025	0	**-6,025**	-61	**-6,086**
Exchange rate adjustments regarding subsidiaries		0	88	0	0	0	**88**	10	**98**
Fair value adjustment of hedging instruments		0	0	6,766	0	0	**6,766**	27	**6,793**
Tax on other comprehensive income		0	33	-1,419	0	0	**-1,386**	-7	**-1,393**
Total comprehensive income for the period		**0**	**121**	**5,347**	**-6,025**	**0**	**-557**	**-31**	**-588**
Transactions with shareholders									
Value of share-based payments		0	0	0	649	0	**649**	0	**649**
Equity 31 March 2024		**71,354**	**-1,566**	**12,208**	**244,603**	**0**	**326,599**	**956**	**327,555**

Share premium reserve: Retained earnings include the share premium reserve of EUR 60,006k (2023: EUR 60,006k) representing the excess of the amount of subscribed for share capital over the nominal value of shares in connection with capital increases.

Consolidated statement of changes in equity (continued)

All figures are in EUR '000

	Note	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 1 January 2023		**71,354**	**-2,354**	**2,386**	**257,112**	**9,019**	**337,517**	**897**	**338,414**
Loss for the period		0	0	0	-4,158	0	**-4,158**	-21	**-4,179**
Exchange rate adjustments regarding subsidiaries		0	228	0	0	0	**228**	0	**228**
Fair value adjustment of hedging instruments		0	0	6,843	0	0	**6,843**	-23	**6,820**
Tax on other comprehensive income		0	0	-1,591	0	0	**-1,591**	12	**-1,579**
Total comprehensive income for the period		**0**	**228**	**5,252**	**-4,158**	**0**	**1,322**	**-32**	**1,290**
Transactions with shareholders									
Value of share-based payments		0	0	0	-2	0	**-2**	0	**-2**
Dividend paid		0	0	0	567	0	**567**	0	**567**
Equity 31 March 2023		**71,354**	**-2,126**	**7,638**	**253,519**	**9,019**	**339,404**	**865**	**340,269**

Consolidated statement of cash flows

All figures are in EUR '000

	Note	2024 Q1	2023 Q1
Operating profit (EBIT)		**-3,319**	**-1,344**
Amortisation, depreciation and impairment losses		6,284	6,516
Share-based payment		649	567
Other non-cash transactions		3,390	0
Change in net working capital		2,349	-7,997
Cash flows from ordinary operating activities		**9,353**	**-2,258**
Interest received		906	655
Interest paid		-3,889	-3,155
Income taxes paid		-421	-307
Cash flow from operating activities		**5,949**	**-5,065**
Investments in solar parks		-33,475	-6,851
Acquired cash asset deals		0	0
Divested cash asset deals		4,371	0
Cash flow from investing activities		**-29,104**	**-6,851**
Proceeds from borrowings	6	21,749	4,263
Repayment of borrowings	6	-4,411	-3,909
Repayment of lease liabilities	6	-1,046	-1,720
Costs from capital increases		0	-2
Cash flow from financing activities		**16,292**	**-1,368**
Net cash flow for the period		**-6,863**	**-13,284**
Cash and cash equivalents, beginning of the period		116,459	110,876
Cash and cash equivalents, end of the period		**109,596**	**97,592**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Notes to the consolidated financial statements

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 115 of the annual report for 2023.

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 2023. 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 2023, 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 2023, 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 2024.

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

2. Revenue information

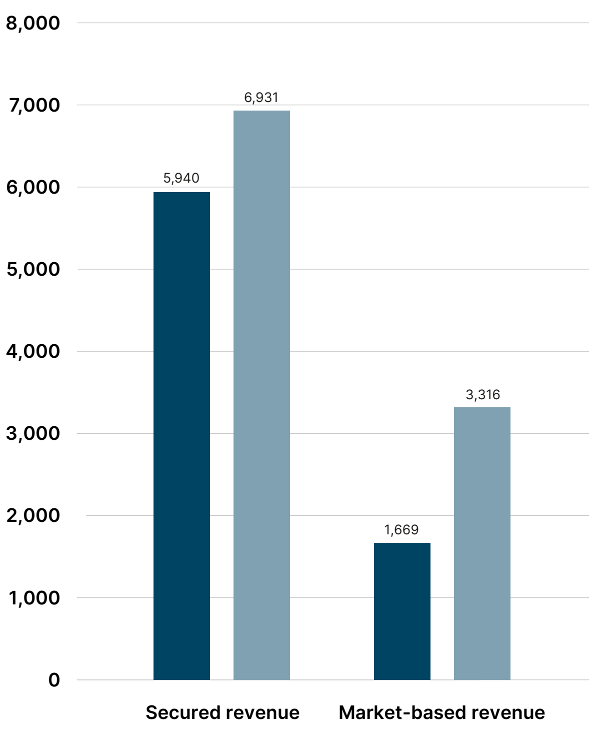
Revenue is split in market-based revenue and secured revenue. Market-based revenue is merchant and the price is variable. Secured revenue contains a fixed price at least for a certain period. Secured revenue includes PPA revenue, FIT revenue and government grants.

2. Revenue information (continued)

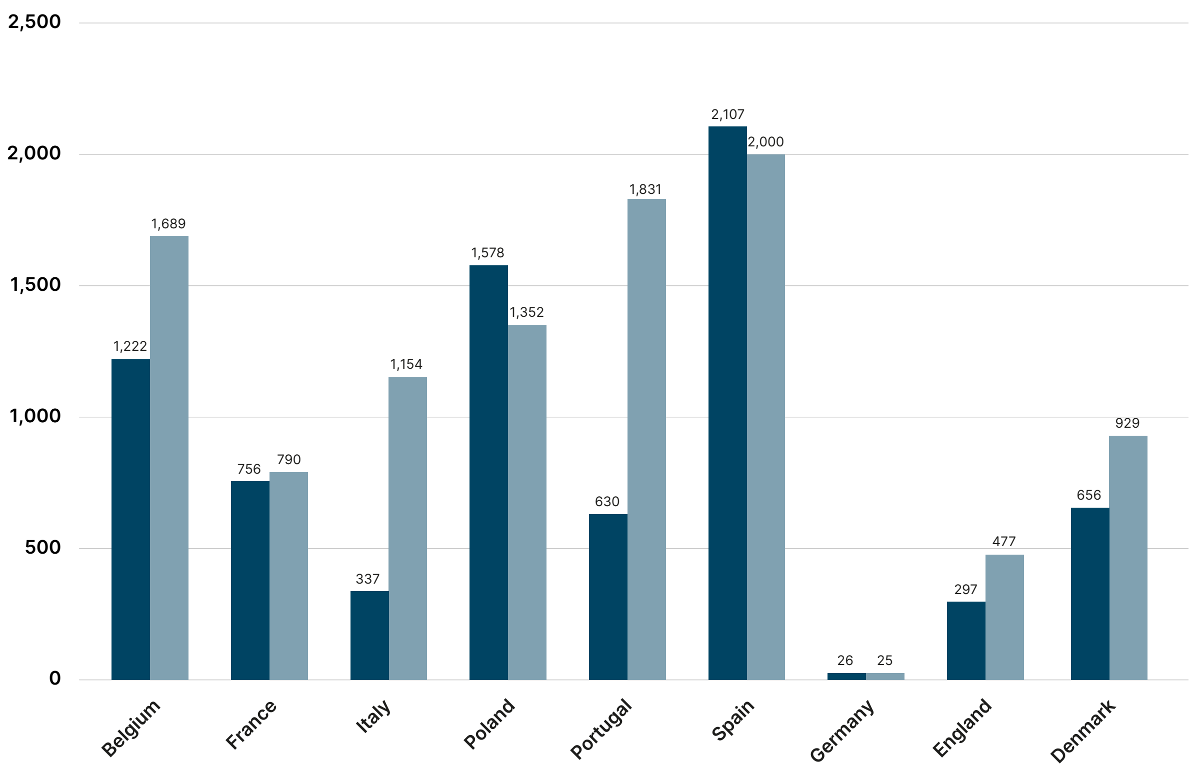
All figures are in EUR ’000

Q1 2024 Q1 2023

Type of revenue



Net revenue by country



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	Prepayments on solar parks	Solar parks under construction	Total
Cost 1 January 2024	471,452	1,517	71,266	66,304	14,262	86,054	**710,855**
Additions during the period	4,193	137	0	5,580	3,065	22,668	**35,643**
Remeasurements during the period	0	0	0	162	0	0	**162**
Disposals during the period	-74	0	0	-5,685	0	-1,431	**-7,190**
Transfer to/from other asset type	367	0	0	0	0	-367	**0**
Exchange rate adjustments	631	0	0	0	0	0	**631**
Cost 31 March 2024	**476,569**	**1,654**	**71,266**	**66,361**	**17,327**	**106,924**	**740,101**
Depreciation and impairment 1 January 2024	-57,227	-538	-43,914	-8,113			**-109,792**
Depreciation for the period	-4,639	-101	-924	-796			**-6,460**
Disposals during the period	0	0	0	734			**734**
Exchange rate adjustments	-133	0	0	0			**-133**
Depreciation and impairment 31 March 2024	**-61,999**	**-639**	**-44,838**	**-8,175**			**-115,651**
Carrying amount 31 March 2024	**414,570**	**1,015**	**26,428**	**58,186**	**17,327**	**106,924**	**624,450**

3. Property, plant and equipment (continued)

All figures are in EUR '000

	Solar parks	Fixtures and fittings, tools and equipment	Leased solar parks	Leased land and roof tops	Prepayments on solar parks	Solar parks under constructions	Total
Cost 1 January 2023	440,128	1,111	71,266	45,008	13,901	25,402	**596,816**
Additions during the period	86	139	0	2,357	5,372	6,626	**14,580**
Disposals during the year	-27	0	0	-52	0	0	**-79**
Transfer to/from other asset type	319	0	0	0	0	-319	**0**
Exchange rate adjustments	200	0	0	0	0	-7	**193**
Cost 31 March 2023	**440,706**	**1,250**	**71,266**	**47,313**	**19,273**	**31,702**	**611,510**
Depreciation and impairment 1 January 2023	-50,704	-622	-40,212	-6,705			**-98,243**
Depreciation for the period	-5,045	-49	-926	-621			**-6,641**
Disposals during the period	0	0	0	52			**52**
Exchange rate adjustments	-39	0	0	0			**-39**
Depreciation and impairment 31 March 2023	**-55,788**	**-671**	**-41,138**	**-7,274**			**-104,871**
Carrying amount 31 March 2023	**384,918**	**579**	**30,128**	**40,039**	**19,273**	**31,702**	**506,639**

4. Share capital

All figures are in EUR '000

Changes in share capital:	2024 31 March	2023 31 December	2023 31 March
Share capital beginning of period	71,354	71,354	71,354
Capital increases	0	0	0
Share capital end of period	**71,354**	**71,354**	**71,354**
Fees related to capital increase	0	0	-2

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 2 in the fair value hierarchy as measurement is based on observable yield curves.

The Group has entered into an interest rate swap 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.

The Group has entered into a credit facility agreement with EIG Partners, where the exit payment is classified as a hedging instrument. Measurement of this exit payment is categorised as level 3 in the fair value hierarchy as the value is calculated on a Monte Carlo simulation of the probability of certain share price developments, the terms of the facility agreement and assumptions related to the risk-free interest rate and the share price volatility.

6. Changes in liabilities arising from financing activities

All figures are in EUR ’000

2024 Q1	Beginning of period	Proceeds from borrowings	Repayments	Non-cash changes	End of period (31 March)
Project and construction financing	307,175	21,760	-3,738	2,297	**327,494**
Lease liabilities	82,228	0	-1,046	-629	**80,553**
Other credit institutions	34,984	-11	0	2,599	**37,572**
Borrowing costs	-9,246	0	0	1,342	**-7,904**
Loans from investor	720	0	-673	0	**47**
Cash flow from financial items	**415,861**	**21,749**	**-5,457**	**5,609**	**437,762**

2023 Q1	Beginning of period	Proceeds from borrowings	Repayments	Non-cash changes	End of period (31 March)
Project and construction financing	204,367	0	-2,805	0	**201,562**
Lease liabilities	65,942	0	-1,720	1,867	**66,089**
Other credit institutions, operational	27,023	4,257	-1,104	0	**30,176**
Borrowing costs	-4,441	0	0	111	**-4,330**
Loans from investor	720	6	0	0	**726**
Cash flow from financial items	**293,611**	**4,263**	**-5,629**	**1,978**	**294,223**

7. Share-based payments

All figures are in EUR '000

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.

Specification of outstanding warrants	Average exercise price EUR	Number
Outstanding 1 January 2023	16.45	1,616,748
Granted during the period	20.53	178,000
Forfeited during the period	19.07	-25,454
Outstanding 1 January 2024	**17.71**	**1,769,294**
Forfeited during the period	22.08	-2,000
Outstanding 31 March 2024	**17.71**	**1,767,294**

Fair value of warrants at the grant date	Number of warrants	Fair value EUR	Assumptions: Share price ranges EUR	Expected life-time (years)	Volatility	Risk-free interest rate	Fair value
10 June 2021	1,552,234	6,511,630	17.30	4.50	30%	-0.43	4.20
29 December 2021	32,000	146,969	18.58	4.50	30%	-0.31	4.59
16 June 2022	46,500	248,976	19.09	4.50	30%	1.79	5.35
14 September 2022	19,500	108,039	19.68	4.50	30%	1.85	5.54
19 December 2022	25,000	144,390	19.77	4.50	30%	2.44	5.78
15 July 2023	95,500	548,576	19.19	4.50	30%	2.84	5.74
1 December 2023	82,500	532,221	22.08	4.50	30%	2.45	6.45

In Q1 2024, costs relating to the warrant programme were recognised at EUR 649k (Q1 2023: EUR 547k).

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 2024 to 31 March 2024. 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 17-21) give a true and fair view of Nordic Solar's consolidated assets, liabilities and financial position at 31 March 2024 and of the results of Nordic Solar's consolidated operations and cash flows for the period 1 January 2024 to 31 March 2024.

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 2023.

Hellerup, 16 May 2024

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
Holger Bang, CIO

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 2024" on page 14 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 78 to 80 of the 2023 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

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