

The background of the entire page is a photograph of a wind farm. Several large white wind turbines are visible, standing on a dense green forest. The sky is blue with scattered white clouds. The turbines are positioned at different heights and angles, creating a sense of depth.

# Creating renewable energy

2023 Annual & Sustainability Report



# Invest in the future with Arise

Arise is one of Sweden's leading independent companies in renewable energy. Arise manages the entire value chain – from exploration and permitting, to financing, construction, divestment and long-term management and own ownership of renewable electricity production.

## Contents

### Arise overview

The year in brief/Highlights 2023	4
This is Arise	6

### Operations

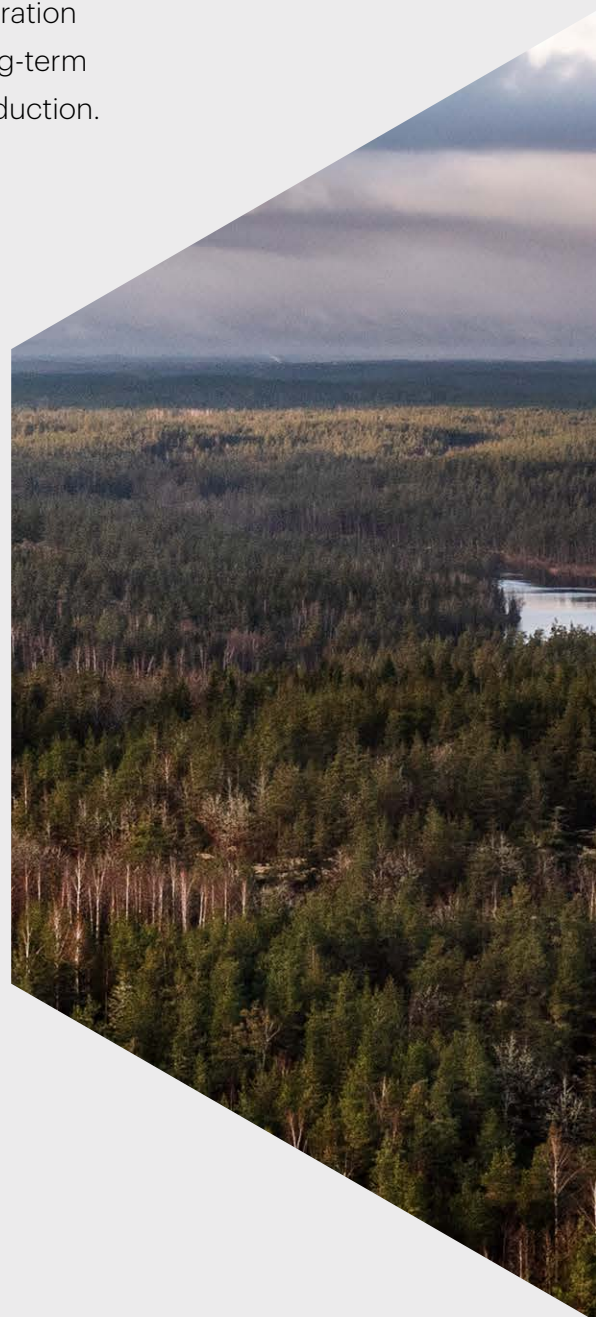
Arise's operations and portfolio	8
CEO's statement	10
The Market	14
Our segments	
– Development, Production, Solutions	16
Sustainability Report	22

### Financial Information

Directors' Report	47
Consolidated income statement	56
Consolidated statement of comprehensive income	56
Consolidated balance sheet	57
Consolidated cash flow statement	58
Group equity	60
Key figure definitions	60
Notes to the consolidated financial statements	61
Parent Company income statement	92
Parent Company balance sheet	93
Parent Company cash flow statement	94
Parent Company equity	95
Notes to the Parent Company's financial statements	96
Auditor's report	103

### Other information

Corporate Governance Report	108
Ownership structure	112
Arise's Board of Directors	114
Arise's Group management	115
Annual General Meeting and 2024 calendar	116
Financial information in summary	118







Lebo wind farm  
Västervik, Sweden



# The year in brief Highlights 2023

## Partnership with Persson Invest

An agreement was entered into with Persson Invest for the rights to develop wind power projects on a large portion of Persson Invest's land.



2023

## Dividend

The Annual General Meeting of Arise resolved in accordance with the Board's proposal to pay a dividend for the first time in the company's history.



## Capital Markets Day

Arise held its Capital Markets Day in September where financial targets with a focus on profitable growth were presented.



## Skaftåsen completed

Skaftåsen wind farm was taken over in commercial operation and Arise received the full earn-out. The farm is a good example of the local benefits for business, local residents and the municipality.



## Acquisition of Pohjan Voima

In April, Arise acquired approximately 51% of the shares in Finnish developer Pohjan Voima, which at the time of acquisition had a portfolio of approximately 1,700 MW of solar and wind projects.





### Divestment of Fasikan

The Fasikan project was divested to SCA for a total purchase price of MSEK 125.



### Commissioning of Lebo

At the end of the year, the commissioning of the company's own wind farm Lebo began, which is expected to be taken over in commercial operation in the first quarter of 2024 and add approximately 90 GWh to the company's own production.

2024



### Development partnership with SCA

Arise and SCA entered into a partnership agreement concerning the development of wind power in six identified land areas. The total potential is estimated at around 1,000 MW.



### Acquisition of Fenix Repower

In December, Arise acquired 70% of the Norwegian developer Fenix Repower with project rights and organisation in Ukraine.

### Share buyback

Due to the company's strong financial position, the opportunity to increase shareholder value was utilised through a buyback programme of a maximum of MSEK 100.



# This is Arise Clean energy for a sustainable future!

- We are one of Sweden's leading independent companies in renewable energy
- The company was established in 2007 and listed on the stock exchange in 2010
- We manage the entire value chain – from exploration and permitting, to financing, construction, divestment and long-term management of renewable electricity production
- We are in an expansive phase and now have about 70 engaged employees who work for sustainable electricity production
- We have a project portfolio of about 7,000 MW in Sweden, Norway, Finland and the UK.
- We have over 2,000 MW under asset management in Sweden, Norway and Finland, of which 600 MW under construction
- We have 11 own wind farms in southern Sweden, totalling 172 MW





---

# 7,000 MW

Project portfolio in Sweden, Norway, Finland and the UK.

---

# 2,000 MW

Under asset management in Sweden, Norway and Finland.

---

# 600 MW

Under construction

---

# 172 MW

11 own wind farms in southern Sweden



# Arise's operations and portfolio

We are active in several countries and our operations and portfolio comprise a total of 172 MW of own production, a project portfolio of about 7,000 MW, approximately 2,000 MW under management, of which 600 MW under construction.

## Own wind farms

Project	MW	Year commissioned	Country
Oxhult	24.0	2009	Sweden
Råbelöv	10.0	2010	Sweden
Brunsmo	12.5	2010	Sweden
Kåphult	17.5	2010/2011	Sweden
Fröslida	22.5	2011	Sweden
Idhult	16.0	2011	Sweden
Södra Kärra	10.8	2011/2012	Sweden
Blekhem	10.8	2011/2012	Sweden
Gettnabo	12.0	2011	Sweden
Skäppentorp	3.1	2012	Sweden
Lebo	33.0	2023/2024	Sweden

## Managed wind farms

Project	MW	Year commissioned	Owner	Country
Storrun	30.0	2009	Funds managed by Threadneedle Asset Manag. Ltd.	Sweden
Hästhalla	6.0	2012	Funds managed by Allianz Global Investors	Sweden
Skogaby	7.2	2013	Funds managed by Allianz Global Investors	Sweden
Stjärnarp	5.4	2013	KumBro Vind AB	Sweden
Bohult	12.8	2014	Funds managed by Allianz Global Investors	Sweden
Brotorp	46.2	2015	Funds managed by Equitix	Sweden
Mombyåsen	33.0	2016	Funds managed by Allianz Capital Partners	Sweden
Ryssbol	12.0	2016	KumBro Vind AB	Sweden
Ekeby	6.0	2016	KumBro Vind AB	Sweden
Ullavi	5.4	2016	KumBro Vind AB	Sweden
Svartnäs	115.0	2019	Funds managed by BlackRock	Sweden
Tellenes	160.0	2017	Funds managed by BlackRock	Norway
Bröcklingberget	45.1	2020	Funds managed by re:cap global investors	Sweden
Enviksberget	36.9	2020	Funds managed by BlackRock	Sweden
Överturingen	240.8	2020	Red Rock Power Ltd./CapMan Group	Sweden
Hirvineva	19.2	2020	Funds managed by BlackRock	Finland
Haapalaminkangas	28.5	2023	Funds managed by BlackRock	Finland
Kalajoki	79.8	2023	Funds managed by BlackRock	Finland
Kyyjärvi	45.6	2023	Funds managed by BlackRock	Finland
Kinnula	45.6	2023	Funds managed by BlackRock	Finland
Skaftåsen	231.0	2023	Fund managed by Foresight Group LLP	Sweden

## Wind farms under construction

Project	MW	Planned commissioning	Owner	Country
Ranasjö- and Salsjöhöjden	241.8	2024	TRIG/Funds managed by InfraRed	Sweden
Kölvallen	277.2	2025	Fund managed by Foresight Group LLP	Sweden
Fasikan	105.0	2026	SCA Munksund AB	Sweden



Scotland

UK

Norway

Sweden

Finland

### Project type



Wind power



Solar energy



Battery storage

### Projects under development, late phase

Project	Project type	MW	Country
Finnåberget		200	Sweden
Tormsdale		70	Scotland
Pohjan Voima*		620	Finland

### Projects under development, early phase

Country	Project type	MW
Sweden**		~3,350
Sweden		~360
Norway		~260
Finland*		~1,250
UK		~120
UK		~650

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


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



## // CEO's statement

**Arise continues to deliver on its strategy of profitable growth and diversification**



An aerial photograph of a vast, dense forest landscape. In the foreground, a small lake reflects the sky. The forest extends to the horizon under a dramatic, cloudy sky with soft light filtering through. The text is overlaid on the right side of the image.

When we summarise 2023, we can conclude that the year was one of our best to date in terms of earnings, the strong growth in our project portfolio, the fact that we realised value for our shareholders through dividends for the first time and, in particular, the launch of share buyback.



- We have now established ourselves in two new markets: Finland, through the acquisition of Pohjan Voima, which is a market with continued favourable conditions, and Ukraine, through the acquisition of Fenix Repower, which is a market with enormous potential when capital will be invested to rebuild the country's energy infrastructure but also naturally a market with significant risks considering the ongoing war. With a relatively small capital investment, Fenix Repower establishes us in one of the last major unexploited markets in Europe, while we are improving our ability to develop our current projects and secure rights for new projects in Norway.
- The development business posted healthy profitability once again and we increased our project portfolio during the year by more than 4,200 MW through our acquisitions and organic growth.
- Our production delivered strong earnings given the weak winds in the second half of the year combined with declining market prices as a result of the weather. A successful price hedging strategy laid the foundation for higher realised electricity prices.
- Our service business now has sustained profitability with the current economies of scale.

Through our acquisitions during the year, the company has grown both in terms of project portfolio in MW and the number of employees. If we include employees in Pohjan Voima and Fenix Repower, we now have a total of almost 70 employees in Arise compared with 41 employees in the company at the beginning of the year, which is a significant increase. This naturally means an increase in our personnel costs, but most importantly that we now have more established resources on site in several geographies and are more diversified with a variety of technologies, which is a prerequisite for achieving

our financial targets both in terms of growth and profitability. Our business model of combining our own production with a development and service business has worked well to date, which has been verified by our earnings over the past few years. The business segments complement one another in that income from our production is continuous while we have the potential to realise profitable project sales, which will become more frequent in accordance with our financial targets. At the same time, we have our service business, Solutions, which strengthens other business segments and is now posting sustained profitability with realised economies of scale.

We presented our new financial targets to the market at our Capital Markets Day on 12 September. The targets are challenging but realistic. Provided that we succeed on meeting our growth targets of the project portfolio amounting to

**Demand for new, quickly realisable, cost-efficient and renewable electricity production has never been greater, largely the result of the industry's transition to sustainable products.**

at least 10,000 MW by 2025 and that we sell at least 500 MW/year between 2026 and 2028, we will see a strong earnings trend and can expect an increase in value.

Our development business continues to deliver favourable earnings with the divestment of the Fasikan project in the fourth quarter to SCA and realised earnout for the Skaftåsen project.

Skaftåsen is a good example of a well-designed wind farm where we have succeeded in creating a healthy collaboration with local residents, the municipality and local businesses as they realise the benefits of wind power.

The investor market was impacted by higher interest rates,





which normally drive up yield requirements, but this was offset by the limited supply of attractive projects. The situation is mixed in terms of capital expenditure as raw material markets are beginning to suffer from the extreme inflation of the past few years. Turbine prices have increased in conjunction with suppliers needing to improve their margins while solar panels and batteries have declined in price in line with supply and demand and raw-material prices. We continue to view onshore wind power as the most profitable business and the most cost-efficient type of power, and we believe that there is also potential for improvement compared with the current market situation in terms of costs and income.

Permit issues and possibilities to connect to the electricity grid remains the greatest challenges for the industry. While the number of approved projects has declined, the demand for new, quickly realisable, cost-efficient and renewable electricity production has never been greater, largely the

result of the industry's transition to sustainable products. We believe that the reality of our situation will be felt and that politicians will adapt to this since it is illogical not to take advantage of the most cost-efficient and environmentally friendly resources, especially when the capital needed to realise this quickly exists.

In conclusion, I am delighted to conclude 2023 with satisfactory earnings and reflect on an excellent performance. We confidently look forward to 2024 when we will have the stimulating task of consolidating our acquisitions and working with our new colleagues to continue our journey of developing Arise as a company.

*Halmstad, March 2024*

**Per-Erik Eriksson**  
CEO Arise AB



## Market

# Major weather-driven swings in the electricity markets during the year.

The global environment remains turbulent with the ongoing war in Ukraine and yet another human tragedy with the war in Gaza. Energy markets have continued to be weather-driven, which we clearly experienced in 2023 with large swings in market prices.



Lebo wind farm  
Västervik, Sweden

There was significant variation in the spot price for electricity in 2023 with prices notably lower than the extremes of the previous year, though they remained at historically high levels. An extensive hydrological surplus during the second half of the year contributed to this volatility and put considerable pressure on prices during the autumn. 2023 was a record year for the number of hours with negative electricity prices as hydropower had limited opportunities to limit the downside as a result of a considerable surplus of rainfall. The beginning of winter once again proved, however, that the energy crisis is not over and prices in southern Sweden increased to EUR 130 per MWh per week.

The forward contracts price trend for electricity in the Nordic countries was weak during the year, pressured by a combination of strong hydrology and falling European electricity prices. The price difference between the Nordic countries and the rest of Europe has remained very high, with the Nordic region having lagged behind with lower forward contract prices than neighbouring countries. Price differences within the Nordic countries declined in 2023, but the differences varied significantly during the year, with especially the autumn months with heavy precipitation resulting in very low spot prices in northern Sweden.

The price level of guarantees of origin initially rose in 2023,

but fell back, driven by increased hydropower generation and continued weak European electricity consumption. At the end of the year, guarantees of origin were purchased for the forthcoming years for EUR 4.5 per guarantee. The current price level has continued to leave a clear mark in both investment calculations and revenue for renewable electricity producers.

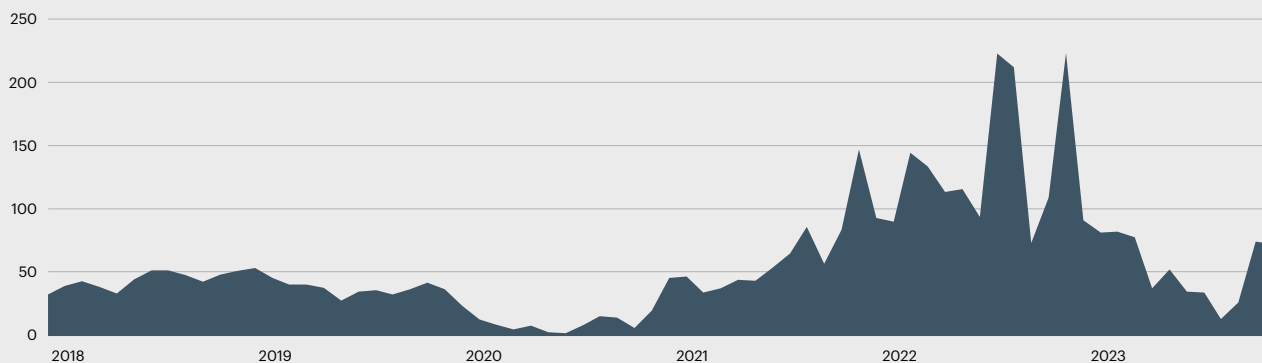
Electrification is expected to continue to grow in the next few years. SKGS assesses that the industry's electricity requirement will increase by 70 TWh until the year 2030, while the government's plans are based on a forecasted Swedish electricity requirement of at least 300 TWh until the year 2045. The Swedish Wind Energy Association's baseline scenario anticipates 75 TWh of wind power by 2029, an increase of around 40 TWh compared with 2023. The need for continued and robust investments in renewable energy appear obvious in light of this objective.\*

Arise continues to take a positive view of its business opportunities and price developments in the Nordic market, and we look forward with confidence to the opportunities to continue to contribute to the transformation toward a sustainable society.

\*(Sources: SKGS, the Swedish Government Offices, Swedenergy and the Swedish Wind Energy Economic Association).

### Historical system price (2018–2023)

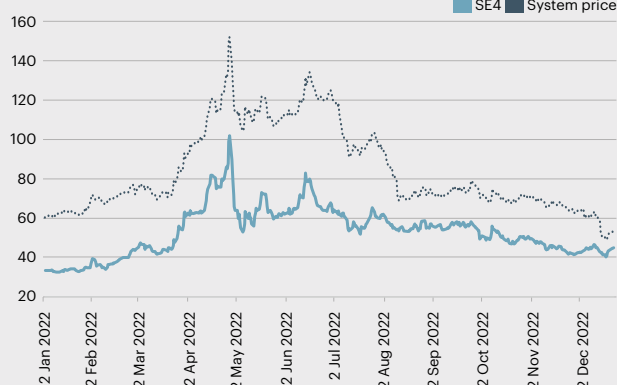
EUR/MWh



Source: Macrobond, Nord Pool Spot

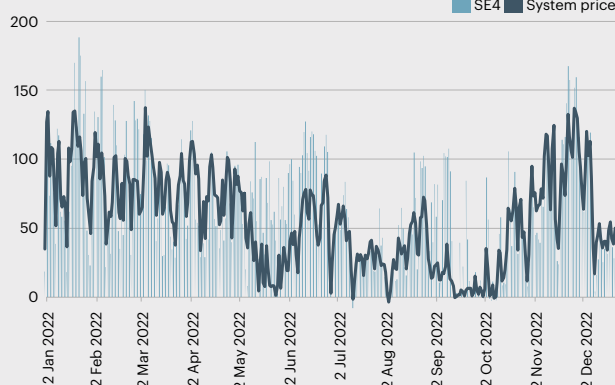
### Electricity market, forward contracts 2025 (system),

EUR/MWh



### Electricity market, system spot price

EUR/MWh





## Our segments

# Development, Production, Solutions



Rolf Grybb  
Project Manager  
at Lebo wind farm  
Västervik, Sweden



## Development

The company's development operations are reported in the Development segment.

During the year, we saw strong growth in our project portfolio, both organically and through acquisitions. With this, the number of staff has also increased and we are well equipped to continue to grow and realise our project portfolio.

In January, an agreement was signed with Persson Invest, one of Sweden's largest private landowners, regarding development rights for wind power projects on a large portion of Persson Invest's land, for which we see a potential of about 500 MW.

In April, 51% of Pohjan Voima Oy, a Finnish developer of wind, solar and energy storage projects, was acquired. After the acquisition, we have placed considerable focus on contributing to continued growth in the Finnish portfolio. The wind farm project Fasikan was divested to SCA in October. Arise and SCA also entered into a development partnership for onshore wind power on parts of SCA's land. SCA is Europe's largest private landowner and we see considerable potential in the partnership in which we have identified six land areas together with an assessed potential of about MW 1,000. When the projects reach ready-to-build status, Arise will have an ownership of 49%.

In December, the second acquisition of the year was completed in the form of 70% ownership of Fenix Repower AS, a Norwegian developer of wind, solar and energy storage projects primarily located in Ukraine. The war in Ukraine is, first and foremost, a humanitarian tragedy, which also leads to a risk-filled and challenging environment to work in. At the same time, the company's view is that parts of Ukraine will have manageable levels of risk and that reconstruction can begin, which is something Arise is proud to be a part of. Ukraine has excellent conditions for both wind and solar power and Arise sees it as the last, large, unexploited market in Europe. The acquisition of Fenix Repower AS provides us with the opportu-

nity to jointly accelerate the development of new projects in Ukraine and the aim is to secure a significant project portfolio in the years ahead.

The construction of the Lebo project continued according to plan during the year and commissioning began in December. The project will commence commercial operation in the first quarter of 2024 and will thereafter be included in the Production segment.

The work on our projects in the late developmental phase is proceeding according to plan. Transmission line work is ongoing for Finnåberget. The goal is to be able to divest the project in 2025, though there is some uncertainty regarding the capacity of the grid connection.

The permit application and the application for grid connection for the Tormsdale project in Scotland have been submitted and the decision process is in progress. In Scotland, there is high demand for wind power projects and wind conditions are excellent. The aim is for Tormsdale to reach ready-to-build status in 2025.

Our late developmental phase Finnish projects are also progressing according to plan and we hope to reach ready-to-build status for these projects in 2025–2026.

Our general assessment is that there are many opportunities to realise early developmental phase projects but with somewhat of a longer time frame. There is a risk that projects will not be implemented as the conditions for realising projects become clearer, but projects in early developmental phases still represent significant value. There is also significant work on new projects that have not yet qualified for inclusion in the project portfolio, including projects in Ukraine, and the prospects for growth in the portfolio are healthy. In total, the company now has a project portfolio of about 7,000 MW. The company's healthy financial status also creates possibilities for growth in new geographies.



## Production

The Production segment includes the company's 11 (172MW) wholly owned farms, which includes Lebo after its takeover, all located in southern Sweden. Production for these farms amounted to 288 GWh (292) during the year. Lebo was included in the Development segment during the year but will be included in the Production segment after the takeover, which is expected to take place in the first quarter of 2024. Lebo will contribute about 90 GWh on an annual basis and, together with our share in the K lvallen project of about 85 GWh (expected takeover in 2025), this corresponds to a total of about 50% in increased production. The average income for electricity, including electricity certificates and guarantees of origin increased to SEK 829 per MWh (720).





Lebo wind farm  
Västervik, Sweden





## Solutions

Solutions includes the company's service offering such as construction management, technical and financial management and other sale of services.

Excluding Lebo, the company is currently responsible for the construction of approximately 600 MW and has contracted management assignments of about 2,000 MW.

Arise has signed an agreement for the Fasikan project to assume responsibility for project management and financial management during construction. The farm comprises 15 turbines with a total installed capacity of 105 MW. Construction commenced during the autumn of 2023 and the farm is expected to be commissioned at the beginning of 2026.

Construction is ongoing for the Kølvallen project where Arise is responsible for project management and financial management during construction, and for technical and financial management when the wind farm is in operation. The farm comprises 42 turbines with a total installed capacity of 277 MW. The farm is expected to become operational in the first half of 2025.

Construction of the Ranasjö- and Salsjöhöjden project is also in progress. The project comprises 39 turbines with a total installed capacity of 242 MW. The farm is expected to be commissioned during the first half of 2024. Arise has the same task here as for Kølvallen.

The Skaftåsen wind farm was taken over in commercial operation during the year and Arise's technical and financial management commenced in conjunction with this. The farm is a good example of the local benefits for business, local residents and the municipality, which our healthy relationships with local stakeholders is evidence of.







Lebo wind farm  
Västervik, Sweden



# Arise Sustainability Report

## Arise contributes to a sustainable energy system

Arise develops and manages renewable electricity production in collaboration with customers and suppliers. Sustainability is part of the Arise DNA and business concept, with a focus on wind power, solar power and battery storage. This creates sustainable value, at the same time as the company's operations have an impact on people, the environment and the climate. In order to manage this impact responsibly, the company works systematically with a starting point in identifying risks and opportunities in the value chain.

### This year's Sustainability Report

This is Arise's Sustainability Report and refers to the 2023 financial year. The Board of Directors is responsible for the Sustainability Report, which can be found on pages 22–44, and that it has been prepared in accordance with the Swedish Annual Accounts Act. The Sustainability Report includes the Parent Company Arise AB (publ.) (556274-6726) and all entities consolidated in Arise's consolidated financial statements for the same period specified in Note 8, Notes to the Parent Company's financial statements. The Sustainability Report has been prepared in accordance with Chapters 6 and 7 of the Swedish Annual Accounts Act.<sup>1)</sup>

In 2022, an adaptation commenced of the Sustainability Report to forthcoming legislation within the framework of the Corporate Sustainability Reporting Directive (CSRD) adopted by the EU. These efforts continued in 2023 in accordance with an overall plan to achieve full reporting in accordance with the CSRD in the year that Arise is subject to the legal requirements.

In 2023, some clarifications have been made in the description of the value chain. The materiality assessment was also updated, primarily with in-depth analysis of impact and risks and with new target descriptions for sustainability. An extended analysis of the GHG impact of operations in accordance with the Greenhouse Gas Protocol (GHG Protocol) standard was carried out in 2023, which is presented later in the report.

The Auditor's Report on the statutory Sustainability Report is on page 45.

The Report is unaudited.

<sup>1)</sup> The requirement to prepare a sustainability report, and the provisions in content and the companies subject to the requirement, are contained in Ch. 6, paragraphs 10–14 and Ch. 7, paragraphs 31 a – 31 c of the Swedish Annual Accounts Act (1995:1554).

### Contents

Expand geographically and in terms of sustainability	24	Governing Arise's sustainability activities	31
Strategy and value chain	26	Environment and climate-effective solutions	32
Materiality assessment	27	Social responsibility	36
Material areas and sustainability targets	30	Responsible business	42
		Auditor's report on the statutory Sustainability Report	45









## Expand geographically and in terms of sustainability

Arise is growing both organically and through acquisitions. Two majority-owned companies were added to the Group in 2023, Pohjan Voima in Finland and Fenix Repower in Norway, which also has operations in Ukraine. With geographical expansion and presence in Sweden, the UK, Finland, Norway and Ukraine, new issues arise. Comments from CEO Per-Erik Eriksson.

### The challenges of geographical expansion in terms of sustainability

“By definition, Arise’s activities are positive for the environment and society. The challenge of entering new markets is always maintaining control of the businesses that we acquire or collaborate with locally and ensuring that they live up to our expectations. This requires close dialogue with local staff, especially in the initial stages. For example, from a social perspective, we can see differences in how decision-making processes take place in different countries, which is an aspect we are continuously working to harmonise within the Group.”

### Conducting business ethically and in accordance with applicable laws and international principles

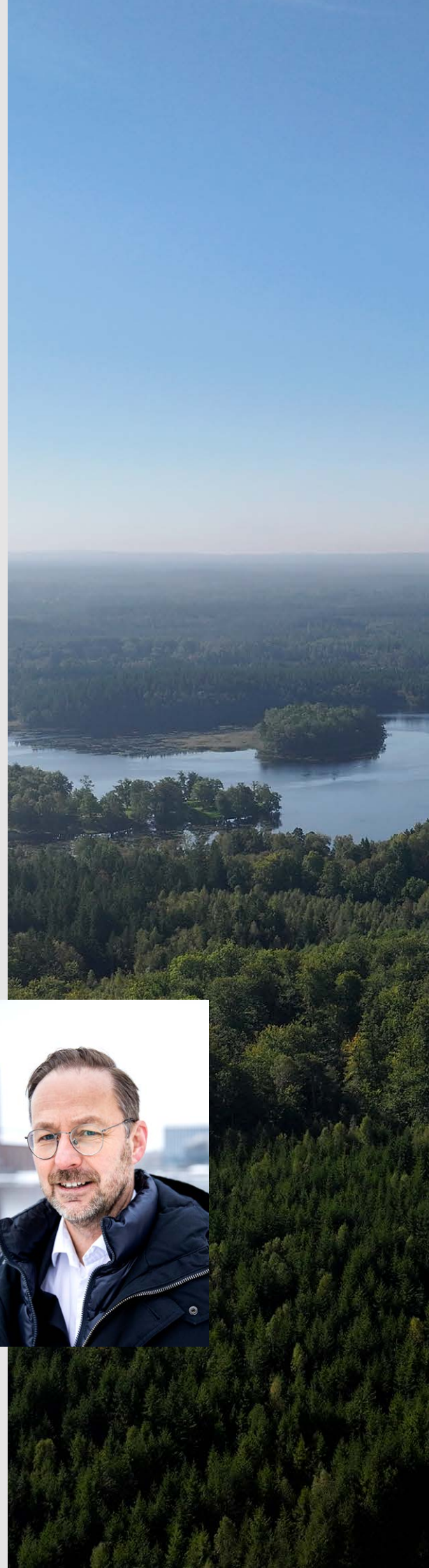
“We are careful to be clear about what we stand for and that we have policies and require legal and regulatory compliance. We are now reviewing our policy documents both internally and with our partners and suppliers. All members of the Group will undergo an online anti-corruption training course in 2024.”

### Differences in different geographical areas

“We have now established operations in several new markets, but do not perceive any major difference in how we are received. Arise has operated in this sector for a long time and has a proven track record. We also believe that Swedish companies in general have a good reputation as reliable players abroad. Ultimately, the same types of issues arise in most countries relating to local residents and politics.”

### Positive impact

“Our operations have a positive impact on the global climate and on the local community through local electricity production that creates jobs and boosts the economy. The aim is always to make a positive contribution locally and to the development of our partners.”









# Strategy and value chain

## Business model and value creation

Arise's business concept is to offer renewable energy and sustainable facilities for energy production, thereby contributing to society's transition to a sustainable energy system. Arise strives to provide shareholders with healthy return while contributing positively to the local economy through economic growth and job creation, as well as offering an attractive workplace.

The business model is to efficiently develop and finance projects and manage energy facilities. The operations are organised in three segments: Development, Production and Solutions. Arise produces energy at its own facilities in Sweden. New facilities are in the planning stage and under construction in Sweden and in the planning stage in the UK, Norway and Finland. Arise also provides management assignment in Sweden, Norway and Finland. Arise has an fully-owned subsidiary in UK. As part of the Group's growth strategy, in 2023 Arise has acquired 51% of Pohjan Voima Oy in Finland and 70% of Fenix Repower AS in Norway, the latter also operating in Ukraine.

Arise has its background in wind power, but now also has ongoing project development in solar power and battery storage. For more information on the Arise strategy and business operations, see pages 6–21 of the Annual Report.

## Value chain

Arise manages all phases of an energy facility's life cycle. Development commences with exploration and permitting before financing and procurement. After this, the construction phase can begin and once the facility is put into production, a long operating phase commences. When the energy facility is approaching the end of its lifetime, various measures are implemented to extend the operating phase and ultimately, decisions are made on the possible new development of land and the re-use or recycling of material. Sale or acquisition of various projects can occur in all phases.

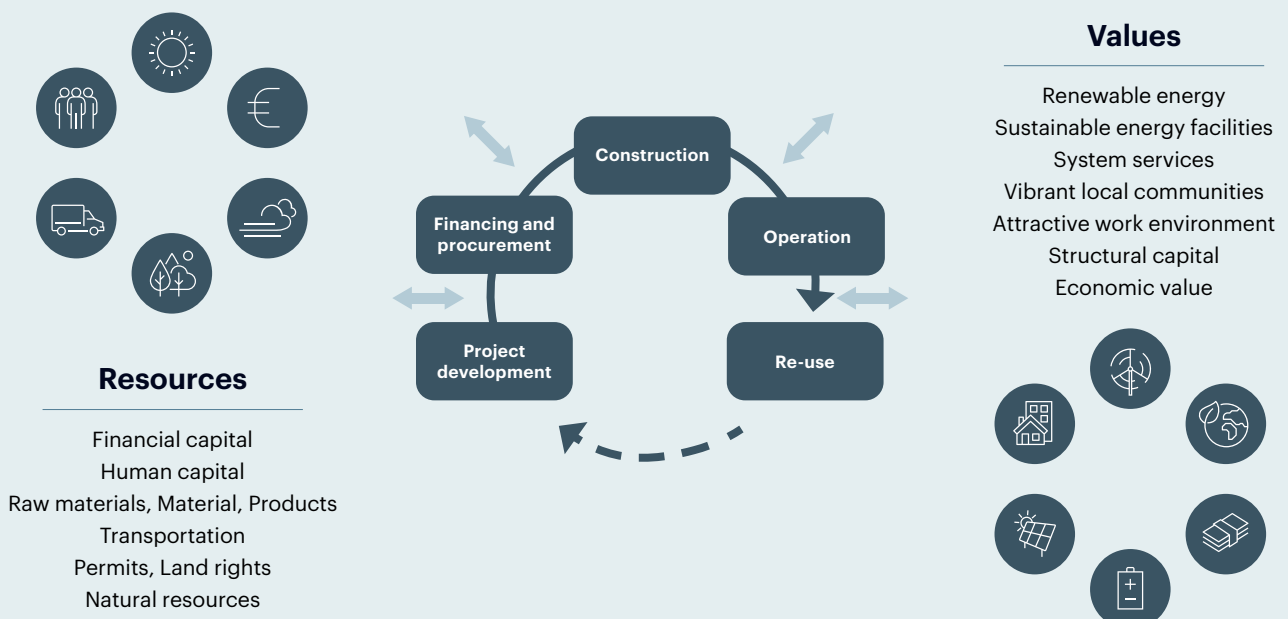
To realise its business concept and achieve its goals, Arise is dependent on skilled employees and partners. Arise has several cooperative partners for product deliveries, construction and financing, who all contribute their particular skills.

## Sustainability analyses

The value chain is used within Arise to identify the stakeholders of the business and the issues that are important to them, refer to the "Stakeholders" section. The value chain is also a tool for examining the environmental and social impact of Arise's operations, as well as the financial impact on Arise.

Examples of impacts analysed through the value chain include an initial mapping of GHG emissions generated by Arise's operations. The analysis was carried out in 2023, refer to the "Mapping of GHG emissions" section.

## Arise's value chain



# Materiality assessment

“We shall be the obvious partner for investors in renewable electricity production and create added value throughout the lifecycle.”

## Stakeholders

Arise conducts continuous dialogues with its stakeholders on various current issues. In these dialogues, requirements and expectations on Arise's sustainability efforts can be identified.

Special meetings are held to discuss sustainability with customers, suppliers and investors. Close dialogue with the local community is a very important prerequisite to complete

the establishment of an energy facility that is successful for all parties. In autumn 2023, an employee survey was conducted for the entire Arise Group.

The table presents stakeholder groups, identified material matters and the most common communication channels.

STAKEHOLDER GROUP	EXAMPLES OF STAKEHOLDERS	KEY ISSUES	COMMUNICATION CHANNELS
<b>Owners and investors</b>	Shareholders, analysts, Nasdaq, future shareholders.	Long-term profitability, strong brand, sustainability, clear communication.	External reports, questionnaires and meetings, monitor regulations, website, social media.
<b>Local community</b>	Local residents, municipal residents, indigenous population, local interest groups, opposition groups, contractors and companies, landowners, local politicians.	The impact of noise or light pollution, changes in the local environment, biodiversity, reindeer herding, increased value for the municipality and the district, confidence in developers.	Information meetings, study visits, early dialogues, press releases, project-specific website.
<b>Employees</b>	Employees, safety representative, Board of Directors/management, contract workers, students, future employees.	Safe work environment, workplace flexibility, reasonable remuneration and workload. An employer with a positive reputation and sustainability as a core issue.	Performance reviews, employee surveys, information for colleges.
<b>Business partners</b>	Investors, management customers, suppliers and sub-suppliers (products, construction services, grid service, service and maintenance, recycling), landowners, partly-owned companies.	Workplace health and safety, clear agreements, business ethics, sustainable solutions, information security, corporate governance, the reporting of sustainability data.	Meetings and negotiations, questionnaires, reports.
<b>Financial partners</b>	Financiers, lenders.	Long-term profitability, sustainable solutions, responsible business, meeting the market's expectations for sustainability.	Meetings and negotiations, questionnaires, reports.
<b>Regulators</b>	Global community, legislation in markets where Arise is active, municipalities, regions, county councils and regulatory authorities, other authorities, auditors.	Legal compliance, transparency.	Monitor regulations, reporting in accordance with permits.
<b>Industry</b>	Industry and lobby organisations, competitors, media, politicians, analysts, trade and industry, researchers, advisors, brokers.	Access to objective information, climate, biodiversity, human rights, business ethics.	Press releases, external reports, trade fairs and exhibitions, website and social media.



## Impact, risk and opportunities

### Method

Arise's risk analysis concerning sustainability impact was updated in 2023. The method has been modified somewhat to identify areas where Arise has an environmental and social impact and at the same time is financially impacted, positively or negatively, a double materiality assessment.

The purpose of the assessment is to identify important areas to focus on in order to reduce the risk of negative effects and to promote the possibilities of positive, sustainable development.

The assessment was conducted through discussions in Arise's Sustainability Council and with Group management. The data for the assessment was sourced from, for example, stakeholder dialogues with investors, owners, customers and employees. The assessment of materiality is a balance of the probability of the impact or risk arising and the consequence for the matter.

### Assessment

The figure shows how different matters are assessed to have an impact on the environment and society and on Arise. The upper right hand corner displays the matters that have been assessed as having a high environmental and social impact as well as a high financial impact on Arise.

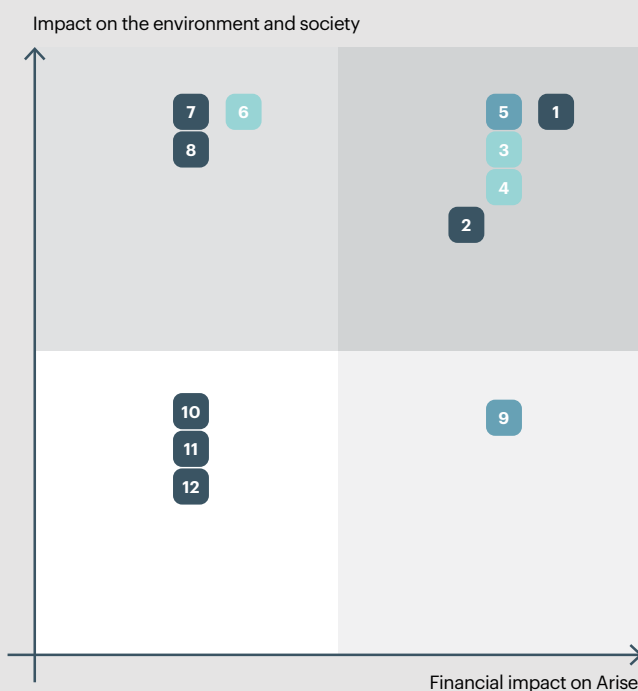
Climate change is a material sustainability aspect for Arise. The climate is negatively impacted by GHG emissions from the establishment of energy facilities. However, Arise contributes positively to the climate through project development and the production of renewable energy. Health, safety and a healthy working environment are important social aspects, both for our own employees and for employees in the supply chain. It is also important for Arise to attract talent by offering an attractive workplace.

The impact on the local community can be both positive and negative since the local environment changes for those that live there. A positive reception is essential for Arise's business.

Good business ethics are required to create a healthy market climate and are essential for a strong brand.

An efficient use of resources benefits the environment and society as well as Arise and the Group's customers and investors.

Also refer to the table on page 29 for further in-depth information on impacts, risks and opportunities.



#### Aspects

1	<b>Climate change</b>	GHG emissions in the supply chain (GHG Scope 3) Positive impact through replacement of fossil emissions Business opportunities Climate change impacts production and prices
2	<b>Resource use and circular economy</b>	Use of resources
3	<b>Own workforce</b>	Work environment and work conditions, occupational health and safety Competence
4	<b>Affected communities</b>	Human rights Political processes
5	<b>Responsible business</b>	Corruption Ethics and values
6	<b>Workers in the value chain</b>	Work environment and work conditions, occupational health and safety Human rights
7	<b>Biodiversity and ecosystems</b>	
8	<b>Resource use and circular economy</b>	Waste
9	<b>Responsible business</b>	Governance Security – Physical and information security Political processes and external risks
10	<b>Climate change</b>	GHG emissions within Arise (GHG Scope 1-2) Reduced carbon sinks
11	<b>Pollution</b>	
12	<b>Water and marine resources</b>	



## Impact, risk and opportunities – Data for analysis

AREA	Impact on the environment and society NEGATIVE AND POSITIVE IMPACT	Impact on Arise FINANCIAL RISKS AND OPPORTUNITIES
Climate change	Negative impacts from emissions during construction (from inputs, transport, work vehicles) and from the operation of facilities and offices.	The risk of climate change disrupting establishment. For example, extreme weather conditions such as heat, drought or wind can lead to damage, production and transport disruptions as well as impact the electricity price.
	Positive climate impact through the replacement of fossil emissions.	Business opportunities due to increased demand for renewable energy.
Pollution	The risk of pollution from the use of environmental hazardous materials or chemicals.	
	Positive impact by replacing polluting energy sources.	
Water and marine resources	The risk of negative impact on wetlands and water courses during the construction phase, operating phase or in product manufacturing.	
Biodiversity and ecosystems	The risk of negative impact on birds, insects, mammals and vegetation during the construction phase, operating phase and restoration phase.	
	Opportunity for positive impact by diversifying monocultural landscapes.	
Resource use and circular economy	The risk that excessive land use, excessive use of virgin resources and that components, products, chemicals, etc. are unable to be reused or recycled.	The risk that low recycling rates of material have a negative impact on the renewable energy sector.
	The possibility of positive impact by using recycled materials and extending the life of the facility through design and maintenance.	The possibility of lower costs through efficient use of materials and use of recycled materials as well as business opportunities through parallel land use.
Own workforce	The risk for shortcomings in work conditions, workplace accidents and physical and mental illness in the workplace.	The risk of damaging the brand and not attracting or retaining and developing competent and motivated employees.
	Positive impact through systematic work environment efforts and a high level of occupational health and safety in accordance with prevailing legislation and internationally accepted principles such as the International Labour Organization (ILO), and offering an attractive and inclusive workplace with development opportunities.	The opportunity of strengthening the brand and attracting, retaining and developing competent and dedicated employees.
Workers in the value chain	The risk for shortcomings in work conditions, workplace accidents and human rights violations.	The risk of damaging the brand.
	The possibility of positively impacting human rights and the impact on suppliers concerning systematic work environment efforts as well as a high level of occupational health and safety in accordance with prevailing legislation and internationally accepted principles such as the ILO.	The possibility of strengthening the brand.
Affected communities	The risk of negative impact from sound or light pollution, changes to the local environment and local businesses and violation of indigenous people's right to land use.	The risk of damaging the brand, negative reception and lack of trust from the local community and lack of local political support.
	Positive contribution to local businesses through job opportunities, access to renewable energy and expansion opportunities as well as means of increasing the value of the municipality, district and indigenous people.	Positive reception provides the preconditions for establishment.
Responsible business	The risk of lack of security in energy facilities as well as IT and information security. The risk of unethical terms in agreements and different forms of compensation.	The risk that political processes do not support the renewable energy industry and that permit processes obstruct the establishment of new facilities. The risk of IT breaches and that global events such as war and unrest have a negative impact on the operations. The risk of a lack of business ethics damaging the brand.
	The opportunity for positive impact by working for anti-corruption, fair market terms and human rights.	The possibility of strengthening the brand.

# Material areas and sustainability targets

## UN Sustainable Development Goals

In September 2015, the UN General Assembly adopted a development agenda setting out 17 Sustainable Development Goals (SDGs) for a better world – Agenda 2030 for sustainable development.










Arise supports the UN's work with the SDGs. The core of Arise's operations is to generate renewable energy by developing wind power, solar power and other sources of renewable energy. The UN goals to which Arise mainly contributes through this are SDG 7 – *Affordable and Clean Energy* and SDG 13 – *Climate Action*.

Arise has the ambition of contributing to more UN goals, such as SDG 3, 8, 9, 12, 15 and 16.

## Material issues and targets

Arise has identified and prioritised sustainability aspects through stakeholder dialogues and analysis of material areas of impact and risk. In 2023, an update of the Arise sustainability risk analysis was carried out. Refer to the "Stakeholders" and "Impact, risk and opportunities" sections for more information.

The analysis of material issues has resulted in the identification of three focus areas with a total of nine prioritised sustainability aspects. See the table below. A number of objectives have been developed for these areas. Work continues on risk minimisation in all sustainability aspects and risk areas.

FOCUS AREA	MATERIAL ISSUES	TARGETS 2024	
<b>ENVIRONMENT AND CLIMATE-EFFECTIVE SOLUTIONS</b>		   	
<b>Climate</b>	Maximise production of renewable energy. Identify sources of GHG emissions, create and work on the basis of a long-term reduction plan.	<ul style="list-style-type: none"> <li>Greenhouse gas emissions avoided by the production of renewable energy (tCO<sub>2</sub>e).</li> <li>A completed and published study of greenhouse gas emissions from a recently constructed wind farm.</li> </ul>	>2 mil.
<b>Biodiversity</b>	Address risks of reduction in biodiversity at facilities.		Yes
<b>Resource efficiency</b>	Efficient use of resources for construction. Circular principals as guidance in choices of materials.		
<b>SOCIAL RESPONSIBILITY</b>		  	
<b>Work environment</b>	Attractive workplace, employee well-being, reasonable workload, fair conditions for own personnel and those in the supply chain.	<ul style="list-style-type: none"> <li>Number of work-related serious incidents and accidents in offices or facilities owned or managed by Arise.</li> <li>eNPS – Employee Net Promoter Score (points).</li> </ul>	0
<b>Health and safety</b>	Health and safety at energy facilities and in transportation. Demands on suppliers regarding health and safety.		> 50
<b>Impact on the local community</b>	Communication with the local community and other stakeholders in the area. Create favourable conditions for parties involved.		
<b>RESPONSIBLE BUSINESS</b>		 	
<b>Governance</b>	Ensure corporate governance, control systems, documents, procedures and follow-up for good management of sustainability issues.	<ul style="list-style-type: none"> <li>Percentage of new contracts with strategic suppliers where the Code of Conduct for Suppliers has been communicated and is included as part of the contract.</li> <li>Percentage of Group employees who have participated in Group-wide training on sustainability and anti-corruption.</li> <li>Number of confirmed cases of corruption or bribery.</li> </ul>	100
<b>Business ethics</b>	Reduce risk of corruption, bribery and unethical action.		100
<b>Sustainable business</b>	Promote long-term profitability and a strong brand. Green financing.		0



# Governing Arise's sustainability activities

## Organisation

The Board of Directors has ultimate responsibility for Arise's sustainability work. In 2022, Group management appointed a Sustainability Council, with representatives from the operations' various areas to gather various perspectives and to work on the integration of the sustainability perspective throughout the business. The Sustainability Council is headed by a project manager who reports to Group management. Sustainability issues are addressed and resolved on at Group management meetings and reported at the company's Board meetings. Governing documents are revised by the Board or by the CEO once a year or more often if required.

The task of the Sustainability Council in 2023 was to drive a number of activities to increase sustainability in operations and to continue to prepare the sustainability report for the new rules and guidelines adopted by the EU.

In 2024, the Sustainability Council will continue the integration of sustainability in the Group's various processes based on the measures decided in the materiality assessment.

## Control tools

The Group's Code of Conduct outlines and sets the tone for the sustainability work.

A number of governing documents and procedures guide the everyday work. Detailed instructions and procedures are prepared for construction projects and managed or operated facilities. When a project is managed in collaboration with external owners and investors, plans and control tools are developed in consultation with them. Examples of control systems and processes are presented in the table below. Arise's internal guidelines, formal work plans, instructions and manuals to guide employees are made available via a shared portal. New employees are given an introduction to the business at the start of their employment and are given copies of various guidelines and formal work plans.

## Governing documents and procedures

AREA	POLICY DOCUMENTS	CONTROL SYSTEMS AND PROCESSES – EXAMPLES
<b>Climate and environment</b>	Environmental policy	HSE procedures (health, safety, environment) and reporting within the project and during production. Environmental Impact Assessment and permit application prior to construction. Rules and procedures for business travel.
<b>Work environment, health and safety</b>	Occupational Health & Safety Policy Personnel Policy Equality Policy Personal Data Policy Code of Conduct for Suppliers	HSE procedures (health, safety, environment) and reporting within the project and during production. Work environment plan Emergency plan Safety committee Fire safety procedures
<b>Human rights</b>	Code of Conduct Code of Conduct for Suppliers	
<b>Business ethics, anti-corruption and values</b>	Code of Conduct Code of Conduct for Suppliers	
<b>Sustainability in the supply chain</b>	Code of Conduct for Suppliers	
<b>Governance</b>	Code of Conduct Benefits Policy Diversity policy for the Board and management	Risk management Internal control
<b>Communication and information management</b>	Policy for external communication Information Policy Insider Policy IT Policy	

## Focus area

# Environment and climate-effective solutions

By producing renewable energy, reducing GHG emissions, operating a resource-efficient business and protecting biodiversity, Arise contributes to the UN SDG 7 – *Affordable and Clean Energy* and SDG 13 – *Climate Action*.

Arise's business is to deliver sustainable energy solutions for renewable energy. Arise's most important contribution to the climate is to work with developing and pursuing projects in this area. The business also has risks in the areas of environment and climate, such as GHG emissions, the risk of disrupting biodiversity and the risk of inefficient use of resources. Arise focuses on managing these risks, while the operations are developed.

### Arise develops renewable energy

The operations are recognised in three segments: *Development*, *Production* and *Solutions*. Arise develops and constructs new facilities, owns its own facilities and manages facilities for customers.

The customers are often global financial players who endeavour to generate returns by investing in renewable energy and that also have ambitious sustainability targets and are demanding regarding their partners' sustainability efforts. Accordingly, offering a complete solution is a key feature in reducing the barriers to new investors.

Through the production of renewable energy, Arise contributes to reduced GHG emissions. The diagram shows Arise's collective production of renewable energy. Production and corresponding savings of CO<sub>2</sub> equivalents are shown in the table on page 35.

Arise has historically focused on onshore wind power in Sweden and has broadened its operations both technologically and geographically in recent years. Arise is now developing wind and solar power and battery storage in five different countries and further expansion is continuously evaluated.

The climate changes in the world risk having a certain negative impact on Arise. One example was the severe drought in Europe in the summer of 2022, when transportation of transformers could no longer be made by barge on Europe's rivers. The transportations had to be redirected to road transport, which made transportation more expensive and late, while GHG emissions increased. In 2023, the challenge shifted to flooding in central Europe that prevented the transportation of transformers, resulting in delays in deliveries.

### Production per year 2009–2023

Production MWh



### Facts

- At the end of 2023, Arise's project portfolio amounted to 6,900 MW in Sweden, Norway, Finland and the UK in wind energy, solar energy and battery storage.
- Arise owns and manages 11 wind farms of its own with an annual production budget of approximately 433 GWh. Additional management assignments in wind power were added during the year. In two years' time, own production, including the company's share of the jointly owned farms, will increase to nearly 530 GWh per year.
- At the end of the year, Arise had three managed wind power projects under construction.
  - Kölvallen (277 MW, co-owned by Arise)
  - Ranasjö- and Salsjöhöjden (242 MW)
  - Fasikan (105 MW)



## Greenhouse gas emissions

Arise's operations generate GHG emissions through construction projects, continuous management and through the purchase of materials and services for the operations.

To assess where climate impact is greatest in the value chain, mapping of GHGs was conducted in 2023 in accordance with the Greenhouse Gas Protocol (GHG Protocol). To support the analysis, life-cycle assessments (LCA) from turbine suppliers have been used.

A life cycle assessment for a wind turbine provides a flat-rate calculation of emissions over the service life of the turbine. Recorded emissions are calculated using this and vary with production for the year in question.

The aim of the life cycle assessment was to conduct initial mapping of where the greatest emissions occur. To provide more in-depth analysis and set climate targets, an assessment of the actual impact of specific facilities needs to be carried out, which is an assessment Arise intends to undertake.

The initial mapping of GHG impact demonstrates that the majority of emissions arise from Scope 3. The main impact derives from the construction phase, followed by the operation of energy facilities and business travel.

**“With our climate-smart solutions, we create renewable energy for a sustainable future.”**

In 2023, Arise commissioned a wind farm, Skaftåsen. Since all impact from the construction phase and future decommissioning are recognised in the same year that commissioning takes place, this has a major impact on emission reporting.

Arise has expanded its operations in the UK, Finland, Norway and Ukraine as well as increased the amount of owned and managed projects. This has resulted in increased GHG emissions, in part through travel. A greater share of digital meetings contributes to reduce travel.

Arise works with business partners to reduce climate impact in the value chain. Clearer demands are made on suppliers and contractors during the procurement phase for the reporting of estimated GHG emissions and which measures are possible in reducing emissions. Various suppliers climate impact can thus become part of the evaluation when sourcing.

## Mapping of GHG emissions

### GHG emissions, Arise <sup>1)</sup>

Tonnes CO <sub>2</sub> equivalents <sup>2)</sup>	2023	2022
<b>Scope 1</b>	<b>12</b>	<b>18</b>
<b>Scope 2</b>	<b>8</b>	<b>6</b>
– Market-based method	8	6
– Location-based method	8	4
<b>Scope 3</b>	<b>74,279</b>	<b>1,941</b>
– Cat 1. Purchased goods and services	157	158
– Cat 6. Business travel	48	26
– Cat 11. Use of sold products	74,074	1,757

<sup>1)</sup> Refers to activities conducted by Arise AB, Arise Elnät AB and Arise Renewable Energy UK Ltd.

<sup>2)</sup> As a basis for calculating emissions, information on fuel and electricity consumption from offices, facilities and cars, as well as the number of trips, is acquired from travel agencies or travel companies. For hotel stays and in cases where data is not available, the calculations are based on templates and assumptions. Emission factors used are primarily from suppliers and secondarily from established sources such as DEFRA and the Swedish Energy Markets Inspectorate. The climate calculations of energy facilities are based on life cycle assessments from turbine suppliers, whose estimated emissions are used in combination with projected production.

**Scope 1** – The emissions refer to direct emissions from business travel with company cars, for example, for travel to project areas

and commissioned energy facilities. Scope 1 GHG emissions amounted to 12 tCO<sub>2</sub>-e in 2023. This was a year-on-year decline and a result of a decline in car travel combined with an increased share of electric cars.

**Scope 2** – The emissions refer to indirect emissions from energy consumption of purchased electricity, heat and energy for offices and facilities and charging of company cars. Electricity consumption in facilities takes place through consumption to operate control systems, lubrication pumps, obstruction lights, etc. Other electricity consumption occurs in offices and pertains mainly to computers and servers. Scope 2 GHG emissions amounted to 8 tCO<sub>2</sub>-e in 2023.

**Scope 3** – The majority of Arise's GHG emissions occur in Scope 3. The emissions refer to other indirect emissions from the construction, operation and final disposal of energy facilities and business travel. The majority of emissions come from energy facilities and relate to materials, manufacturing, transport and groundworks. These GHG emissions are calculated on expected production and reported in the year the project is commissioned. Emissions resulting from operation during the service life of the facility are based on actual production and are reported annually. In 2023, the Skaftåsen wind farm was commissioned and the estimated emissions during construction and decommissioning are recognised in the same year. Business travel amounted to 48 tCO<sub>2</sub>-e, a year-on-year increase, mainly due to geographical expansion and increased staff numbers.

### Efficient use of resources

Arise strives for efficient use of resources and solutions that are as sustainable as possible. However, resource-saving measures must always be weighed against health and safety risks.

Resource efficiency is taken into consideration throughout the life cycle of a facility. The work commences already during the developmental phase, when decisions are made that define the facility, including routing of roads, entrances and the location of turbines.

In the manufacturing of parts for a facility, there is a risk that components, products or chemicals that are selected cannot be recycled or cannot be manufactured resource-efficiently. One way to improve resource efficiency is to increase the share of recycled materials in the products procured.

In the construction phase of a facility, there is a risk of an unnecessary amount of material being used or that infrastructure is given excessively large dimensions. There are further examples of resource-saving measures. Where the land conditions permit, rock-anchored foundations are constructed for wind turbines instead of gravity foundations. When rock-anchorage is not an alternative, cement mixes with less environmental impact are evaluated. If possible, infrastructure that is already on site is used in the form of existing roads and connection to the energy grids.

An energy facility has a long operational phase and

requires continuous maintenance. Waste is recycled and where possible consumables are reused, for example, oil can be cleaned and reused.







When the energy facility approaches the end of its useful life, there is assessment of the possibilities to extend the operational phase, which is often the most resource-effective alternative from a short-term perspective. The exchange of different reserve parts and central parts of the facility are measures that can further extend the facility's useful life. To extend the operating phase new environmental permits are often required.

During the final dismantling of an energy facility, choices arise for the effective use of the material used. Since the majority of the wind farm is made of metal, most of it can be recycled. Recycling turbine blades is a challenge that the industry is addressing. Together with other players in the industry, Arise entered into a project group, Rekovind2, exploring the opportunities of reuse, recycling and recovery. For example, a type of pyrolysis for recycling materials has been confirmed to work. The method involves breaking down materials at high temperature.

For decisions on the dismantling of a facility, new exploration of land rights can commence.

Arise's pursuit of resource efficiency is in line with the UN SDG 12 – *Responsible Consumption and Production* in the UN Agenda 2030.

### Conditions for locating wind turbines

	Impact from wind farms	What Arise does	Results
	Noise	Sound calculations	Verify that the general benchmark for noise has not been exceeded
	Flickering shadows	Estimates of the effects of flickering shadows	Where necessary, the turbines are equipped with flickering shadows mitigation
	Landscape profile	Planning of farm design	Sensitive areas are avoided
	Wildlife and nature	Inventories of birds, bats and natural values	Planning to minimise disturbances of wildlife and nature
	Cultural environment and archaeology	Archaeological inventories, cultural and historical investigations	Minimisation of the impact on ancient remains



## Biodiversity

Protecting biodiversity is a key factor for resistance in the earth's ecosystem. Arise supports the UN Sustainable Development Goals Number 15 – *Life on Land* in Agenda 2030.

Ecosystems, climate and biodiversity are connected. To maintain a balance in nature, biodiversity must be protected. When establishing energy facilities, there is a risk of negatively impacting biodiversity in forests and wetlands, such as rare or vulnerable species of birds and plants.

To prevent and restrict any negative impact on the biodiversity, Arise conducts thorough preliminary investigations of conditions in the surroundings and protective measures are taken in good time prior to the start of the project. The operations are governed by applicable legislation and the conditions in the environmental permit. Several years of preliminary investigations of any impact on biodiversity are required to obtain environmental permits for wind farms. Wind turbines are placed with consideration for vulnerable species. Certain species are disturbed more by construction activities than by the actual energy facilities and in these cases, the construction activities are adapted to various sensitive times of the year, such as birds' breeding season.

During the environmental impact assessment, it is clarified whether the location is appropriate for a wind farm or not. In the terms of the environmental permit, further reservation is made for the placement of wind turbines based on shadow or noise that may arise as well as limitations for the impact on animals, natural assets, the cultural environment and archaeology. These aspects are central during the assessment process.

In addition to disruptions that can arise in the local natural environment, there are also opportunities for several species to re-establish themselves. Wind farms can also open up areas in forest environments and enable lower vegetation layers with flora and fauna that, in many cases, were previously

displaced in the landscape. In addition, bare sand surfaces can be left for insects in both solar and wind farms. In this way, Arise's energy installations can contribute to a positive change in the local natural environment.

Arise participates in a number of research programmes on the effect of wind power on people, nature and the environment such as Vindval and VindEI, where the programme aims to contribute to the transition towards a sustainable and renewable energy system through research on and the development of technologies, systems, methods and issues related to wind power.

How Arise complies with the conditions for wind farms is presented in the section "Conditions for locating wind turbines".



The UN Biodiversity Conference in December 2022 (COP 15) made it clear that robust measures are required throughout the world to reduce mass extinction of species and ecosystems. The UN's objective is that the loss of biodiversity should be stopped and reversed by 2030.

### Targets 2024

- |  |          |
|--|----------|
| • Greenhouse gas emissions avoided by the production of renewable energy (tCO <sub>2</sub> e).       | > 2 mil. |
| • A completed and published study of greenhouse gas emissions from a recently constructed wind farm. | Yes      |

### Planned activities

- Continued mapping of GHG emissions according to the GHG Protocol, with in-depth analysis on a specific construction project.
- Update and issue the Group's environmental policy in its operations.
- Identify potential impacts on biodiversity when establishing energy facilities.

### Greenhouse gas emissions, Arise Sweden and the UK

Tonnes CO <sub>2</sub> equivalents <sup>1)</sup>	2023	2022
Scope 1	12	18
Scope 2 Market-based method	8	6
Scope 2 Location-based method	8	4
Scope 3	74,279	1,941
<b>Total Scope 1–3<sup>2)</sup></b>	<b>74,299</b>	<b>1,965</b>

<sup>1)</sup> Partly based on estimates

<sup>2)</sup> The total uses the Market-based method for Scope 2

### Production renewable energy

	2023	2022	2021	2020
Own facilities, MWh	288,353	292,196	281,729	354,505
Managed facilities, MWh	2,678,684	2,376,546	2,239,663	1,981,095
<b>Total</b>	<b>2,967,037</b>	<b>2,668,742</b>	<b>2,521,392</b>	<b>2,335,600</b>
Corresponding to emissions of CO <sub>2</sub> equivalents from Nordic residual mix, tCO <sub>2</sub> equivalents <sup>1)</sup>	1,387,446	1,247,957	937,933	853,124

<sup>1)</sup> Residual mix Nordic countries (ei.se) for each year – 2023 = 2022 due to backlog

## Focus area

# Social responsibility

Arise is dependent on a high level of confidence among its own employees, suppliers' employees and in the local community. Through responsible work on the work environment and health and safety, as well as consideration of the local community, Arise contributes, for example, to the UN SDG 3 – *Good Health and Well-being*, SDG 8 – *Decent Work and Economic Growth* and SDG 16 – *Peace, Justice and Strong Institutions*.

### Health and safety

Guaranteeing health and safety in the operations, physically and mentally, is one of Arise's guiding principles. Arise has a zero vision for accidents and work-related illness in its own facilities in offices and the facilities that are project-managed.

It is a physically demanding and risk-filled business to construct and operate energy facilities. Accidents can occur in, for example, materials handling, transportation or blasting. When construction project are initiated, plans are prepared for work environment, health and safety, and crisis management. Outcomes are continuously reported to project management, the Board of Directors and owners and measures are implemented in the case of deviations. Training of own employees is conducted regularly in areas such as fire safety, CPR and high altitude work. Requirements of corresponding training are made of contractors through signed agreements.

Health and safety risks are also found in the manufacture of purchased products and transportation to and from facilities. Material production occurs in several locations worldwide, which makes it difficult for Arise to have direct control of working conditions. In the business agreement and the Code of Conduct for Suppliers, Arise communicates with suppliers to emphasise the importance of health and safety, and training in this area. This is an important part of Arise's relationship with its suppliers and partners and there are plans for further communication, clarifications of agreements and follow-ups on outcomes.

For facilities in construction or operation, an HSE (health, safety, environment) plan is prepared that includes risk assessment and a communication plan for health and safety. The HSE plan also sets the rules for visits to the facility.

At wind farms, there are also risks to the public and warning signs are installed to provide information about the risks of, for example, ice throw from the blades.

There are health and safety risks in working in an office environment or at home. High workloads can arise periodically and risks with this need to be identified and addressed. The number of employees at Arise is increasing, which also increases the need for more clear rules.

Arise works continuously with procedures and controls to ensure a healthy working environment, health and safety in the offices and compliance with laws and regulations. Safety representatives conduct inspection rounds annually. A fire safety representative works to ensure low risk for accidents as the result of fire by maintaining procedures and providing employees with information. In 2023, training has been carried out in fire protection and CPR and lecture was conducted on ergonomics.

### Work environment

The most important resource in Arise is its employees. High-level and specially focused skills contribute to Arise's successful business. To provide a good, safe and stimulating work environment is an important and strategic issue for Arise.

The Occupational Health & Safety Policy governs systematic work environment efforts. Equal pay and conditions for equal performance is to apply at Arise and a salary analysis is conducted annually. Employees are offered various benefits, such as health promotion grants, health examinations, specially adapted examinations for those working at high altitude, and medical insurance.

The Group's Code of Conduct clearly states that the Group is to recruit and treat its employees in a manner that ensures there is no discrimination on the basis of gender, religion, age, disability, sexual orientation, nationality, political belief, trade union association, social or ethnic origin. The Group encourages diversity on all levels.

Flexibility in the choice of physical workplace has continued to an extent after the pandemic. Clear regulations have been developed to create the conditions for a healthy work-life balance for employees.

Training is the key to maintaining and enhancing skills. All managers in the Swedish operations were trained in work environment issues during the year.

The online IT security training course that commenced in 2022 continued in 2023. Other company-wide training courses have included CPR and fire safety. In autumn 2023, a general training course on sustainability was launched for



“We want to offer our employees and partners the right conditions for working in a positive and safe work environment.”

Lebo wind farm  
Västervik, Sweden





all employees in the Group. In addition to the joint training courses, most staff members have attended specific professional training courses to expand and develop their skills. Courses in high altitude work and safety were conducted during the year in accordance with special planning.

In 2024, further training is planned in areas such as safety, IT security, regulatory issues, leadership and sustainability.

Performance reviews include an increased focus on long-term planning and developing employees to ensure the right skills for the future.

In 2023, an employee survey was carried out with a focus on perceived work environment and job satisfaction, as well as an examination of the organisational and social work environment. The results demonstrated that Arise provides its employees with trust, creates favourable physical conditions and that employees feel they can receive help and support from managers and colleagues when needed. The areas with the most potential for development were recovery, feedback and target follow-ups. This was concluded after Arise developed a template used for performance reviews, trained managers in occupational health and safety as well as created opportunities for more flexibility in the workplace and working hours.

In the employee survey eNPS was used to measure employee perceptions. This is the first time the measure is used in Arise and the result was 37, which is “very good” on a scale where <20 is good, 20–50 is very good and >50 is excellent. In response to the question “Main reason for recommending the company”, the most frequent response was the industry and corporate culture, followed by job and development opportunities. In response to “Main reason for NOT recommending the company”, the most frequent response was “The question is not relevant”. A new employee survey is planned for autumn 2024.

Arise requires of its contractors and suppliers that they respect human rights and labour rights. This is clarified in the Arise Code of Conduct for Suppliers which is based on

the ten principles of the UN Global Compact, which in turn, is divided into Human Rights, Labour, Environment and Anti-Corruption.

### Local community

The build-out of wind power and other energy facilities creates change for local residents and the local community. Facility work and transportation can cause a perception of disruptive noise or trespass. During both construction and operation, other local business may be affected, such as reindeer herding, forestry and hunting. Natural and cultural heritage could also be changed. Noise, light and shadows can be perceived as disturbances during the operation of a wind farm. The changed community image can affect property values, both positively and negatively.

Arise strives to create the best possible understanding for development projects and seeks constructive communication with the relevant parties. Ahead of the construction of new projects, a consultation meeting is always held to give the local residents affected by the project an opportunity to present their views. In each project, communication plans are drawn up to ensure that the local community is regularly informed and has the opportunity to contact the project and operations managers. Close dialogue with local residents as well as landowners, hunting teams, village teams and associations is important throughout the project’s life cycle. Regular contact with local businesses, the municipality and schools is also of major significance.

The goal is that the local community should perceive favourable conditions in the establishment of an energy facility. From some wind farms, development funds are paid annually which are distributed among local projects for the purpose of promoting the development of the local community. Establishment of energy facilities also contributes to income and more jobs, during construction and after commissioning, through the use of, for example, transport companies, shops and hotels. Arise strives to engage businesses



## Human rights

Arise supports and respects international human rights. Arise states clearly in its Code of Conduct and Code of Conduct for Suppliers that no form of child labour, forced labour, threats of violence or other violation of human rights may occur. Governing documents also state that freedom of organisation and the right to collective negotiations and agreements must be respected.

Material and products for Arise's energy facilities are manufactured in a global and competitive market. Since Arise's sub-contractors and contractors, in turn, engage contractors or suppliers from other countries, the possibilities of control decrease and the risk of human rights violations increase.

Arise works with several large companies in the market that have a proven track record of sustainability. A review of the Code of Conduct for Suppliers has commenced and will be followed by special communication with the largest suppliers.

When developing energy facilities, there are risks of violation of the rights of indigenous people. Dialogues are continuously conducted with the Sami of northern Sweden to find mutual understanding and solutions.

in close proximity to the project if possible.

The operations at energy facilities are monitored annually via environmental reports and through other accounting in accordance with the conditions set in the environmental permits for operational assets and in landowner agreements. Supervisory authorities make regular inspections and controls of operations during the facility construction phase.

Arise follows up on all complaints that are submitted in order to minimise the negative impact as quickly as possible and to reuse experience from other projects. The application of experience is important for ensuring that future establishments create favourable communication with residents in the local community at an early stage.

An incentive investigation commissioned by the Swedish government reported on its assignment in spring 2023. The purpose of the investigation was, for example, to provide proposals for systems to compensate those whose surroundings have been tangibly affected by the development of wind power and to strengthen the municipalities' ability to support the build-out of wind power.

#### Targets 2024

- Number of work-related serious incidents and accidents in offices or facilities owned or managed by Arise. 0
- eNPS – Employee Net Promoter Score (points). > 50

#### Planned activities

- Identify if policies and procedures for health and safety are complied with in offices or facilities owned or managed by Arise.
- Activities to retain and attract skills, such as collaboration with colleges and universities.
- Clarify the use of development funds for the local community.

#### Work-related incidents and accidents in offices and facilities owned or managed by Arise

Number	2023	2022
Own employees	0	0
– Incidents	0	0
– Serious accidents and illnesses	0	0

#### Employee Net Promoter Score

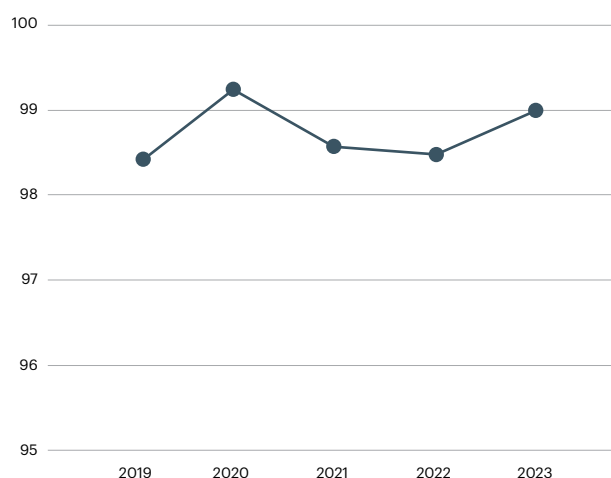
Points <sup>1)</sup>	2023	2022
e-NPS – Employee Net Promoter Score	37	n/a

<sup>1)</sup> Good 0–20, Very good 20–50, Excellent >50

#### Human rights

Number	2023	2022
Reported cases regarding human rights violations	0	0

#### Health Index <sup>1) 2)</sup>



<sup>1)</sup> The Health Index measures the number of hours worked compared with the number of available hours

<sup>2)</sup> Only companies in Sweden and the UK

#### Board of Directors, Group management and employees. Number and gender distribution <sup>1)</sup>

	2023			2022		
	Number	Women	Men	Number	Women	Men
Board	5	20%	80%	4	25%	75%
Group management <sup>2)</sup>	4	0%	100%	4	0%	100%
Employees	67	40%	60%	41	34%	66%
– of which partly-owned companies	16	38%	62%	–	–	–

<sup>1)</sup> At the end of the financial year

<sup>2)</sup> On 15 January 2024, Group management expanded. Following this, Group management consists of five members, of which 20% are women



## Follow-ups of the working environment and environment at Lebo

Arise conducts health and safety and environmental audits on construction projects to identify corrective actions in case of deviations and to learn lessons for future projects, which is a way of achieving continuous improvement in health, safety and environment.

In November, an audit was carried out on the construction of the Lebo wind farm. A follow-up was conducted on site at the facility of one of the main suppliers work with health and safety and the environment.

Based on legislation and permits, documentation and required permits were checked, such as the contractor's company being registered for tax purposes and the existence of certificates for high altitude work. Checks were also conducted of various hazardous substances including chemicals.

"The audit of Lebo revealed some minor deviations, but the overall impression was positive," say Ida Lilja and Rolf Grybb, Arise representatives on site.



Lebo wind farm  
Västervik, Sweden









## Focus area

# Responsible business

Arise conducts responsible and ethical business. High levels require the effective and structured control of the company and clear rules for ethical business behaviour. A responsible business contributes, for example, to the UN SDG 9 – *Industry, Innovation and Infrastructure* and SDG 16 – *Peace, Justice and Strong Institutions*.

### Governance

Arise follows the “Swedish Code of Corporate Governance,” referred to as “the Code”, for the governance of the company and the sustainability efforts. The boards of directors of certain companies must provide shareholders and the capital market with the sustainability disclosures required for an understanding of the company’s development, position and results, as well as the consequences of the operations, in an annual sustainability report to be made available on the company website.

The Board has adopted a Diversity Policy which aims to promote diversity on the Board and in the management team. According to this policy, the Board is to be characterised by diversity and the composition of the Board is to comply with item 4.1 of the Code (Swedish Code of Corporate Governance).

For more information on the company’s governance, refer to the Corporate Governance report on pages 108–111.

### Business ethics

Maintaining a high standard of business ethics and operating our business in accordance with the applicable Acts and provisions, is self-evident for Arise. Various risks that can arise in a project and development operation include bribery at various stages of the supply chain or in permit processes, unauthorised forms of cooperation or that agreements are signed that are not based on fair assessments. The violations may be intentional or unintentional and employee training is thus a core part of the business ethics effort.

Arise requires honesty and integrity in all of the company’s activities and from our customers, suppliers and collaborators.

**“Arise requires honesty and integrity in all of the company’s activities and from our customers, suppliers and collaborators.”**

The importance of business ethics is emphasised in the Arise Code of Conduct and in the Code of Conduct for Suppliers.

Every form of compensation to advisors, suppliers and partners is to be conducted strictly on the basis of confirmed products and services only. A restrictive approach applies to gifts to or from suppliers and business partners. All employees must eliminate conflicts of interest between private financial matters and the Group’s business operations.

To further increase awareness in the company of the risks for irregularities, anti-corruption training is being planned for all employees in 2024. The Group’s Code of Conduct is being updated and will be implemented in operations in 2024.

Dialogues with large existing suppliers and partners will be conducted for the purpose of providing information about the Group’s Code of Conduct for Suppliers and its contents. This Code is an obligatory annex to requests for proposals and compliance with it is a condition for all new contracts.

Arise supports UN target 16.5 “Substantially reduce corruption and bribery in all their forms”.

## Sustainable business

Through efficient financing, asset management, operation and project development, Arise's objective is to provide shareholders with good returns on their investment in the form of dividends and increased share price. Arise's strategy is to grow geographically and utilise the Group's collective competence in new markets as well as to broaden the product portfolio to include more renewable types of energy than wind power. Increased sales are to be achieved, with continued healthy profitability.

It is a key issue for Arise to ensure effective cost control and efficient use of resources. Detailed calculations are made in development projects and regular monitoring of the projects is made when they reach the construction phase to ensure investments costs that are as low as possible.

Arise's expansion of renewable energy strengthens local infrastructure, supporting people's well-being, economic development and jobs. This is in line with the UN SDG 9 – *Industry, Innovation and Infrastructure* in the UN Agenda 2030.

## Green financing framework

At the beginning of 2022, Arise established a "Green Financing Framework" that contains criteria for investment in exclusively renewable energy. Through these investments, Arise supports the transition to a zero-carbon society. To ensure that the framework complies with the 2021 version of ICMA Green Bond Principles, Arise has obtained an external validation of the framework from Cicero Shades of Green. Cicero Shades of Green has assigned the framework a "dark green shade". Under the green bond framework, Arise can include bonds as well as existing and future loans.

In May 2022, Arise issued green senior unsecured bonds of MEUR 50. The proceeds will be used in accordance with the Arise "Green Financing Framework", including financing

of new projects for renewable energy. The framework includes a further MEUR 50 that has not yet been issued.

In the 2020 Annual Report, we obtained certification of a green loan under the DNB Sustainable Product Framework, dedicated to our own wind farms, as this loan meets the criteria in the category Renewable Energy. Production in these wind farms in 2023, and the equivalent reduction in CO<sub>2</sub> emissions, are presented in the table below.

### Targets 2024

• Percentage of new contracts with strategic suppliers where the Code of Conduct for Suppliers has been communicated and is included as a contractual condition.	100
• Percentage of Group employees who have participated in Group-wide training on sustainability and anti-corruption.	100
• Number of confirmed cases of corruption or bribery.	0

### Planned activities

- Stakeholder dialogues with suppliers on sustainability follow-ups and communication of the Code of Conduct for Suppliers.
- Update and communicate the Group's anti-corruption policy in its operations.
- Complete anti-corruption training for everyone in the Group in 2024.

Own production	2023 (MWh)	Corresponds to <sup>1)</sup> tonnes CO <sub>2</sub> -e
Oxhult	53,869	25,190
Råbelöv	21,157	9,893
Brunsmo	21,475	10,042
Fröslida	37,113	17,355
Idhult	31,544	14,751
Kåphult	28,847	13,489
Södra Kärra	31,427	14,696
Blekhem	26,320	12,308
Gettnabo	30,026	14,041
Skäppentorp	6,575	3,075
<b>Total <sup>2)</sup></b>	<b>288,353</b>	<b>134,840</b>

<sup>1)</sup> Residual mix 2022, Nordic countries (ei.se) – 0.47 tonnes of CO<sub>2</sub> equivalents/MWh

<sup>2)</sup> Total excluding Lebo since production commenced in 2024

Training in sustainability related issues	2023	2022
Sustainability, basic training	●	
Sustainability, risks for Arise – workshop		●
CPR, fire protection <sup>1)</sup>	●	
Occupational health and safety training for managers <sup>1)</sup>	●	
IT safety – online based (ongoing) <sup>2)</sup>	●	●
<sup>1)</sup> Only companies in Sweden <sup>2)</sup> Only companies in Sweden and the UK		
Anti-corruption	2023	2022
Number		
Number of confirmed cases of corruption or bribery	0	0



**AUDITOR'S REPORT ON THE  
STATUTORY SUSTAINABILITY REPORT**

*To the General Shareholders' Meeting of Arise AB (publ),  
Corporate Identity Number 556274-6726*

**Engagement and responsibility**

The Board of Directors is responsible for the Sustainability Report for 2023 on pages 22–44 and that it has been prepared in accordance with the Swedish Annual Accounts Act.

**The scope of the audit**

Our examination was conducted in accordance with FAR's auditing standard RevR 12, *The Auditor's report on the statutory sustainability report*. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

**Opinion**

A statutory sustainability report has been prepared.

Gothenburg, 21 March 2024

Öhrlings PricewaterhouseCoopers AB

**Ulrika Ramsvik**

*Authorized Public Accountant*









# Directors' Report

The Board of Directors and the CEO of Arise AB (publ), Corporate Identity Number 556274-6726, hereby present the Annual Report and consolidated financial statements for the 1 January – 31 December 2023 financial year.

## Group

### Operations

Arise AB is the Parent Company of the Arise Group, which develops, constructs and sells solar, battery and wind farms and asset management of these farms. In addition, the Group mainly includes a number of wholly owned subsidiaries usually named "Arise Wind Farm" followed by a number. These companies own and manage Arise's operational wind farms, details of which are provided on pages 8–9. Arise Elnät AB, Arise Kran AB, Arise Renewable Energy Limited and a number of Arise Wind HoldCo companies were established previously. Arise Kran AB will be discontinued shortly since business activities are no longer conducted in this company. In 2023, Arise AB purchased a Finnish group of which the company owns 51.1% and a Norwegian group of which the company owns 70%.

The Parent Company's operations comprise project development (identifying sun and wind locations, signing leasehold agreements, producing impact assessments, preparing detailed development plans and permits), divesting projects to external investors, project management of new projects, managing internal and external projects (technically and financially) and managing the Group's electricity trading activities and guarantees of origin. The Parent Company manages the Group's production plans and electricity hedges in accordance with the adopted financial policy.

Arise Elnät AB is fully devoted to consulting on grid-related issues with responsibility for electrical contracts relating to the Group's solar and wind power expansion. This responsibility includes the management of applications for licences to build transmission networks used to transmit electricity produced in the solar and wind farms to the overlying electricity grid.

The Group's operations are conducted in Sweden, the UK and Finland. Arise's vision of the future is available on pages 6–15.

### Events in brief

In the first quarter of 2023, Arise signed an agreement with Persson Invest, one of Sweden's major private landowners. The agreement pertains to development rights for potential wind power projects on a large portion of Persson Invest's land, for which the company sees good potential to realise new wind power. According to the assessment from the company, the potential amounts to approximately 500 MW. The company signed an agreement to acquire approximately 51% of the Finnish company Pohjan Voima Oy. Pohjan Voima Oy is active within development of onshore wind and solar power in Finland with a project portfolio that at the time of signing amounted to approximately 1.7 GW.

In the second quarter of 2023, Arise completed the announced acquisition of approximately 51% of the shares in Pohjan Voima Oy.

In the third quarter of 2023, Arise held a Capital Markets Day where financial targets with a focus on profitable growth were presented. The earnout of MEUR 6.4 for project Skaftåsen was determined and received during the quarter.

In the fourth quarter, the wind farm project Fasikan was divested to SCA Munksund AB (SCA). The total purchase price amounted to MSEK 125, which also includes a variable portion that is dependent on how construction of the project progresses in relation to budget. Arise also entered into a partnership agreement with SCA during the quarter. Arise and SCA will cooperate in the development of wind power in six identified land areas. The estimated potential amounts to approximately 1,000 MW and the projects will be included in Arise's project portfolio as early-stage projects. Arise will have a 49% ownership in the projects once they reach ready-to-build status.

In November, Arise announced that the Board had resolved to utilise the authorisation granted by the Annual General Meeting in May 2023 to repurchase the company's own shares corresponding to an amount of up to SEK 100 million ahead of the Annual General Meeting in 2024. During

the quarter, 564,908 own shares were repurchased for MSEK 23.6. Karmen Bergholcs was appointed General Counsel during the quarter, and took up her role in January 2024. In December, Arise acquired 70% of the Norwegian company Fenix Repower AS, a developer of solar, onshore wind and storage projects in Norway and Ukraine.

### Net sales and results

Net sales attributable to the production of electricity in the Production segment consist of income for sold electricity and sold guarantees of origin for actual electricity produced. Net sales also include sales proceeds from sold projects and management income. Sales proceeds from sold projects are included in the Development segment and management income is included in the Solutions segment.

In addition to ongoing revenue recognition, the divestment of Fasikan and the final settlement of Skaftåsen contributed positively to Development's income during the year. Income for Solutions increased during the year with good profitability, in part because the management assignment for Skaftåsen began after the commercial takeover. At the same time, income in Production increased as a result of higher year-on-year realised prices. In total, 288 GWh (292) of green electricity was produced, and the average price for production totalled SEK 829 per MWh (720). In total, net sales amounted to MSEK 503 (1,164). Operating expenses amounted to MSEK -232 (-322). EBITDA amounted to MSEK 286 (851) and EBIT to MSEK 223 (790). Net financial items amounted to MSEK -23 (-17), of which exchange rate differences corresponded to MSEK 9 (11). Profit before and after tax amounted to MSEK 200 (772), corresponding to SEK 4.65 per share (18.60).

### Cash flow and investments

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

### Financing and liquidity

At the end of the period, the company had net debt of

MSEK 183 compared with net cash of MSEK 296 at the end of the fourth quarter 2022. Cash and cash equivalents at the end of the period totalled MSEK 917 (1,220). At the end of the period, the equity/assets ratio was 58% (55).

### Taxes

Tax for Arise's Swedish subsidiaries has been calculated according to the Swedish tax rate of 20.6%. Given the Group's loss carry-forwards and depreciation capacity, no corporate tax is expected to be recognised as paid in the next few years.

### Employees

The average number of employees in the Group for the year totalled 51 (36). The total number of employees at year-end was 67 (41). Additional information about the number of employees and salaries, remuneration and employment conditions is provided in Note 4 of the consolidated financial statements.

### Parent Company

The Parent Company manages the Group's production plans and electricity hedges in accordance with the adopted financial policy. These intra-Group trading activities were recognised on a gross basis in the income statement. The electricity-generating subsidiaries sell their electricity production directly to counterparties in the market at spot price.

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

### Environmental impact

The Group's core business is to develop, construct, sell and manage projects that produce renewable electricity without releasing CO<sub>2</sub>, dust or other emissions into the air, water or ground. The operations also include own production of renewable electricity. Building and construction work, in conjunction with building new wind turbines and related electrical systems, comply with the regulations for such operations.

The Group's handling of oils, chemicals and fuels is limited to oils used for lubricating the mechanical parts of the wind turbines and for necessary usage by external contractors for ground and construction work, and also to fuel needed by suppliers and for the vehicles owned by the Group.



The operations of the wind farms result in a direct impact on the environment in the form of noise, shadows and changes to the landscape.

### Sustainability Report

In accordance with Chapter 6, Section 11, of the Swedish Annual Accounts Act, Arise AB (publ) has chosen to prepare a Sustainability Report as a report separate from the Annual Report. The Sustainability Report is available on pages 22–44 of this document. The scope of content in Arise's Sustainability Report is based on the UN Sustainable Development Goals (SDGs), where Arise can contribute towards several of these SDGs. Goal 7 *Affordable and clean energy* and Goal 13 *Climate action* are the SDGs that Arise can primarily contribute to since its core operations are to generate renewable energy by developing wind power, solar power and other sources of renewable energy.

### Legal requirements

In owning and operating wind turbines and electrical plants, the Group is required to hold all the necessary permits and also provide the necessary notifications according to the Swedish Environmental Code. The Group has all of the permits required to conduct the current operations.

### Risks and uncertainties

Arise classifies risks as external risks (political, economic cycle, environmental, technological developments and competition), financial risks (energy price, currency, interest rate, financing, capital, liquidity and credit) and operational risks (operations, operating expenses and capital expenditures, permits and other rights, key individuals, sub-contractors, contracts, disputes, insurance, IT environment and other risk management).

#### External risks

Arise believes there will be demand for electricity produced from wind and solar power for the foreseeable future. The EU's ambitious climate targets are to cut greenhouse gas emissions by 55% by 2030 compared with the level 1990, and be carbon neutral by 2050. However, continuing technological development could mean that technologies other than wind and solar power become more competitive in the future.

The price of electricity can be affected by a number of factors ranging from economic climate, price of raw materials and CO<sub>2</sub> prices to the structural supply and demand scenario. The received and expected electricity price could influence opportunities for accessing equity and raising debt.

Arise's income depends on the prices of electricity and

the amount of electricity generated by the installed wind turbines which, in turn, is dependent on the wind speed during the period in question at the locations concerned, and the availability of the wind turbines. Wind speed varies between seasons and also between individual years. Furthermore, since production varies hour by hour, day by day, depending on wind conditions, this means that the average price of wind power electricity could deviate from the market price for electricity if these are expressed as daily average prices and/or monthly average prices. The risk of fluctuation in production volumes is reduced by establishing the company's own production in various geographical locations. Unfavourable weather conditions and climate change may, however, have a negative impact on electricity production which, in turn, would affect the company's earnings.

Furthermore, Arise is dependent on income from divesting operational and construction-ready projects to external investors. Through its comprehensive project portfolio and its platform for construction and asset management, Arise is, in terms of its competitive advantages, one of few players in the market able to provide landowners and investors with a complete concept for solar and wind farm construction, including project rights, grid connections and large-scale procurement of panels and turbines. The market is competitive and there is the risk that Arise will not be able to adapt its projects to industrial and technological developments to thereby ensure its future competitiveness. An industrial perspective, combined with the company's own control over the expansion of the operations, are some of the most important prerequisites for the Group's future competitiveness. Furthermore, politics, opinion and the level of general acceptance could negatively affect opportunities for developing wind and solar projects in the future.

#### Financial risks

Energy price risk arises due to fluctuations in the price of electricity quoted on the Nord Pool marketplace. The Group manages this risk by hedging a certain portion of planned production. Future price trends remain uncertain and any decline in the price of electricity could be an indication of the risk of a reduction in value of existing investments.

Currency risk in the Group primarily arises when selling electricity and selling projects, both usually priced in EUR. This risk is managed by hedging the EUR exchange rate to a certain extent using futures. In addition, borrowing takes place in foreign currency if it is deemed that the underlying value of the assets borrowed against is essentially set in such a foreign currency. Such exposure is not normally hedged.

Interest rate risk arises when the Group raises loans and has been managed by largely fixing the interest rates of loans raised through swap agreements.

Liquidity risk refers to the risk that Arise will be unable to meet its payment obligations as a result of insufficient liquidity, difficulties in meeting its financial commitments in credit agreements or limited opportunities for raising new loans. Credit risk refers to the risk that the Group's customers will be unable to fulfil their commitments, meaning that Group companies do not receive payment for their accounts receivable, thus comprising a credit risk. The finance function continuously analyses and assesses customers and applies proactive credit control. Larger accounts receivable can be hedged using guarantees.

Arise is to maintain financial preparedness by holding a liquidity reserve, comprising cash and cash equivalents and unutilised lines of credit, as sufficient at that time.

For more information, see Note 10 in the consolidated financial statements.

### Operational risks

The risk of significant consequences from a complete shut-down of all of the company's wind turbines, as a result of simultaneous technical failures, is deemed to be low. This is partly due to the geographical diversity of the farms, and to the fact that different manufacturers have been used. The company has implemented a complete maintenance system for all wind turbines including, for example, qualified vibration measurement in all key components of each turbine, complete component registration and systems for logging errors and corrective measures in the turbines. In addition, full-service agreements with external suppliers have been signed. The Group's insurance cover also includes property insurance, business interruption insurance, liability insurance, product insurance, wealth insurance and limited coverage for environmental damage. Arise's operations are, to a certain extent, regulated by permits and concessions. Arise complies with established requirements and conditions, but any deviations that may occur in the future could entail the risk that similar permits and concessions are revoked.

In its development activities, Arise is dependent on obtaining the necessary permits, concessions, grid connection agreements, leasehold agreements and other right-of-use agreements. The possibility of obtaining these could be affected by politics or public opinion but also Arise's ability to pursue permit processes and negotiate with various counterparties. Consequently, Arise is dependent on its ability to maintain and recruit key employees. In addition, Arise's future projects are dependent on sub-contractors that are exposed to cost trends for raw materials, components and logistics.

The Group is dependent on a number of IT systems and services for conducting its operations and is therefore exposed to risks related to the company's IT environment. In Arise's opinion, there are no disputes with a potentially

significant impact on the Group's financial position. Arise also believes that operational risks are reduced by the size of the Group and the composition of Group management, which comprises employees with insight into, as well as continuous and close contact with, the operations.

## The work of the Board / Corporate Governance Report

Information regarding corporate governance and the work undertaken by the Board during the year is provided in the Corporate Governance Report on pages 108–111. This report and other information regarding corporate governance at Arise are available on Arise's website, [www.arise.se](http://www.arise.se).

The Articles of Association do not include any provisions regarding the appointment or dismissal of Board members or regarding amendments to the Articles of Association.

### Disclosure regarding the company's shares

#### Total number of shares, votes, dividends and new shares

On 31 December 2023, a total of 44,494,235 shares were issued. Shareholders have the right to vote for all the shares they own or represent. All shares entitle the holder to equal dividends.

The company holds 619,102 treasury shares with a quotient value of SEK 0.08 per share, at remuneration of SEK 40.47 per share.

In 2022, warrants were issued for shares in Arise AB in a programme directed to employees. The total number of warrants issued on 31 December 2023 amounted to 980,000 of which 407,360 have been transferred to participants in the programme.

#### Authorisation

The Annual General Meeting held on 4 May 2023 resolved to authorise the Board, for the period until the next Annual General Meeting, to resolve on issues of ordinary shares, preference shares and convertibles, repurchases of the company's treasury shares and transfers of such shares. There are no restrictions regarding the transfer of shares stipulated in the Articles of Association or applicable legislation. Furthermore, the company is not aware of any agreements between shareholders that would restrict the transfer of shares.

#### Shareholders

Information on the company's shareholders is provided on page 112. The company has two shareholders with a direct or indirect participation representing more than 10% of the votes, which are Johan Claesson with companies and Alto-Cumulus Asset Management.





Lebo wind farm  
Västervik, Sweden



## Agreements with clauses concerning changes in ownership

With a change in ownership entailing a "change of control" or if Arise is de-listed from Nasdaq Stockholm, clauses in the company's loan agreements and bond agreements apply, under which the bank and the bond holder has the right to call for the repayment of loans including accrued interest.

Except for these agreements, the Group has no other material agreements that could be terminated on the basis of changes in ownership. There are no agreements between the company and members of the Board or employees regulating remuneration if such individuals terminate their employment, are dismissed without a valid reason or if their employment or contract ceases as a result of a public takeover bid.

## Code of Conduct

Arise places great importance on conducting its business activities based on sound legal and business ethics. The company's Code of Conduct highlights the principles governing the Group's relationships with its employees, business partners and other stakeholders. The Code of Conduct applies to both employees and the Board of Directors. The Group's suppliers and partners are also expected to respect our Code of Conduct for suppliers and undertake to work proactively to meet these demands in both their own operations and in the supply chain.

The Code of Conduct stipulates that bribes are not allowed, that the company is to be restrictive in terms of giving/receiving gifts and that all business transactions are to be clearly stated in the company's financial statements, which are to be prepared in accordance with generally accepted accounting policies in an honest, relevant and comprehensible manner. Arise takes a neutral position regarding party political issues. Neither the Group's name nor its assets may be used for the promotion of political parties or in the interests of political candidates.

The Code of Conduct also governs the company's work towards a sustainable society, stipulating that the Group's products and processes are to be designed in a manner effectively utilising energy and resources, as well as minimising waste and residual products over the product's useful lifetime. Arise recruits and treats its employees in a manner that ensures there is no discrimination on the basis of gender, ethnicity, religion, age, disability, sexual orientation, nationality, political belief, origin, etc. The Group encourages diversity on all levels. Neither child labour nor work under duress is tolerated. Freedom of association and the right to collective bargaining and agreements are respected.

## Guidelines regarding remuneration of senior executives

These guidelines encompass salaries and other employment conditions for the members of Group management of Arise AB (publ) ("Arise"), including the CEO, referred to below as "senior executives." The guidelines also include any remuneration of Board members for work performed, in addition to Directors' fees. The guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the company's 2024 AGM.

These guidelines do not apply to any remuneration resolved or approved by the AGM, such as, directors' fees and share-based incentive programmes.

### Basic principles

Arise is one of Sweden's leading independent companies in renewable energy with broad experience of project development and management. In short, Arise's business strategy is to develop, construct and sell electricity production and manage it. Arise manages the entire value chain – from exploration and permitting, to financing, construction, divestment and long-term management of renewable electricity production. A prerequisite for the successful implementation of Arise's business strategy and safeguarding of its long-term interests, including its sustainability, is that Arise is able to recruit and retain highly skilled senior executives with the capacity to achieve established targets. To this end, it is necessary that Arise offers competitive remuneration, as enabled by these guidelines.

The remuneration shall be on market and competitive terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The level of remuneration for each individual executive will be based on such factors as work duties, expertise, experience, position and performance. The AGM may also – regardless of these guidelines – adopt remuneration based on, for example, share and share-price-related incentive schemes.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

### Fixed salary

Senior executives are to be offered a fixed, market-based annual salary, based on the individual's responsibilities, skills and performance. The fixed salary is to be determined on a



calendar year basis, with a salary review to take place on 1 January each year.

### Variable cash remuneration

In addition to fixed salary, each senior executive may, from time to time, be offered variable cash remuneration. Such variable cash remuneration is to be specified in the employment contract for each executive. Variable cash remuneration covered by these guidelines shall aim at promoting Arise's business strategy and long-term interests, including its sustainability.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. Performance over a longer period of time may also be considered in the assessment. The annual variable cash remuneration may amount to a maximum of 100% of fixed annual salary. Variable cash remuneration shall not qualify for pension benefits, unless subject to mandatory collective agreement provisions.

The variable cash remuneration shall be linked to one or more predetermined and measurable criteria which can be financial, such as adjusted profit/loss after tax, or non-financial, such as increased growth, competitiveness, successful acquisitions, refinancing, growing human capital or the fulfilment of other objectives.

Since the criteria are linked with the company's financial and operational development in a clear and measurable way, they support the implementation of Arise business strategy, long-term interests and sustainability.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The Remuneration Committee is responsible for the evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by the company. The Board of Directors shall have the possibility to reclaim variable remuneration paid on incorrect grounds (claw-back).

The Group's commitments for variable remuneration to the senior executives who may be encompassed by the objectives for variable remuneration calculated for 2024 – provided that all objectives for variable remuneration are fully satisfied – may amount to a maximum of approximately MSEK 13.6 (approx. MSEK 11.8) including any social security contributions. The outcome for 2023 subject to objectives for variable remuneration objectives, excluding social security contributions, amounted to MSEK 9.1.

Further variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are only made on an individual basis,

either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 50% of the fixed annual cash salary and may not be paid more than once each year per individual. Any resolution on such remuneration shall be made by the Board of Directors based on a proposal from the Remuneration Committee. Variable remuneration of MSEK 0 was paid for such work in 2023.

Each year, the Remuneration Committee and the Board are to evaluate whether share-based incentive programmes are to be proposed to the AGM.

A condition for the payment of variable remuneration is that the executive has been employed for at least three months during the financial year and that the executive is employed by the company at the end of the year. If employment ends because the company terminates the executive's employment due to gross negligence or misconduct, the employee – regardless of when employment is terminated during the year – has no right to receive variable remuneration for and during the year in which employment is terminated. If the executive has been employed for more than three months but less than 12 months during a financial year, the variable remuneration is calculated proportionately based on the time that the executive was employed during the financial year. Periods of employment during any leave of absence or parental leave do not entitle the executive to receive variable remuneration.

### Pensions

Pension benefits, including health insurance, shall be defined contribution unless the individual concerned is subject to defined benefit pension under mandatory collective agreement provisions. In addition to the pension arrangements agreed upon on the basis of collective agreements or other agreements, senior executives may be entitled to individually arranged pension solutions. Senior executives can sacrifice portions of salaries and variable remuneration in exchange for increased pension savings, provided there is no change in the cost incurred by the company over time. The premiums for defined contribution pension, including health insurance, shall amount to a maximum of 32.5% of the fixed annual salary.

### Other benefits

Other benefits may include, for example, life insurance, medical insurance and company car. Premiums and other costs relating to such benefits may total a maximum of 10% of the fixed annual salary.

### Period of notice and severance pay

Senior executives may be permanent or temporary employees. The period of notice for senior executives may be a maximum of 6 months if the executive gives notice, and a maximum of 12 months if the company gives notice. No severance pay is paid during the termination period.

Furthermore, remuneration for any non-compete undertakings may be paid in order to compensate for loss of income. The remuneration shall be based on the fixed salary at the time of termination of employment and amount to not more than 60% of the fixed salary at the time of termination of employment, unless otherwise provided by mandatory collective agreement provisions, and be paid during the time the non-compete undertaking applies, however not for more than 12 months following termination of employment.

### Salary and employment conditions for employees

In the preparation of the Board's proposal for these remuneration guidelines, salary and employment conditions for employees of Arise have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the Board's basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

### Consultancy fees to Board members

If a Board member performs work on Arise's behalf in addition to Board work, a market-based consultancy fee shall be paid for such work to the Board member or company controlled by the Board member, on the condition that the services contribute to the implementation of Arise's business strategy and safeguarding Arise's long-term interests, including its sustainability.

### Board preparations and decision-making

The Board has established a Remuneration Committee. The Remuneration Committee's tasks including preparing the Board's decision on proposals concerning guidelines for remuneration of senior executives. The Board shall prepare a proposal for new guidelines at least every fourth year and submit it to the AGM. The guidelines shall be in force until new guidelines are adopted by the AGM. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The Remuneration Committee's members are independent in relation to the company and management. The CEO and other members of Group management do not participate in the Board's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

### Derogation from the guidelines

The Board may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is

special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board's resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

### Information on remuneration resolved but not yet due

Other than the commitment to pay ongoing remuneration, such as salaries, pensions and other benefits, there is no previously resolved remuneration to any senior executive that is due for payment. For additional information concerning remuneration of senior executives, see Note 4.

### Events after the balance sheet date

No significant events occurred after the end of the financial year.

### Proposed appropriation of profits

The Board proposes that a dividend of SEK 1.20 (1.00) per share is paid for the 2023 financial year. The proposed record date for the dividend is Friday, 10 May 2024. Provided that the AGM approves the Board's proposal, the dividend is expected to be paid on Wednesday, 15 May 2024.

*The following profits are at the disposal of the Annual General Meeting:*

#### Parent Company

Accumulated loss from preceding year	-849,711,803
Share premium reserve non-restricted equity	1,545,670,531
Net profit for the year	815,236,983

<b>Total unappropriated earnings, SEK</b>	<b>1,511,195,711</b>
---	----------------------

The Board of Directors and the CEO propose to the Annual General Meeting that the available earnings be appropriated as follows:

To be paid as dividends, SEK 1.20 per share	53,393,082
To be carried forward, SEK	1,457,802,629

<b>Total appropriation of profit, SEK</b>	<b>1,511,195,711</b>
---	----------------------

### The Board's statement on the proposed dividend

Based on continuously positive results from energy sales and project sales and healthy financial strength, the Board proposes a dividend of SEK 1.20 per share to the forthcoming AGM. The Board believes that the proposed dividend will not prevent the company, and other companies included in the Group, from fulfilling their short or long-term commitments, or from making necessary investments. The proposed dividend can thus be justified in accordance with the provisions of Chapter 17, Section 3, paragraphs 2-3 of the Swedish Companies Act (the prudence rule).





## Consolidated income statement

Amounts to the nearest MSEK	NOTE	2023	2022
Net sales		503	1,164
Other operating income		3	5
<b>Total income</b>	2	<b>507</b>	<b>1,169</b>
Capitalised work on own account	2	11	4
Personnel costs	4	-90	-63
Cost of sold projects		-43	-136
Other external expenses	5	-92	-123
Other operating expenses		-7	-1
<b>Operating profit/loss before depreciation (EBITDA)</b>		<b>286</b>	<b>851</b>
Depreciation and impairment of non-current assets	9	-64	-61
<b>Operating profit/loss (EBIT)</b>		<b>223</b>	<b>790</b>
Profit/loss from financial items	6	-23	-17
<b>Profit/loss before tax</b>		<b>200</b>	<b>772</b>
Tax on profit/loss for the year	7	0	0
<b>Profit/loss for the year</b>		<b>200</b>	<b>772</b>
<b>Profit/loss for the year attributable to:</b>			
Parent Company shareholders		206	772
Non-controlling interests		-6	-
<b>Earnings per share regarding profit for the year attributable to Parent Company shareholders:<sup>1)</sup></b>			
Basic earnings per share, SEK		4.65	18.60
Diluted earnings per share, SEK		4.65	18.60
Treasury shares held by the Company, amounting to 619,102 shares, have not been included in calculating earnings per share and only financial instruments outstanding at the end of the period were considered.			
Number of shares at the beginning of the year		44,440,041	38,621,440
Number of shares at year-end		43,875,133	44,440,041

<sup>1)</sup> For calculation of earnings per share, see Note 17.

## Consolidated statement of comprehensive income

Amounts to the nearest MSEK	2023	2022
<b>Profit/loss for the year</b>	<b>200</b>	<b>772</b>
<b>Other comprehensive income</b>		
<b>Items that may be reclassified to the income statement</b>		
Translation differences for the year	-4	0
Cash flow hedges	165	45
Income tax attributable to components of other comprehensive income	-34	-9
<b>Other comprehensive income for the year, net after tax</b>	<b>127</b>	<b>36</b>
<b>Total comprehensive income for the year</b>	<b>327</b>	<b>807</b>
<b>Comprehensive income for the year attributable to:</b>		
Parent Company shareholders	337	807
Non-controlling interests	-10	-



# Consolidated balance sheet

Amounts to the nearest MSEK	NOTE	2023	2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	9	30	25
Property, plant and equipment	9	2,175	1,164
Lease assets	9	60	54
Other long term securites	11	27	26
Other long-term receivables	12	180	112
Deferred tax assets	7	–	23
Other financial non-current assets	13	37	29
<b>Total non-current assets</b>		<b>2,510</b>	<b>1,432</b>
<b>Current assets</b>			
Accounts receivable	15	14	7
Other current receivables	14	22	12
Derivative assets	10	58	26
Contract assets	16	248	149
Prepaid expenses and accrued income	16	38	69
Cash and cash equivalents		917	1,220
<b>Total current assets</b>		<b>1,297</b>	<b>1,483</b>
<b>TOTAL ASSETS</b>		<b>3,807</b>	<b>2,916</b>
<b>EQUITY</b>			
Share capital	17	4	4
Other contributed capital		1,499	1,567
Reserves		48	–84
Retained earnings		337	129
<b>Total equity attributable to Parent Company shareholders</b>		<b>1,887</b>	<b>1,616</b>
Equity attributable to non-controlling interests		318	–
<b>Total equity</b>		<b>2,206</b>	<b>1,616</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Non-current interest-bearing liabilities	18	1,075	925
Other non-current liabilities	19	200	–
Non-current interest-bearing lease liabilities	18	59	55
Provisions	20	90	62
<b>Total non-current liabilities</b>		<b>1,425</b>	<b>1,042</b>
<b>Current liabilities</b>			
Current interest-bearing liabilities	18	53	27
Current interest-bearing lease liabilities	18	6	2
Accounts payable		27	49
Derivative liabilities	10	–	133
Other liabilities	10	2	1
Accrued expenses and deferred income	21	88	46
<b>Total current liabilities</b>		<b>176</b>	<b>258</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,807</b>	<b>2,916</b>

## Consolidated cash flow statement

Amounts to the nearest MSEK	NOTE	2023	2022
<b>Operating activities</b>			
Operating profit (EBIT)		223	790
Adjustment for non-cash items	8	65	178
Interest received		28	3
Tax paid		-4	-4
<b>Cash flow from operating activities before changes in working capital</b>		<b>312</b>	<b>967</b>
<b>Cash flow from changes in working capital</b>			
Increase (-) / decrease (+) in inventories		0	1
Increase (-) / decrease (+) in operating receivables		-97	-104
Increase (+) / decrease (-) in operating liabilities		7	62
<b>Cash flow from operating activities</b>		<b>222</b>	<b>926</b>
<b>Investing activities</b>			
Acquisition of non-current assets		-354	-176
Acquisition of subsidiaries		-137	-
Investments in financial non-current assets		-47	-130
<b>Cash flow from investing activities</b>		<b>-539</b>	<b>-305</b>
<b>Financing activities</b>			
Loan repayments		-57	-18
Loans raised		207	523
Amortisation of lease liabilities		-8	-6
Interest paid and other financing costs		-62	-33
Net payment to blocked accounts		-1	-9
Dividend to Parent Company shareholders		-44	-
Repurchase of own shares		-24	-
New share issues/warrants		-	3
<b>Cash flow from financing activities</b>		<b>11</b>	<b>461</b>
<b>Cash flow for the year</b>		<b>-306</b>	<b>1,082</b>
Cash and cash equivalents at beginning of year		1,220	70
Exchange-rate difference in cash and cash equivalents		3	68
<b>Cash and cash equivalents at year-end</b>		<b>917</b>	<b>1,220</b>
Interest-bearing liabilities at year-end (excl. lease liabilities)		1,129	952
Blocked cash and cash equivalents at year-end		-29	-27
<b>Net debt</b>		<b>183</b>	<b>-296</b>

Refer to Note 1 Accounting policies, which describes the basis for the preparation of the consolidated cash flow statement.



## Change in liabilities in financing activities 2023

Amounts to the nearest MSEK	31 Dec 2022	Cash flow	Non-cash items	31 Dec 2023
Bank loans	403	179	-11	572
Bond loan	548	-	1	549
Other loans	-	-29	37	8
Lease liabilities	57	-8	16	65
<b>Total</b>	<b>1,009</b>	<b>142</b>	<b>43</b>	<b>1,194</b>
<b>Other items affecting cash flow</b>		<b>-131</b>		
<b>Total</b>		<b>11</b>		

Other items affecting cash flow in the financing operations refer to payments to blocked accounts, interest items, currency futures, dividends to shareholders, repurchase of own shares and fees for overdraft facilities.

## Change in liabilities in financing activities 2022

Amounts to the nearest MSEK	31 Dec 2021	Cash flow	Non-cash items	31 Dec 2022
Bank loan	383	-15	35	403
Bond loan	-	514	35	548
Convertible loan	133	-4	-129	-
Lease liabilities	58	-6	5	57
<b>Total</b>	<b>574</b>	<b>489</b>	<b>-54</b>	<b>1,009</b>
<b>Other items affecting cash flow</b>		<b>-25</b>		
<b>Total</b>		<b>464</b>		

Other items affecting cash flow in the financing operations refer to payments of warrants, payments to blocked accounts, interest items, currency futures and fees for overdraft facilities.

## Group equity

Amounts to the nearest MSEK	Total equity attributable to Parent Company shareholders						Non-controlling interests	Total equity
	Share capital	Other contributed capital	Hedge reserve	Translation reserve	Retained earnings/accumulated deficit	Total		
<b>Opening balance on 1 Jan 2022</b>	<b>3</b>	<b>1,435</b>	<b>-121</b>	<b>1</b>	<b>-643</b>	<b>676</b>	<b>-</b>	<b>676</b>
Profit for the year	-	-	-	-	772	772	-	772
Other comprehensive income for the year	-	-	36	0	-	36	-	36
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>36</b>	<b>0</b>	<b>772</b>	<b>807</b>	<b>-</b>	<b>807</b>
<b>Transactions with shareholders</b>								
New share issue/conversion of convertibles	0	132	-	-	-	132	-	132
Other adjustments	-	0	-	-	-	-	-	-
<b>Total transactions with shareholders</b>	<b>0</b>	<b>132</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>132</b>	<b>-</b>	<b>132</b>
<b>Closing balance on 31 Dec 2022</b>	<b>4</b>	<b>1,567</b>	<b>-85</b>	<b>1</b>	<b>129</b>	<b>1,616</b>	<b>-</b>	<b>1,616</b>
<b>Opening balance on 1 Jan 2023</b>	<b>4</b>	<b>1,567</b>	<b>-85</b>	<b>1</b>	<b>129</b>	<b>1,616</b>	<b>-</b>	<b>1,616</b>
Profit for the year	-	-	-	-	206	206	-6	200
Other comprehensive income for the year	-	-	131	0	-	131	-4	127
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>131</b>	<b>0</b>	<b>206</b>	<b>337</b>	<b>-10</b>	<b>327</b>
<b>Transactions with shareholders</b>								
Non-controlling interests on acquisition of subsidiaries	-	-	-	-	-	-	331	331
Transactions with non-controlling interests	-	-	-	-	3	3	-3	-
Repurchase of own shares	-	-24	-	-	-	-24	-	-24
Dividend	-	-44	-	-	-	-44	-	-44
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-68</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-65</b>	<b>328</b>	<b>263</b>
<b>Closing balance on 31 Dec 2023</b>	<b>4</b>	<b>1,499</b>	<b>46</b>	<b>1</b>	<b>337</b>	<b>1,887</b>	<b>318</b>	<b>2,206</b>

### DEFINITIONS OF KEY RATIOS

#### EBITDA margin

EBITDA as a percentage of total income.

#### Operating margin

EBIT as a percentage of total income.

#### Return on capital employed

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

#### Return on equity

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

#### Equity per share

Equity attributable to Parent Company shareholders divided by the average number of shares.

#### Equity per share after dilution

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

#### Adjusted equity per share

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

#### Net financial items

Financial income less financial expenses.

#### Average equity

Rolling 12-month average equity.

#### Operating cash flow

Cash flow from operating activities after changes in working capital.

#### Net debt

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

#### Debt/equity ratio

Net debt as a percentage of equity.

#### Specific operating expenses, SEK per MWh

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

#### Equity/assets ratio

Equity as a percentage of total assets.

#### Capital employed

Equity plus interest-bearing liabilities.

#### Earnings per share

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

#### General information about key ratios

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

#### Rounding

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



# Notes to the consolidated financial statements



## NOTE 1 • ACCOUNTING POLICIES

### Accounting policies for the Group

#### 1. General information

Arise AB (publ), Corporate Identity Number 556274–6726, is a limited liability company registered in Sweden, and its shares are listed on Nasdaq Stockholm. The company's registered office is located in Halmstad. The company's and its subsidiaries' primary operations are described in the Directors' Report in this Annual Report. The consolidated financial statements for the financial year ending on 31 December 2023 were approved by the Board of Directors on 21 March 2024, and will be presented to the Annual General Meeting for adoption on 7 May 2024.

#### 2. Summary of important accounting policies

The most important accounting policies applied in the preparation of these consolidated financial statements are presented below. These policies have been applied consistently for all years presented in the accounts, unless otherwise stated.

##### Basis of preparation of the financial statements

The consolidated financial statements for Arise AB were prepared in accordance with the Swedish Annual Accounts Act, the Swedish Financial Reporting Board's RFR 1 Supplementary Accounting Rules for Groups, as well as *International Financial Reporting Standards* (IFRS) and the interpretations of the *IFRS Interpretations Committee* (IFRS IC) as adopted by the EU.

The preparation of financial statements in accordance with IFRS requires the application of various important estimates and assumptions for accounting purposes. Management is also required to make assessments regarding the application of the Group's accounting policies. The areas that involve a high degree of assessment, which are complex, or in which estimates and assumptions are of material importance for the consolidated financial statements, are described in Note 1, Point 3.

The Group's presentation currency and the Parent Company's functional currency is the Swedish krona (SEK). Unless otherwise stated, all amounts are stated in millions of SEK (MSEK). In the consolidated financial statements, items have been measured at cost, adjusted for amortisation/depreciation and impairment, with the exception of certain financial instruments, which have been measured at fair value. The applied accounting policies deemed significant to the Group are described below.

#### **New and amended standards applied by the Group 2023**

None of the IFRS or IFRIC interpretations that entered into force during the year are expected to have any material effect on the consolidated financial statements.

#### **New standards and interpretations not yet applied by the Group**

None of the other IFRS or IFRIC interpretations yet to enter into force are expected to have any material effect on the consolidated financial statements.

#### **Consolidated financial statements**

##### *Subsidiaries*

Subsidiaries are all companies in which the Group exercises control. Control is deemed to exist when the Group is exposed to or is entitled to variable returns on the basis of its holding in the company and is able to impact this return through its influence in the company. Subsidiaries are included in the consolidated financial statements from the date on which control is transferred to the Group and are excluded from the financial statements from the date on which control is relinquished.

Subsidiaries are reported in accordance with the acquisition method. The acquired identifiable assets, liabilities and contingent liabilities are measured at fair value as of the acquisition date. Any surplus, comprised of the difference between the cost paid for the acquired holding and the sum of the fair values of the acquired identifiable assets and liabilities, is recognised as goodwill. If the cost is less than the fair value of the acquired subsidiary's net assets, the difference is recognised directly in the income statement.

##### *Transactions with non-controlling interests*

The Group treats transactions with non-controlling interests as transactions with the Group's shareholders. When non-controlling interests are acquired, the difference between the con-

sideration paid and the actual share acquired of the carrying amount of the subsidiary's net assets is recognised in equity.

When the Group no longer has control, any remaining holding is remeasured at fair value and the change in the carrying amount is recognised in the income statement. The fair value is utilised as the initial carrying amount and forms the basis for the continued recognition of the remaining holding as an associate, joint venture or financial instrument. All amounts related to the divested entity which were previously recognised in other comprehensive income are recognised as if the Group had directly sold the attributable assets or liabilities. This treatment may entail that an amount which was previously recognised in other comprehensive income is reclassified to the income statement.

##### *Sales of subsidiaries*

When the Group no longer exercises control, any remaining holding in the company is measured at fair value as per the date on which control is relinquished. The change in the carrying amount is recognised in the income statement. The fair value is utilised as the initial carrying amount and forms the basis for the continued recognition of the remaining holding as an associate, joint venture or financial asset. All amounts related to the divested entity which were previously recognised in other comprehensive income are recognised as if the Group had directly sold the attributable assets or liabilities. This treatment may entail that amounts which were previously recognised in other comprehensive income are reclassified to the income statement.

##### *Asset acquisitions*

Transactions where the fair value of the acquired assets substantially comprises an asset or a group of similar assets are recognised as an asset acquisition, using a simplified assessment. When acquisitions of subsidiaries involve the acquisition of net assets without substantive processes, the cost of acquisition is allocated to the individual identifiable assets and liabilities based on their fair values on the acquisition date. The fair value initially also includes contingent consideration. Transaction costs are added to the cost of the net assets acquired in an asset acquisition. Changes to the estimated value of contingent consideration after the acquisition are added to the cost of the assets acquired. In the case of successive acquisitions of subsidiaries that constitute asset acquisitions, there is no revaluation of previous acquisitions when control arises.

#### **Segment reporting**

An operating segment, which for Arise entails Development, Production and Solutions, is part of the Group that conducts business operations from which it generates revenues and incurs costs and for which independent financial information is available. An operating segment's earnings are reported to the chief operating decision maker, who at Arise is the CEO, for more information see Note 3.



**Translation of foreign currencies***Functional currency and presentation currency*

Items included in the financial statements of the various entities in the Group are valued in the currency used in the economic environment in which the respective companies engage in their main operations (functional currency). The consolidated financial statements are presented in Swedish krona (SEK), which is the functional currency of the Parent Company and the presentation currency of the Group.

*Transactions and balance sheet items*

Transactions in foreign currencies are translated to the functional currency at the exchange rates applicable on the transaction date or the day on which the items were remeasured. Exchange rate gains and losses arising on payment of such transactions and in the translation of monetary assets and liabilities in foreign currency at the closing rate are recognised in the income statement. The exception is transactions that are hedges that meet the conditions for hedge accounting of cash flows or net investments for which gains/losses are recognised in other comprehensive income. Exchange rate differences on operating receivables and operating liabilities are recognised in EBIT, while exchange rate differences on financial receivables and liabilities are recognised in net financial items. Realised gains and losses on hedging derivatives are recognised in the income statement items in which the hedged transactions are recognised.

*Group companies*

The earnings and financial position of all Group companies whose functional currency is different to the presentation currency are translated to the Group's presentation currency as follows:

- assets and liabilities for each of the balance sheets are translated at the closing rate
- income and expenses for each of the income statements are translated at the average exchange rate
- all exchange rate differences that arise are recognised in other comprehensive income.

**Revenue recognition**

Income is recognised in the income statement when control has been passed to the purchaser. The time when control is passed is based on Arise's opinion of whether the Group's performance obligation will be satisfied at a point in time or over time. Arise's net sales include the sale of generated electricity, earned and sold electricity certificates and guarantees of origin, as well as gains and losses from electricity and currency derivatives attributable to the hedged production. Net sales include development income from sold projects and management income. For sales of projects, the sale is recognised at gross amount in the consolidated financial statements with the consideration comprising sales and the

costs associated with the sale recognised as cost of sold projects and transaction costs. Capital gains/losses are thus recognised at the corresponding amount as though the company had recognised the profit on the sale at net value, for more information on income, see Note 2.

Income arising from the sale of generated electricity is recognised at a point in time in the period in which delivery took place, at the spot price, forward price or other contracted price. Income relating to electricity certificates is recognised over time at the applicable spot price, forward price or other contracted price for the period in which the electricity certificate is earned, which is the period in which the electricity was produced. Income from electricity, electricity certificates and guarantees of origin is recognised in net sales for the Production segment, from the date of commissioning.

Income from sales of projects is recognised concurrently as the risks inherent to the project are transferred from Arise to the purchaser. For development projects, income and the costs attributable to the project are recognised as revenue and expenses in relation to the degree of completion of the project on the balance sheet date (percentage of completion). Arise estimates the degree of completion of each project by comparing the incurred costs with the estimated total expenses, and by estimating the risk in the remaining stages of the project. The projects may also have variable remuneration associated with the outcome of the project. Such income is recognised in accordance with the limitation regulations related to variable remuneration in IFRS 15, which means that Arise only recognises income attributable to variable remuneration if it is highly probable that a material reversal will not occur. Management income is recognised according to contract in line with the service being delivered.

**Current and deferred tax**

Tax expense for the period includes current tax calculated on the taxable earnings for the period at applicable tax rates. Current tax expense is adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unutilised loss carry-forwards.

Deferred tax assets are recognised to the extent that it is likely that future tax surpluses will be available against which temporary differences can be utilised.

**Leases**

The Group's leases primarily comprise right-of-use assets for wind farms, leased cars and office premises. Leases are recognised as right-of-use assets with the corresponding lease liability on the day that the leased asset is available for use by the Group. Short-term leases and leases for which the underlying asset is of a low value are exempted.

The Group's lease liabilities are recognised at the present value of the Group's future lease payments. The lease payments are discounted using the Group's incremental borrowing rate.

The Group's right-of-use assets are recognised at cost

and include the initial present value of the lease liability, adjusted by lease payments paid at or prior to commencement and initial direct costs. Restoration costs are included in the asset if a corresponding provision for restoration costs has been identified.

#### **Intangible assets**

Intangible assets are recognised at cost. These assets comprise acquired intangible assets that are attributable to acquired project rights and have an indefinite useful life. These assets are tested annually, or on indication of value decline, for impairment.

#### **Property, plant and equipment**

Property, plant and equipment are recognised at cost less accumulated depreciation and any impairment. The cost includes expenditure which is directly attributable to the acquisition of the asset, and also includes the transfer of the outcomes of approved cash flow hedges on purchases of property, plant and equipment in foreign currencies from equity. The cost for wind farms also includes, in contrast to the cost for other investments, normal expenses for calibration and commissioning. All expenses for continuous new investments are capitalised.

In conjunction with the granting of permits for the construction of wind turbines, the Group commits to restore land to its original condition after the end of the turbines' useful life. The estimated expense for this restoration is provided for in the consolidated financial statements.

Subsequent expenditure increases the asset's carrying amount or is recognised as a separate component only when it is likely that the future economic benefits associated with the asset will accrue to the Group, and the cost of the asset can be reliably estimated. All other forms of repair and maintenance are recognised as expenses in the income statement in the period in which they arise.

Land is assumed to have an indefinite useful life and is therefore not depreciated. The value of wind farms is depreciated on a straight-line basis down to a maximum of the asset's estimated residual value and over the asset's expected useful life. The Group applies component depreciation, meaning that the components' estimated useful lives form the basis of straight-line depreciation. The depreciation of wind farms is initiated when taken over from the supplier. For the calculation of depreciation according to plan, the following useful lives are applied:

- Buildings 20 years
- Wind turbines and foundations 10–30 years
- Other equipment 3–5 years

#### **Impairment of non-financial assets**

Assets that are depreciated are assessed based on a decline in value whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Impairment is recognised at the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less selling expenses and its value in use. The value in use comprises the present value of all incoming and outgoing payments attributable to the asset during the period in which it is expected to be utilised in the operations, plus the present value of the net realisable value at the end of the asset's useful life. If the calculated recoverable amount is less than the carrying amount, the asset is impaired to its recoverable amount. When testing for impairment, assets are grouped at the lowest level where there are essentially independent cash flows (cash generating units).

Intangible assets with an indefinite useful life are not amortised, but are tested annually, or on indication of value decline, for impairment. Impairment is recognised at the amount by which the carrying amount of the asset exceeds its recoverable amount.

#### **Cash and cash equivalents**

Cash and cash equivalents consist of cash and bank balances, which are measured at amortised cost.

#### **Accounts receivable**

Accounts receivable are amounts that are to be paid by customers for goods sold or services provided in the operating activities. Accounts receivable are classified as current assets if payment is expected within one year or earlier. Otherwise they are recognised as non-current assets.

Accounts receivable are initially measured at fair value and, thereafter, at amortised cost, applying the effective interest method, reduced by the Group's credit loss risk reserve ("loss allowance"). The Group assesses future expected credit losses on accounts receivable and recognises a loss allowance for such expected credit losses on every reporting date. For accounts receivable, the Group applies the simplified approach, meaning the loss allowance will correspond to the expected losses over the full lifetime of the accounts receivable. The Group makes use of forward-looking variables for expected credit losses. Expected credit losses are recognised in the Group's EBIT.

### **Financial assets and liabilities**

#### **Classification**

The Group classifies its financial instruments into the following categories:

- financial assets/liabilities measured at amortised cost
- financial assets/liabilities measured at fair value through profit or loss (FVTPL)
- derivative instruments held for trading or hedging

The Group classifies its financial assets and liabilities depending on the purpose for which the financial asset or liability



was acquired. The classification of investments in debt instruments is based on the Group's business model and whether the contractual conditions of the assets' cash flows comprise solely payments of principal and interest (the SPPI test).

#### *Financial assets/liabilities measured at amortised cost*

Financial assets measured at amortised cost are financial assets that are not derivatives, that have determined, or determinable, payments and that are not quoted on an active market. Assets held to collect the contractual cash flows and where these cash flows comprise solely payments of principal and interest are measured at amortised cost. These items are included in current assets, with the exception of items maturing later than 12 months after the balance sheet date, which are classified as non-current assets. The Group's assets measured at amortised cost comprise "Blocked accounts," "Accounts receivable," "Other receivables" and "Cash and cash equivalents" in the balance sheet.

Assets in this category are initially measured at fair value and, thereafter, at amortised cost, applying the effective interest method, less any reserve for declines in value.

#### *Financial assets measured at fair value through profit or loss*

Assets that do not meet the requirements for being measured at amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. Arise's assets measured at fair value through profit or loss comprise other long-term securities in unlisted shares. All of these assets belong to Level 3 of the fair value hierarchy.

#### *Derivatives and hedging*

Derivative instruments are recognised in the balance sheet on the contract date and are measured at fair value, both upon initial recognition and in subsequent remeasurement. The method for recognising the gain or loss arising in conjunction with remeasurement is dependent on whether the derivative is identified as a hedging instrument and, if this is the case, the nature of the item being hedged. The Group identifies certain derivatives as one of the following:

(a) hedging of fair value regarding a recognised asset or liability, or a binding commitment (fair value hedge), (b) hedging of a particular risk associated with a recognised asset or liability, or a transaction which is forecast as highly likely to take place (cash flow hedge), or (c) hedging of net investments in foreign currency (hedging of net investments).

Measurement of hedging instruments for electricity prices, currencies and interest rates is based on observable data. For derivative instruments or other financial instruments that meet the requirements for hedge accounting under the method for cash flow hedges or hedge of net investments in a foreign currency, the effective portion of the change in value is recognised in other comprehensive income. For derivatives where hedge accounting is not applied and for derivatives included in a fair value hedge, any changes in value are recognised in the income statement.

#### *Cash flow hedges*

In cash flow hedging, changes in value are recognised in other comprehensive income and are recognised separately in specific categories within equity until the hedged item is recognised in the income statement. Any gains or losses on hedging instruments attributable to the effective portion of hedging are recognised in other comprehensive income and are recognised separately in equity under hedge reserve. Any gains or losses attributable to the ineffective portions of hedging are recognised in the income statement, for electricity and currencies in EBIT and for interest derivatives in net financial items. Hedge accounting is discontinued when a hedging instrument expires, is sold or when the hedge no longer meets the criteria for hedge accounting. The amount that has been accumulated in equity remains there until the forecast transaction occurs. If the forecast transaction is no longer expected to occur, that amount in the equity related to the hedge is immediately reclassified to the income statement.

When transactions are made, the Group documents the relationship between the hedging instrument and the hedged item, as well as the Group's objectives for risk management and risk management's strategy regarding hedging. The Group also documents its assessment, both when the hedging is initiated and on an ongoing basis, to determine if the derivatives utilised in hedge transactions are effective in terms of counteracting changes in the fair value of, or cash flows attributable to, the hedged items.

Disclosures on the fair value of various derivative instruments used for hedging purposes can be found in Note 10.

#### *Calculation of fair value of financial instruments*

Official market prices on the balance sheet date are applied in determining the fair value of long-term derivatives. The market values of other financial assets and financial liabilities are calculated through generally accepted methods, such as the discounting of future cash flows, on the basis of the listed market rates for each maturity. Amounts are translated to SEK at the quoted exchange rate on the balance sheet date.

#### *Recognition and derecognition from the balance sheet*

A financial asset or a financial liability is recognised in the balance sheet when Arise becomes a party to the instrument's contractual terms and conditions. A financial asset is derecognised from the balance sheet when the rights of the agreement are realised, expire or the company loses control over them. A financial liability is derecognised from the balance sheet when the obligations in the agreement are fulfilled or otherwise extinguished. Acquisitions and sales of financial assets are recognised on the transaction date, which is the date on which the company commits to acquire or sell the asset, except for cases in which the company acquires or sells listed securities, in which case settlement accounting is applied.

#### *Impairment*

The Group measures future expected credit losses that are

related to financial assets measured at amortised cost or measured at fair value with changes in other comprehensive income based on forward-looking information. The Group applies a simplified method for impairment testing of accounts receivable and contract assets in accordance with the rules of IFRS 9. This simplification entails that the loss allowance for expected credit losses is based on the risk of loss for the full lifetime of the receivable and is recognised on initial recognition. This method requires that a loss allowance is established for expected losses for the full lifetime of the accounts receivable and the contract assets. To measure expected credit losses, accounts receivable and contract assets have been grouped based on their credit risk characteristics and days past due. The Group makes use of forward-looking variables for expected credit losses.

#### **Accounts payable and other liabilities**

Accounts payable are obligations to pay for products or services which have been acquired from suppliers in the course of the operations.

Accounts payable and other liabilities are classified as current liabilities if they fall due within one year or earlier. If not, they are recognised as non-current liabilities.

Accounts payable are initially measured at fair value and, thereafter, at amortised cost, applying the effective interest method.

#### **Borrowing and borrowing costs**

Liabilities to credit institutions and credit facilities are categorised as "Other interest-bearing liabilities" and are initially measured at fair value, net after transaction costs. Borrowing is, thereafter, recognised at amortised cost, whereby directly attributable expenses, such as arrangement fees, are distributed over the loan's maturity using the effective interest method. Non-current liabilities have an expected maturity longer than one year, while current liabilities have a maturity of one year or less.

The Group capitalised borrowing expenses that were directly attributable to the purchase, construction or production of an asset that took a significant time to finalise for use, as part of the cost of the asset, see Note 9.

#### **Provisions**

Provisions for environmental restoration, restructuring costs and legal requirements are recognised when the Group has a legal or informal obligation as a result of events that have occurred, when it is probable that an outflow of resources will be required to settle the obligation, and when the amount has been reliably estimated.

If a number of similar obligations exist, the probability of whether an outflow of resources will be required is assessed for the group of obligations as a whole. A provision is recognised even if the probability that an outflow of resources will be required for an individual item in such a group is deemed to be negligible.

Provisions are measured at the present value of the amount expected to be required to settle the obligation, see Note 20.

#### **Employee benefits**

##### *Short-term employee benefits*

Employee benefits comprise salaries, holiday pay, paid sick leave, etc., and pensions. Liabilities for salaries and remuneration, including paid sick leave, that are expected to be settled within 12 months from the end of the financial year are recognised as current liabilities at the discounted amount that is expected to be paid when the liabilities are settled.

The expense is recognised in pace with the services being performed by the employees. The liabilities are recognised as an obligation regarding employee benefits in the balance sheet.

##### *Post-employment benefits*

With regard to pension commitments, the Group has only defined contribution pension plans which primarily include retirement pension, disability pension and family pension.

Premiums are paid regularly during the year by each Group company to independent legal entities, normally insurance companies. The size of the premium is based on the salary level and, other than pension payments, the Group has no obligation to pay further benefits. The expenses are charged to the Group's profit at the same time as the benefits are earned, which normally coincides with the time at which the premiums are paid. For information regarding remuneration of senior executives, refer to the Directors' Report on page 52.

##### *Incentive programme*

The Extraordinary General Meeting held on 15 December 2022 resolved to introduce a long-term incentive programmer for Group management and other employees ("Warrant Programme 2022 II"). The purpose of the Warrant Programme 2022 II is to make it possible for participants to receive compensation linked to Arise's long-term value creation and thus align the participants' interests with those of the shareholders. Subscription for new shares under the Warrant Programme 2022 II framework can take place in the period between 15 December 2025 and 31 December 2025. Warrant Programme 2022 II encompasses a total of 980,000 warrants, of which 370,000 were subscribed for by Group management and 37,360 were subscribed for by other employees. The warrants entitle subscription to subscription of an equivalent amount of new ordinary shares in Arise. The warrants that are not subscribed for will remain in treasury with Arise for potential use in the future. The participants acquired warrants at market value according to the Black Scholes formula and the Group is not financing this investment. The subscription price per ordinary share amounted to 125% of the volume-weighted average price according to the Nasdaq Stockholm's official price list for ordinary shares in the company for the ten trading days immediately preceding the



Meeting on 15 December 2022. The subscription price and the number of shares to which each warrant carries entitlement to subscription may be subject to customary recalculation formulas in the event of a share split or reverse share split, preferential rights issue or similar events.

### Share capital

Ordinary shares are classified as equity. Transaction costs that can be directly attributed to the issue of new ordinary shares or warrants are recognised, net after tax, in equity, as deductions from the issue proceeds.

## 3. Significant estimates and assessments

In preparing financial statements in accordance with IFRS and generally accepted accounting policies, estimates and assumptions are made about the future, which affect balance sheet and income statement items. These assessment are based on past experience and the various assumptions that management and the Board regard as reasonable under the prevailing circumstances. In cases in which it is not possible to determine the carrying amounts of assets and liabilities on the basis of information from other sources, the valuations are based on such estimates and assumptions. If other assumptions are made or other conditions arise, the actual outcome may differ from these assessments.

### Critical accounting estimates and assumptions

The Group makes estimates and assumptions about the future. The resulting accounting estimates will, by definition, seldom correspond to the actual results. A summary of the estimates and assumptions entailing a considerable risk of significant adjustments in the carrying amounts of assets and liabilities during the forthcoming financial year is presented below:

#### *Estimates and assessment regarding earnouts*

The earnout is valued based on the terms of the purchase agreement. The valuation of contingent consideration also includes the present value of expected payments. Different scenarios for the forecast outcome are considered in order to assess the amount of the expected payments and the probability of this occurring.

#### *Impairment testing for property, plant and equipment*

The Group has significant values recognised in the balance sheet relating to property, plant and equipment in the form of wind farms and wind and solar power projects. The carrying amounts of these are tested for impairment in accordance with the accounting policies described in this note.

The recoverable amounts of wind farms, which are deemed to comprise cash generating units, have been determined by calculating the value in use for wind farms in operation. These calculations require the use of estimates of future cash flows and assumptions regarding the required return and choice of discount rate.

Projects in the Development and Production segments were tested for impairment. The 2023 tests did not indicate any material impairment requirement. The tests performed in Development were based on whether the projects could be expected to be realised at reasonable conditions in the future. In Production, the value in use was calculated at SEK 1.6 billion (2.0), excluding restoration costs, based on exchange rates on the balance sheet date. The value exceeded the carrying amount by SEK 0.7 billion (0.9). The discount rate amounted to 8.2% (7.4). A change in the discount rate of +/- one percentage point would affect the value by approximately MEUR 10. On the balance sheet date, the Lebo wind farm was not included in the Production segment and thus not in the calculation of the value in use above.

The continuing average useful life is estimated at 17 years (18) and is consistent with the company's assessment of the total useful life (see below). A normal production year is estimated at 343 GWh (343) and is based on production outcome. The Board's and company management's assumption regarding future electricity prices, electricity certificates and guarantees of origin is based on price forecasts produced by external experts. Future price assumptions relating to electricity, electricity certificates and guarantees of origin and the discount rate are the factors with the most influence in a sensitivity analysis. The price trend is dependent on factors including the trend in prices for certificates and guarantees of origin, and the general trend in electricity prices, as well as the effect of the Group's price hedging. The discount rate depends on the underlying interest rate levels, risk factors and the availability of financing. Should the price levels of electricity, electricity certificates and guarantees of origin decline, or should the anticipated future price trend not be realised, while, at the same time, the chosen discount rate remains unchanged, then the estimated value in use will also decrease. This could have a material effect on Arise's earnings and financial position. For more information regarding the company's non-current assets, refer to Note 9.

#### *Valuation of loss carry-forwards*

Deferred tax assets attributable to loss carry-forwards recognised in the Group amounted to SEK 0 (0), see Note 7. The company has not recognised any deferred tax assets related to loss carry-forwards since a large share of the expected income is tax-exempt and there is uncertainty regarding future electricity prices. According to current tax legislation in Sweden, loss carry-forwards can be utilised indefinitely.

#### *Sale of projects*

Arise has an expansion and business plan that could involve acquisition and sale of one or more projects directly or via companies. During the year, the Group continued with the construction of Ranasjö- and Salsjöhöjden and the construction of Kolvallen, and started the construction of Fasikan. Skaftåsen was completed during the year and the final earn-out was received. Each individual transaction is prepared

individually and the contracts contain specific contractual terms that, among others, regulate payment model and stipulate the obligations of each party and conditions to be fulfilled within the validity of the contract. Transaction arrangements and the related contract is complex for which the view of the completed transaction and the related contractual terms could have a significant impact on the company's reporting and revenue recognition. If material deviations were to arise in sold projects during the construction phase, it could have a material impact on Arise's earnings and financial position.

Assessments of revenue recognition related to any earn-outs consider in the first instance whether a sufficient buffer for unforeseen costs is to be in place, based on experience of how large such an item should reasonably be. The consideration is then recognised in revenue as costs in the project are accrued, taking into account when risks and control transferred from the seller to the buyer. This revenue recognition takes place in accordance with the limitation regulations related to variable remuneration in IFRS 15, which means that Arise only recognises income attributable to variable remuneration if it is highly probable that a material reversal will not occur.

#### *Useful lives of wind turbines*

The expected useful life of a wind turbine is 30 years.

#### *Restoration costs*

In certain projects, there are requirements for the restoration of land after the expiration of the wind turbines. The expenses for dismantling wind turbines and restoring the land around the wind turbines have been estimated at MSEK 79 (49) for operational turbines, for which a provision has been made in the financial statements, see Note 20, and included in the depreciable amount.

## NOTE 2 • INCOME

Net sales include the sale of generated electricity, earned and sold electricity certificates, sales of guarantees of origin as well as gains and losses from electricity and currency derivatives attributable to the hedged production. Net sales also include development income from sold projects and management income. Management income is recognised according to contract based on monthly and quarterly invoices. For sales of projects, the sale is recognised at gross amount in the consolidated financial statements with the consideration comprising sales and the costs associated with the sale recognised as cost of sold projects and transaction costs.

Capital gains/losses are thus recognised at the corresponding amount as though the company had recognised the profit on the sale at net value.

	2023	2022
Electricity	238	208
Electricity certificates and guarantees of origin	1	2
Development	224	924
Services	40	30
<b>Net sales</b>	<b>503</b>	<b>1,164</b>

Income for electricity, electricity certificates and guarantees of origin is recognised in the Production segment, income for development is recognised in the Development segment, and income for services is recognised in the Solutions segment, see Note 3.

Of the company's income for the year, funds managed by Foresight Group LLP, SCA Munksund AB, Axpo Sverige AB and Axpo Nordic AS accounted for more than 10%. Income from Foresight Group LLP and SCA Munksund AB is recognised under the Development segment and income from Axpo under the Production segment. In 2022, funds managed by Foresight Group LLP and Axpo Nordic AS accounted for more than 10% of the company's income. Income from Foresight Group LLP is recognised under the Development segment and income from Axpo Nordic AS under the Production segment.

Realised derivatives impacted net sales by MSEK 78 (–96).

Electricity production in Production amounted to 288 GWh (292) for the year. Average income was SEK 824 (713) per MWh for electricity and SEK 5 (6) per MWh for electricity certificates and guarantees of origin, meaning an average income per produced MWh of SEK 829 (720). Capitalised work on own account refers to internal work capitalised on the Group's solar, battery and wind power projects.

Contracted future expected income for as yet unfulfilled performance obligations is presented below and is attributable to ongoing development projects on 31 December 2023 that are recognised as contract assets in Note 16. The policies for revenue recognition are presented in Note 1.

#### Contracted future expected income

Projects	2024	2025	2026	Total
Kölvallen	68	40	–	108
Fasikan	9	9	15	33
	<b>77</b>	<b>49</b>	<b>15</b>	<b>141</b>





Lebo wind farm  
Västervik, Sweden

## NOTE 3 • SEGMENT REPORTING

**Accounting policies**

An operating segment is part of the company that provides goods and services and that by nature differs from other operating segments. The returns and profitability of an operating segment are monitored by the company's chief operating decision maker, which for Arise is the CEO. Internal prices between the various segments of the Group are determined on the basis of the "arm's length" principle, that is, between parties who are independent, well informed and who have an interest in the transactions being undertaken. Segment income, earnings and assets include directly attributable items and items that can be allocated to segments in a reasonable and reliable manner.

**Segment division**

The division of segment reporting is based on the Group's products and services, meaning the grouping of operations. The Development segment develops, constructs and sells projects for renewable electricity production. Production is the Group's holdings in commissioned renewable electricity production. Solutions provides services in the form of construction project management and management of renewable electricity production and other services. The Unallocated revenue/expenses pertains to the Group's shared expenses.

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

**Geographic markets**

Income and assets for Finland refer to the Finnish company Pohjan Voima Oy including consolidated surplus values.

Other assets refer to the Norwegian company Fenix Repower AS including consolidated surplus values.

**Geographic markets**

	Income		Assets	
Amounts to the nearest MSEK	2023	2022	2023	2022
Finland	3	-	734	-
UK	-	-	31	3
Sweden	504	1,169	1,496	1,240
Other	-	-	4	-
<b>Total</b>	<b>507</b>	<b>1,169</b>	<b>2,266</b>	<b>1,243</b>

\* The Group's total assets including consolidated surplus values



**NOTE 4 • PERSONNEL**

Average number of employees	2023			2022		
	Women	Men	Total	Women	Men	Total
Parent Company	15	25	40	13	20	33
Subsidiaries	2	9	11	–	3	3
<b>Group total</b>	<b>17</b>	<b>34</b>	<b>51</b>	<b>13</b>	<b>23</b>	<b>36</b>
Salaries and other remuneration	Board and CEO	Of which variable remuneration	Other employees	Board and CEO	Of which variable remuneration	Other employees
Parent Company	7.7	2.7	40.4	7.0	2.5	30.9
Subsidiaries	–	–	15.7	–	–	5.7
<b>Group total</b>	<b>7.7</b>	<b>2.7</b>	<b>56.1</b>	<b>7.0</b>	<b>2.5</b>	<b>36.6</b>
Salaries and other remuneration	Salaries and remuneration	Social security costs	Of which pension costs	Salaries and remuneration	Social security costs	Of which pension costs
Parent Company	48.1	22.8	6.8	37.8	17.8	5.2
Subsidiaries	15.7	3.6	1.6	5.7	2.0	0.6
<b>Group total</b>	<b>63.8</b>	<b>26.4</b>	<b>8.4</b>	<b>43.5</b>	<b>19.8</b>	<b>5.8</b>

## 2023

### Remuneration of the Board of Directors, CEO and senior executives

	Directors' fees	Salaries	Variable remuneration	Other benefits	Pension costs
Joachim Gahm, Chairman	0.88				
Johan Damne	0.42				
Eva Vitell	0.39				
Mikael Schoultz	0.30				
Per-Gunnar Persson	0.30				
<b>Total remuneration of the Board</b>	<b>2.28</b>				
Per-Erik Eriksson, CEO		2.8	2.7	0.1	0.9
Other senior executives (3 senior executives, refer also to Basic salary/directors' fees)		6.5	6.4	0.1	1.2
<b>Total remuneration of CEO and senior executives</b>		<b>9.2</b>	<b>9.1</b>	<b>0.2</b>	<b>2.1</b>

## 2022

### Remuneration of the Board of Directors, CEO and senior executives

	Directors' fees	Salaries	Variable remuneration	Other benefits	Pension costs
Joachim Gahm, Chairman	0.84				
Johan Damne	0.40				
Eva Vitell	0.37				
Mikael Schoultz	0.29				
<b>Total remuneration of the Board</b>	<b>1.89</b>				
Per-Erik Eriksson, CEO		2.6	2.5	0.1	0.8
Other senior executives (3 senior executives, refer also to Basic salary/directors' fees)		4.7	4.6	0.1	1.0
<b>Total remuneration of CEO and senior executives</b>		<b>7.3</b>	<b>7.0</b>	<b>0.2</b>	<b>1.8</b>

#### Basic salary/Directors' fees

The Chairman and members of the Board are paid a Directors' fee in accordance with the resolution of the Annual General Meeting. Board members who are employees of the Group did not receive any remuneration or benefits other than those relating to their employment. Remuneration of the CEO and other senior executives consists of basic salary, variable remuneration, other benefits and pensions. Senior executives refers to the group of individuals who, together with the CEO, formed the Group management. At the start of 2022 there was one senior executive other than the CEO and at the end of the year there were three senior executives in addition to the CEO.

#### Variable remuneration

All employees are covered by a remuneration programme which is linked to the quantitative objectives set out within the Group. This programme has been supplemented with an individual remuneration programme based on individual targets. Variable remuneration for 2023 was calculated at MSEK 16.9 (preceding year MSEK 12.4). No other payments or remuneration with a dilution effect were made.

#### Warrants

The Extraordinary General Meeting held on 15 December 2022 resolved to introduce a warrant programme by issuing a maximum of 980,000 warrants to a subsidiary in the Group



for transfer to employees of the company. A total of 980,000 warrants were subscribed for by the subsidiary, 407,360 of which were transferred to the programme participants. The transfer to participants took place at market value calculated using the Black & Scholes formula. Important input data in the model were the volume-weighted average share price of SEK 51.12 on the allotment date, the below subscription price, volatility of 30.0%, expected dividend of 0%, expected maturity of the warrants of 3.0 years, and an annual risk-free rate of interest of 2.13%. Volatility, measured as the standard deviation of expected return on the share price, is based on a statistical analysis of daily share prices for comparable companies over the last ten years. Each warrant entitles the holder to subscribe for one new ordinary share in the company at a subscription price of SEK 63.90. The warrants can be exercised during the period from 15 December 2025 up to and including 31 December 2025. On full utilisation of the warrants, the company's share capital will increase by SEK 78,400 by issuing 980,000 ordinary shares, corresponding to dilution of approximately 2% based on the number of ordinary shares in the company. The warrants are subject to standard conversion conditions in connection with issues, etc.

#### Other benefits

Other benefits primarily refer to company cars.

#### Pensions

The retirement age for the CEO and other senior executives follows applicable rules and no agreements on different retirement ages have been signed. The pension contribution to the CEO is 30% of the pensionable salary and follows the defined contribution plan. Other senior executives also have defined contribution pension plans and, for 2023, the pension premium for senior executives residing in Sweden averaged 28% (28), and for the senior executive residing in the UK the pension premium averaged 6% (6) of the basic salary. Variable remuneration is not pensionable for the CEO or for senior executives. All pensions are vested, meaning that they are not conditional upon future employment.

#### Financial instruments

Refer to Note 17 for information regarding the warrant programme for employees.

#### Severance pay

The company and the CEO have a period of notice of 6 months if employment is terminated by the employee and 12 months if employment is terminated by the company. The period of notice for when employment of other senior executives is terminated by the company is normally 3–6 months. Normal salary is paid during a period of notice. No severance pay is paid to the CEO or other senior executives.

#### Preparatory work and decision-making process

During the year, the Remuneration Committee provided the Board with recommendations on principles for remuneration of senior executives. The recommendations included the scale of any salary increases and the criteria for evaluation of variable remuneration. The Board discussed the Committee's proposals and made a recommendation on the remuneration policy, which was also adopted by the Annual General Meeting. Remuneration of the CEO for the 2023 financial year was determined by the Board in accordance with the recommendations of the Remuneration Committee, and the remuneration policy adopted by the Annual General Meeting. Remuneration of other senior executives was determined by the CEO after consultation with the Remuneration Committee, within the framework of the remuneration policy.

During the year, the Remuneration Committee included Joachim Gahm (Chairman), Johan Damne, Eva Vitell, Mikael Schoultz and Per-Gunnar Persson. The CEO usually participates in the Committee's meetings, but abstains from matters in which his own salary or other benefits are addressed. The Committee is convened when required, but at least twice a year to prepare proposals on remuneration of management and other matters that are the duty of the Remuneration Committee in accordance with its formal work plan and within the framework of the remuneration policy approved by the AGM. The Committee met on two occasions in 2023.

#### Gender distribution among senior executives at end of financial year

	2023				2022			
	Women		Men		Women		Men	
	No. of	%	No. of	%	No. of	%	No. of	%
Board	1	20%	4	80%	1	25%	3	75%
Group management	0	0%	4	100%	0	0%	4	100%

## NOTE 5 • EXTERNAL EXPENSES

Other external expenses	2023	2022
Operating expenses	40	41
Cost of sold contracts and management	6	9
Other external expenses <sup>1)</sup>	46	72
<b>Total</b>	<b>92</b>	<b>123</b>

<sup>1)</sup> refer to the table below for a specification of auditing fees.

Auditing fees	2023	2022
<b>Öhrlings PricewaterhouseCoopers AB</b>		
Audit assignment	2.0	1.5
Audit activities not included in the audit assignment	0.1	0.0
Tax consultancy services	0.5	0.2
Other advisory services, PwC Oy	0,8	–
<b>TC Murphy Salisbury Limited</b>		
Audit assignment	0.1	0.1
<b>Tiliextra Oy</b>		
Audit assignment	0.2	–
<b>Total</b>	<b>3.7</b>	<b>1.9</b>

## NOTE 6 • PROFIT/LOSS FROM FINANCIAL ITEMS

	2023	2022
<b>Interest income</b>		
Loans and receivables	38	6
<b>Interest expenses</b>		
Lease liabilities	–3	–3
Loans	–14	–5
Bond and convertibles	–46	–21
<b>Other financial items</b>		
Exchange rate differences, revaluation of loans/bond	13	–67
Other financial items	–6	–5
Other exchange rate differences	–4	78
<b>Total</b>	<b>–23</b>	<b>–17</b>





## NOTE 7 • TAXES

Tax on profit/loss for the year	2023	2022
Deferred tax	0	0
<b>Recognised tax</b>	<b>0</b>	<b>0</b>
<b>Deferred tax</b>		
Attributable to unutilised loss carry-forwards <sup>1)</sup>	–	–
Derivatives at fair value	–12	22
Non-current assets	1	1
<b>Total recognised deferred tax</b>	<b>–11</b>	<b>23</b>
<b>Reconciliation of recognised tax in the Group</b>		
Profit before tax	200	772
Tax 20.6%	–41	–159
Tax effects of:		
Non-deductible expenses/ non-taxable income	32	154
Non-deductible interest expenses	–1	–1
Loss carry-forwards for which no tax asset was recognised	11	6
<b>Recognised tax, profit/loss for the year</b>	<b>0</b>	<b>0</b>

Change in deferred tax	2023	2022
<b>Opening amount, net</b>	<b>23</b>	<b>32</b>
Recognised deferred tax on profit/loss for the year	0	0
Other items	–	0
Tax items recognised directly in other comprehensive income <sup>2)</sup>	–34	–9
<b>Closing amount, net</b>	<b>–11</b>	<b>23</b>

<sup>1)</sup> Total loss carry-forwards for the legal entities amounted to MSEK 497 (558). Of this amount, MSEK 456 is blocked from utilisation for new companies in the Group until the 2024 income year. Since loss carry-forwards do not have any time limits for use according to current legislation, it is possible that these can be utilised in the future but no deferred tax assets have been recognised since it is uncertain if and when they will be used.

<sup>2)</sup> Tax items recognised directly in other comprehensive income refer to the Group's hedge reserve for interest, electricity and forward contracts.

## Change in deferred tax receivables 2023

	Attributable to:				
	Loss carry-forward	Non-current assets	Cash flow hedges	Other items	Total
<b>Opening amount, net</b>	–	1	22	–	23
Recognised deferred tax on profit/loss for the year	–	0	–	–	0
Other tax items	–	–	–	–	–
Tax items recognised directly in other comprehensive income	–	–	–34	–	–34
<b>Closing amount, net</b>	<b>–</b>	<b>1</b>	<b>–12</b>	<b>–</b>	<b>–11</b>

## NOTE 8 • ADDITIONAL DISCLOSURES TO THE CASH FLOW STATEMENT

Cash and cash equivalents comprise cash and bank balances.

Adjustment for non-cash items	2023	2022
Depreciation and impairment of non-current assets	64	61
Leases	-8	-6
Exchange rate differences	-3	-
Divested non-current assets	12	123
<b>Total</b>	<b>65</b>	<b>178</b>

## NOTE 9 • INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

	Land and buildings <sup>1)</sup>		Wind power, foundations and electrical installations		Equipment, tools and fittings		Advance payments constructions in progress		Intangible assets		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Opening cost</b>	<b>1</b>	<b>1</b>	<b>2,166</b>	<b>2,160</b>	<b>16</b>	<b>9</b>	<b>184</b>	<b>145</b>	<b>25</b>	<b>25</b>	<b>2,393</b>	<b>2,341</b>
Purchases/investments	-	-	30	14	7	1	344	162	5	-	386	176
Sales/disposals	-	-	-	-21	-	-	-12	-103	-	-	-12	-124
Through acquisition of subsidiaries	-	-	-	-	-	-	712	-	-	-	712	-
Reclassifications	-	-	13	14	-	6	-13	-20	-	-	-	-
Exchange rate differences	-	-	-	-	0	-	-11	-	-	-	-11	-
<b>Closing cost</b>	<b>1</b>	<b>1</b>	<b>2,209</b>	<b>2,166</b>	<b>23</b>	<b>16</b>	<b>1,204</b>	<b>184</b>	<b>30</b>	<b>25</b>	<b>3,467</b>	<b>2,393</b>
<b>Opening accumulated depreciation and impairment</b>	<b>0</b>	<b>0</b>	<b>-1,163</b>	<b>-1,113</b>	<b>-15</b>	<b>-9</b>	<b>-26</b>	<b>-26</b>	<b>-</b>	<b>-</b>	<b>-1,204</b>	<b>-1,148</b>
Depreciation for the year	0	0	-56	-57	0	0	-	-	-	-	-57	-57
Impairment for the year	-	-	-	-	-	-	-1	-	-	-	-1	-
Sales/disposals	-	-	-	1	-	-	-	-	-	-	-	1
Reclassifications	-	-	-	6	-	-6	-	-	-	-	-	-
<b>Closing accumulated depreciation and impairment</b>	<b>0</b>	<b>0</b>	<b>-1,220</b>	<b>-1,163</b>	<b>-15</b>	<b>-15</b>	<b>-27</b>	<b>-26</b>	<b>-</b>	<b>-</b>	<b>-1,262</b>	<b>-1,204</b>
<b>Closing residual value according to plan</b>	<b>1</b>	<b>1</b>	<b>990</b>	<b>1,003</b>	<b>7</b>	<b>1</b>	<b>1,177</b>	<b>158</b>	<b>30</b>	<b>25</b>	<b>2,205</b>	<b>1,189</b>

<sup>1)</sup> Land and buildings includes land with a carrying amount of MSEK 1 (1). The tax assessment value of the Group's properties totalled MSEK 0 (0), of which MSEK 0 (0) is the tax assessment value of the land.

## Leases

The Group's leases primarily refer to land leaseholds in connection with the construction of wind turbines and rented premises for offices and leased cars. The lease term for leaseholds for land at wind farms is deemed to be the same period of time as the useful life of the wind turbine constructed on the land.

Lease assets amounted to a carrying amount of MSEK 60 (54) on 31 December 2023. Additional lease assets amounted to MSEK 14 (3) in 2023 and depreciation of lease assets amounted to MSEK 6 (5) for 2023.

Expenses attributable to leases that are excluded from the balance sheet due to their low value and short-term leases amounted to MSEK 0 (1) in the consolidated income statement for 2023.

Expenses attributable to variable lease payments not included in the lease liability amounted to MSEK 4 (12) in the consolidated income statement for 2023. Variable lease payments primarily comprise variable lease payments related to leaseholds for land for wind turbines. These are paid at a percentage of the income from electricity production. Assuming future prices of electricity, electricity certificates and guarantees of origin totalling SEK 300-700 per MWh (corresponding to income of about SEK 1.8 billion to SEK 4.1 billion during the useful life), the variable lease payments not included in the lease liability are deemed to amount to between MSEK 0 and 75 over the useful life.

Total cash flow concerning leases was MSEK 8 (6) in 2023, excluding variable lease payments.



Lebo wind farm  
Västervik, Sweden



Skogaby wind farm  
Lahom, Sweden



## NOTE 10 • FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The most significant financial risks to which the Group is exposed include electricity price risk, currency risk, interest rate risk, financing risk, capital risk and credit risk. The overall goal of the Group's financial risk management is to identify and control the Group's financial risks. Risk management is centralised in the Parent Company's finance function. All financial risks that exist or arise in the Group's subsidiaries are managed by the central finance function.

### Electricity price risk

Electricity price risk arises in cases where electricity sales are not hedged and changes in the electricity market will, thus, have a direct impact on the Group's operating profit/loss.

The main aim of the Group's price-hedging strategy is to maximise the company's risk-adjusted income from electricity over time. Depending on the Group's financial risk exposure and associated ability to absorb fluctuations in cash flow, this means that the desired price-hedging level may vary over time.

The price-hedging level is to be adjusted to the financial risk exposure of electricity production and the associated ability to absorb fluctuations in cash flow. The aim over time is that volumes of 10–40% are to be price-hedged for the next 2–3 years. The highest price-hedging level in which volume risk exists is 70%. For volumes above this, only contracts without volume risk may be signed.

Price hedges can be made bilaterally by signing physical supply contracts with large electricity users or with players who broker bilateral electricity trading. Price hedges may also take place financially by trading in electricity derivatives on Nasdaq or via banks, brokers or other players brokering financial electricity trading.

As a rule, price hedges take place in the relevant price area so that the price-area risk is limited.

Price hedging through various types of financial derivatives must be performed in a manner meeting the requirements for hedge accounting according to IFRS. Derivatives are recognised at market value in the balance sheet and unrealised changes in value are recognised in the balance sheet and other comprehensive income, and in the hedge reserve in equity. When the hedged position is recognised in the income statement, the result from the derivatives transaction is transferred from equity to the income statement to meet the result from the hedged position.

Regarding issues related to electricity, the Group cooperates with service providers which, in addition to providing assistance on energy trading and other electricity issues, also manages the Group's need for balancing energy. This need arises on occasions in which the actual physical delivery of electricity deviates from the forecasted delivery. The difference, positive or negative, is handled by service providers as "balancing energy". Through the joint storage of electricity

with service providers other customers, a lower balancing energy cost is generally achieved than if Arise itself were to handle this.

### Currency risk

The Group's currency risk exposure arises primarily in conjunction with the sale of electricity on the Nord Pool power market and sales or projects (transaction exposure), and where applicable the purchase of assets in foreign currency and the translation of balance sheet items in foreign currency (translation exposure). These transactions usually take place in EUR. The Group's net currency risk exposure on 31 December 2023 was MEUR –1 (34).

#### Transaction exposure

Currency exposure takes place since electricity is usually sold in EUR. Up to 75% of the electricity hedged in EUR is hedged on a quarterly basis for the current year and for a maximum of the next three years. Operating and interest expenses in EUR are to be taken into account insofar as they arise.

Currency exposure also usually arises in connect with project sales. Currency exposure should be hedged in line with the revenue recognition of the projects sold.

The Group uses forward contracts to manage currency risk exposure and applies hedge accounting for contracted future payment flows and the translation of financial assets and liabilities. Arise's net foreign currency flow is essentially in EUR.

Gains/losses from forward contracts held for hedging purposes are recognised as net sales. Exchange rate differences on financial liabilities and receivables are recognised in net financial items.

#### Translation exposure

If financial and other operating assets and liabilities denominated in foreign currencies arise, they do so in conjunction with the purchase of assets and in certain cases can be hedged using forward contracts. In addition, borrowing takes place in foreign currency if it is deemed that the underlying value of the assets borrowed against is essentially set in such a foreign currency. Such exposure is not normally hedged. Other items are not significant and are not currency-hedged. The Group strives to reduce its exposure to currency risks in borrowing and, if applicable, lending.

### Interest rate risk

Interest rate risk is defined as the risk of a decrease in profit caused by a change in market interest rates. The Group's financial policy provides guidelines for fixed interest rates (terms). The objective of managing interest rate risk is to reduce the negative effects of market interest rate changes. The Group seeks a balance between cost-effective borrowing and risk exposure to counteract any a negative impact on earnings in the event of a sudden, major change in interest

rates. Hedging of interest rate periods occurs through interest rate swaps, which include portions of long-term borrowing, see Note 18.

### Sensitivity analysis

A change in any of the variables below has an impact on profit/loss before tax for 2023 (in MSEK) as follows:

Variable	Change	Impact on profit/loss before tax
Production	+/-10%	+/-14
Electricity price	+/-10%	+/-19
Interest	+/-1% point	+/-1
EUR/SEK for electricity prices	+/-10%	+/-30

Note that the impact on profit/loss before tax is based on the electricity hedges reported by the Group in 2023.

### Capital risk

The Group's objective regarding the capital structure is to safeguard the ability to continue operations in order to provide returns for shareholders and value for other stakeholders, and to ensure that the capital structure is optimal with respect to the cost of capital. Examples of measures that the Group can take to adjust the capital structure include the issuance of new shares, the issuance of corporate bonds or the sale of assets. See also information about the dividend policy and the target equity/assets ratio on page 112.

### Financing risk

Financing risk is defined as the risk of being unable to meet payment obligations as a result of insufficient liquidity or difficulties in obtaining financing. The Group's goal is to always have more than one lender who is willing to offer financing on market terms. However, the Group is dependent on its ability to refinance outstanding borrowing from time to time. These risks are limited by the company ensuring that, at any point in time, it has sufficiency liquidity preparedness in the form of available cash and cash equivalents and potential overdraft facilities, and through endeavouring to maintain a highly diverse loan maturity profile.

### Credit risk

The risk that the Group's customers will be unable to fulfil their commitments, meaning that Group companies do not receive payment for their accounts receivable, is a credit risk. It is the responsibility of the finance function to continuously analyse and assess customer and apply proactive credit control. Large accounts receivable may be hedged through guarantees if deemed necessary by the CFO. Credit risk for financial

transactions is the risk that the Group incurs losses as a result of counterparties not paying, with respect to the Group's investments, bank balances or derivative transactions. Surplus liquidity may arise on occasion, and if market conditions allow a certain portion of this liquidity should be invested in order to obtain a higher return. Surplus liquidity may only be invested in assets with a low counterparty risk, approved by the Board. Surplus liquidity may be invested in the following:

- Bank accounts (special savings, business or investment accounts)
- Treasury bills
- Commercial paper if the counterparty has a credit rating of at least A3/A- from Moody's or Standard & Poor's. Investments in complex financial products are not permitted even if they meet the credit rating criteria.

### Fair value

In cases in which the fair value differs from the carrying amount, the fair value is disclosed in the associated note. All financial instruments that are measured at fair value belong to Level 2 of the fair value hierarchy. The different levels are defined as follows:

- Quoted (unadjusted) prices in active markets for identical assets or liabilities (Level 1).
- Other observable data for the asset or liability than quoted prices included in Level 1, either directly (that is, as quoted prices) or indirectly (that is, derived from quoted prices) (Level 2).
- Data for the asset or liability which is not based on observable market data (that is, non-observable data) (Level 3).

The fair value of interest rate swaps is calculated as the present value of expected cash flows based on observable yield curves. The fair value of electricity futures is calculated as the present value of expected cash flows based on observable electricity prices. The fair value of currency futures is determined using forward rates on the balance sheet date.

### Hedge reserve

The hedge reserve consists of interest, electricity future contracts and forward contracts. According to the financial policy, a certain portion of the Group's transaction exposure must be hedged through hedging of prices and exchange rates in future contracted payment flows using electricity and forward contracts. Contracts have been concluded with maturities matching those of the underlying contracted orders and payment flows. The next table presents the Group's outstanding derivative contracts as of 31 December 2023.



The fair value is calculated on the basis of market-based quotations and generally accepted valuation techniques. Currency futures refer to sales and purchases of EUR for hedging of electricity sales, project sales and purchases of wind turbines. There is a counter-flow in SEK for every position. The change in the ineffective portion associated with cash flow hedges, recognised in the income statement, amounted to MSEK 0 (0).

Outstanding derivative contracts	2023	2022
Electricity futures	43	-133
Currency futures, SEK/EUR	3	0
Interest rate swaps 0–1 years	11	–
Interest rate swaps 2–3 years	1	26
<b>Outstanding derivative contracts</b>	<b>58</b>	<b>-107</b>

Netting of derivatives 31 Dec 2023	Assets	Liabilities
Gross amount	58	–
Nettable amount	–	–
<b>Net amount</b>	<b>58</b>	<b>–</b>

#### Electricity future contracts

The nominal amount of outstanding electricity future contracts totalled MSEK 109 (225). The hedged, highly probable forecast transactions of electricity sales are expected to take place at varying points in time in the next few years. Gains and losses from electricity futures, which are recognised in other comprehensive income and are included in equity, are recognised in the income statement in the period, or periods, in which the hedged transaction affects the income statement.

Electricity futures impact the Group's financial position and earnings as follows:

Derivative instruments – Electricity futures	2023	2022
Recognised amount (liability/asset)	43	-133
Nominal amount	109	225
Maturity date	Jan 2024– Dec 2024	Jan 2023– Dec 2024
Hedge ratio	1:1	1:1
Change in real value of outstanding hedging instrument since 1 January	176	25
Change in value of hedged item to determine effectiveness	-176	-25
Weighted average for electricity futures during the year EUR/MWh	104	121

#### Forward contracts

The nominal amount of outstanding forward contracts on the balance sheet date totalled MSEK 89 (44). Gains and losses from forward contracts, which are recognised in other comprehensive income, and which are included in equity, are recognised in the income statement in the period, or periods, in which the hedged transaction affects the income statement.

Forward contracts impact the Group's financial position and earnings as follows:

Derivative instruments – Currency futures	2023	2022
Recognised amount (liability/asset)	3	0
Nominal amount	89	44
Maturity date	Jan 2024– Jan 2025	Jan 2023– Jan 2024
Hedge ratio	1:1	1:1
Change in real value of outstanding hedging instrument since 1 January	3	-6
Change in value of hedged item to determine effectiveness	-3	6
Weighted average for forward rates during the year	SEK 11.07: EUR 1	SEK 11.12: EUR 1

#### Interest rate swaps

The nominal amount of outstanding interest rate swaps totalled MSEK 617 (643). The fixed interest rate was between 1.115% and 2.21% (-0.45 and 2.21). The variable interest is Euribor. Gains and losses from interest rate swaps, which are recognised in other comprehensive income and are included in equity, are continuously transferred to financial expenses in the income statement, until the loans have been repaid.

Interest rate swaps impact the Group's financial position and earnings as follows:

Derivative instruments – Interest rate swaps	2023	2022
Recognised amount (asset)	12	26
Nominal amount	617	643
Maturity date	Jan 2024– May 2026	Jan 2023– May 2026
Hedge ratio	1:1	1:1
Change in real value of outstanding hedging instrument since 1 January	-14	25
Change in value of hedged item to determine effectiveness	14	-25
Weighted average for rates during the year	-1.86%	0.64%

**PRICE HEDGES AS OF 31 DEC 2023**

			2024	2025	2026
Own production, budget, GWh			408	433	433
Hedged electricity production, GWh			94	–	–
<b>Distribution of price hedging</b>	<b>Q1-24</b>	<b>Q2-24</b>	<b>Q3-24</b>	<b>Q4-24</b>	<b>2024</b>
Hedge MWh	28,379	21,840	22,080	22,090	94,389
Hedge EUR/MWh	106	104	104	104	104

**Maturity structure of financial liabilities**

The maturity structure of interest-bearing liabilities is presented in Note 18 Interest-bearing liabilities. Other financial liabilities, such as accounts payable, have contractual maturities of 1–60 days.

**Capital management**

As the company and its operations develop, the possibilities to improve the efficiency and diversification of the capital structure increase through various measures, such as the issuance of shares, preference shares, corporate bonds, convertible instruments, sales of wind turbines or farms, repayments of capital to shareholders or other measures. The objective is to maintain an optimal capital structure.

Consequently, a trade-off constantly needs to be made between the cost of capital, financial risk, expected return and cash flow in the company's investments. See also information about the dividend policy and the target equity/assets ratio on page 112.

**Classification of financial instruments**

The tables below present the classification of the financial instruments in the balance sheet in 2023 and 2022. The classification of financial instruments complies with IFRS 9. Financial assets and liabilities are categorised according to whether they are measured at amortised cost, at fair value through other comprehensive income, or at fair value through profit or loss.

**2023****Assets**

	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Derivative instruments for hedging purposes	Total
Blocked accounts	37	–	–	37
Other long-term securities	–	27	–	27
Other long-term receivables	180	–	–	180
<b>Current assets</b>				
Accounts receivable	14	–	–	14
Derivative assets	–	–	58	58
Other receivables	6	–	–	6
Cash and cash equivalents	917	–	–	917
Total current assets	937	–	58	995
<b>Total assets</b>	<b>974</b>	<b>27</b>	<b>58</b>	<b>1,059</b>

**Liabilities**

	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Derivative instruments for hedging purposes	Total
Non-current interest-bearing liabilities	1,075	–	–	1,075
Other non-current liabilities	200	–	–	200
<b>Current liabilities</b>				
Current interest-bearing liabilities	53	–	–	53
Accounts payable	27	–	–	27
Derivative liabilities	–	–	–	–
Other liabilities	2	–	–	2
Total current liabilities	82	–	–	82
<b>Total liabilities</b>	<b>1,358</b>	<b>–</b>	<b>–</b>	<b>1,358</b>





Ryssbol wind farm  
Hylte, Sweden

## 2022

### Assets

	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Derivative instruments for hedging purposes	Total
Blocked accounts	29	–	–	29
Other long-term securities	–	26	–	26
Other long-term receivables	112	–	–	112
<b>Current assets</b>				
Accounts receivable	7	–	–	7
Derivative assets	–	–	26	26
Other receivables	0	–	–	0
Cash and cash equivalents	1,220	–	–	1,220
Total current assets	1,227	–	26	1,253
<b>Total assets</b>	<b>1,367</b>	<b>26</b>	<b>26</b>	<b>1,420</b>

### Liabilities

	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Derivative instruments for hedging purposes	Total
Non-current interest-bearing liabilities	925	–	–	925
<b>Current liabilities</b>				
Current interest-bearing liabilities	27	–	–	27
Accounts payable	49	–	–	49
Derivative liabilities	–	–	133	133
Other liabilities	1	–	–	1
Total current liabilities	76	–	133	209
<b>Total liabilities</b>	<b>1,001</b>	<b>–</b>	<b>133</b>	<b>1,134</b>

**NOTE 11 • OTHER LONG-TERM SECURITIES**

	2023	2022
<b>Accumulated cost:</b>		
At the beginning of the year	26	–
Additional assets	0	26
<b>Total <sup>1)</sup></b>	<b>27</b>	<b>26</b>

<sup>1)</sup> Refers to Arise AB's share of 9% of Kolvallen Vind BidCo AB and Pohjan Voima's minor shareholding in Haarasuonkankaan Tuulipuisto KY.

**NOTE 12 • OTHER LONG-TERM RECEIVABLES**

	2023	2022
<b>Accumulated cost:</b>		
At the beginning of the year	112	–
Additional receivables <sup>1)</sup>	69	106
Exchange rate effect	0	6
<b>Total <sup>1)</sup></b>	<b>180</b>	<b>112</b>

<sup>1)</sup> Of the receivable amount of MSEK 180, MSEK 168 is from the company Kolvallen Vind BidCo AB in which Arise AB has a holding of 9%.

**NOTE 13 • OTHER FINANCIAL NON-CURRENT ASSETS**

	2023	2022
Blocked cash and cash equivalents	29	27
Blocked / deposited funds	9	1
<b>Total</b>	<b>37</b>	<b>29</b>

**NOTE 14 • OTHER CURRENT RECEIVABLES**

	2023	2022
Current tax assets	4	4
Other receivables	18	8
<b>Total</b>	<b>22</b>	<b>12</b>

**NOTE 15 • ACCOUNTS RECEIVABLE AND OTHER CURRENT RECEIVABLES**

	2023	2022
Accounts receivable	14	16
Accumulated impairment of accounts receivable	–	–9
Accounts receivable – net	14	7
Other receivables (Note 14)	22	12
<b>Current portion</b>	<b>36</b>	<b>19</b>

As of the balance sheet date, MSEK 0 (9) referred to accounts receivable which were overdue, and a provision for bad debt

losses of MSEK 0 (0) has been made. A maturity analysis of these receivables is provided below.

	2023	2022
Not fallen due/due in less than 3 months	14	7
3–6 months	–	–
6 months or later	–	9
<b>Total</b>	<b>14</b>	<b>16</b>

Accounts receivable and other receivables have been tested for impairment according to the rules on credit losses in IFRS 9. No provision for credit losses was deemed necessary for these assets as per 31 December 2023.

**NOTE 16 • PREPAID EXPENSES AND ACCRUED INCOME**

	2023	2022
Accrued development income <sup>1)</sup>	248	149
Accrued electricity and certificate income	18	53
Other prepaid expenses and accrued income	20	16
<b>Total</b>	<b>286</b>	<b>218</b>

<sup>1)</sup> Contract assets that refer to development and management income increased MSEK 98 (88) in 2023. The change was attributable to revenue recognition in ongoing projects. The Skafåsen project was settled during the year. Revenue recognition for the Ranasjö- and Salsjöhöjden project was resumed in the fourth quarter of 2023. The Fasikan and Kolvallen projects are proceeding according to plan. Future expected income for as yet unfulfilled performance obligations in development projects is presented in Note 2.

Contract assets such as accrued income were tested for impairment according to the rules on credit losses in IFRS 9. No provision for credit losses was deemed necessary for these assets as per 31 December 2023.

**NOTE 17 • EQUITY**

Number of registered shares in Parent Company	2023	2022
Issued as per 1 January	44,494,235	38,621,440
Conversion of convertibles	–	5,872,795
<b>Issued as per 31 December</b>	<b>44,494,235</b>	<b>44,494,235</b>

All shares have been fully paid up. All shares entitle the holder to an equal right to the assets and profits of the company. The share's quotient value is SEK 0.08 (0.08). Treasury shares amount to 619,102 shares (54,194) since the company repurchased 564,908 shares in 2023.

Basic earnings per share are calculated by dividing profit/loss for the year attributable to the Parent Company shareholders by the number of shares. The average number of



outstanding shares applied in calculating basic earnings per share amounted to 44,157,587 shares (2022: 41,503,644 shares).

## Warrants

### Scope

In 2022, warrants were issued for shares in Arise AB in a programme directed to employees. The total number of warrants issued on 31 December 2022 amounted to 980,000 of which 407,360 have been transferred to participants in the programme.

### Valuation

The outstanding warrant programme in 2022 comprised one series. The acquisition price of these warrants directed to

employees is based on the estimated market price on the subscription date according to the Black & Scholes valuation model. For more information, refer to Note 4.

### Terms and conditions of subscription

One warrant entitles the holder to subscribe for one share in Arise AB during the subscription period of 15–31 December 2025 at a subscription price of SEK 63.90.

## Material non-controlling interests

Arise AB has a material non-controlling interest in Pohjan Voima Oy amounting to 48.9%. Pohjan Voima's total balance sheet comprises non-current assets of MSEK 738, current assets of MSEK 24, non-current liabilities of MSEK 107 and current liabilities of MSEK 7.



Ryssbol wind farm  
Hylte, Sweden

**NOTE 18 • INTEREST-BEARING LIABILITIES**

A bank loan of MEUR 40 with a term of three years was raised in 2020. The term of the bank loan was extended in 2022 in connection with an addition entailing the option of raising an additional MEUR 23. The outstanding loan amount corresponded to MSEK 573 on 31 December 2023. Interest payments are partly hedged using interest rate swaps, and the financing cost is based on the agreed fixed interest rate and agreed margin.

The company has issued green senior unsecured bonds of MEUR 50 under a framework of a total of MEUR 100 that fall due in the second quarter of 2026. Interest payments are partly hedged using interest rate swaps, and the financing cost is based on the agreed fixed interest rate and agreed margin.

The Group's average effective interest rate on inter-

est-bearing liabilities for the year amounted to 6.7% (4.3).

The company applies IFRS 16. A lease is recognised under leasing if the contract entails the right to use an identified asset for a specified period in return for compensation. The Group's leases primarily refer to land leaseholds in connection with the construction of wind turbines, rented premises for offices and leased cars. For remaining lease commitments, the Group recognised lease liabilities of MSEK 65 (57) as per 31 December 2023.

Interest-bearing liabilities	2023	2022
Non-current portion	1,135	980
Current portion	59	29
<b>Total</b>	<b>1,194</b>	<b>1,009</b>

**Fair value of liabilities**

Carrying amounts and fair values of borrowing (excluding lease liabilities and arrangement fees)

	Carrying amount		Fair value	
	2023	2022	2023	2022
Bank loans	573	405	573	405
Bond loan	555	556	555	556
Other loans	8	–	8	–
<b>Total</b>	<b>1,135</b>	<b>961</b>	<b>1,135</b>	<b>961</b>

The fair value of short-term borrowing correspond to the carrying amount, as the discount effect is insignificant. The fair value of long-term borrowing is calculated by discounting future cash flows of the principal and interest discounted at the current market rate.

**Maturity of the Group's financial liabilities, including estimated interest payments**

Amounts to the nearest MSEK	Less than 3 months	Between 3 months–1 year	Between 2–3 years	Between 4–5 years	More than 5 years	Total contracted cash flow
Bank loans	4	73	530	–	–	607
Bond loan	13	35	628	–	–	676
Other liabilities	–	–	8	–	4	11
Leases	2	6	13	10	59	88
Accounts payable	27	–	–	–	–	27
<b>Total</b>	<b>46</b>	<b>113</b>	<b>1,178</b>	<b>10</b>	<b>62</b>	<b>1,410</b>

The portion of the loan raised in 2021, corresponding to MSEK 377 on 31 December 2023, carries EURIBOR plus a margin of 1.75%, for which 90% of interest payments have been hedged using interest rate swaps of 1.115%. The other portion of the loan, corresponding to MSEK 195 on 31 December 2023, carries EURIBOR plus a margin of 1.75%. The entire loan falls due for payment in July 2025.

The bonds carry EURIBOR plus a margin of 5.25%. 50% of the interest payments have been hedged using interest rate swaps of 2.21%.

The lease liability regarding leaseholds for land amounted to MSEK 58 (57) on 31 December 2023. The lease term for leaseholds for land at wind farms is deemed to be the same period of time as the useful life of the wind turbine constructed on the land and has an annual rate of interest of 4.5%. The useful life of the wind turbine is deemed to extend until 2039–2042. The lease term for cars and rental agreements carries contracted annual interest of 4.75% and 4.23%, respectively.





Ryssbol wind farm  
Hylte, Sweden

Ryssbol wind farm  
Hylte, Sweden





**NOTE 19 - OTHER NON-CURRENT LIABILITIES**

	2023	2022
<b>Accumulated cost:</b>		
At the beginning of the year	–	–
Additional liabilities	200	–
<b>Total <sup>1)</sup></b>	<b>200</b>	<b>–</b>

<sup>1)</sup> Refers to earnout for acquisition of the shares in Pohjan Voima Oy.

**NOTE 20 • PROVISIONS**

	2023	2022
At the beginning of the year	62	49
Amount utilised	–13	–
Revaluation of restoration costs due to changed estimates and assessments	30	–
Deferred tax	11	–
Other provisions	–	13
<b>Total</b>	<b>90</b>	<b>62</b>

The item relates to a provision for restoration costs for operational wind turbines, deferred tax and other provisions. The provisions for restoration costs follows the useful life of the wind farms. The amount reserved is the most reliable estimate by the company of the amount required to settle the existing commitment on the balance sheet date. Risks and uncertainties associated with the commitment have been taken into account. A new calculation was carried out at the end of 2023 and with the current assumptions, provisions are expected to result in payments between 2039 and 2042. For further information about provisions, see Note 1.

**NOTE 21 • ACCRUED EXPENSES AND DEFERRED INCOME**

	2023	2022
Accrued financial expenses	7	5
Accrued personnel-related expenses	30	24
Deferred income	2	2
Accrued property tax	4	3
Accrued development costs	15	–
Deferred income grid connection fee	15	–
Other accrued expenses	15	13
<b>Total</b>	<b>88</b>	<b>46</b>

**NOTE 22 • PLEDGED ASSETS AND CONTINGENT LIABILITIES**

Pledged assets	2023	2022
Pledged shares in subsidiaries	1,028	966
Pledged assets, county administrative board	9	8
Pledged assets, bank	22	19
<b>Total</b>	<b>1,058</b>	<b>993</b>
<b>Contingent liabilities</b>	<b>73</b>	<b>261</b>

Arise AB entered into a counter indemnity for the bank guarantees issued for Arise Wind Farm 20 AB and Arise Elnät AB amounting to MSEK 7.5 and MSEK 4.3, respectively. The company has a parent company guarantee for Arise Wind Farm 20 AB to the benefit of Siemens Gamesa that amounted to approximately MEUR 6 at the end of the period. The company stands surety for the subsidiary Arise Wind HoldCo 3 AB's commitments under the share sales agreements for Kränge Vind AB and Kølvalle Vind AB and for the subsidiary Arise Wind HoldCo 8 AB's commitments under the share sales agreements for Fasikan Vind AB.

**NOTE 23 • RELATED-PARTY TRANSACTIONS**

Transactions between Arise AB and its subsidiaries, which are related parties to Arise AB, were eliminated in the consolidated financial statements. Commercial terms and market-based pricing is applied to the delivery of products and services between Group companies. No Board member, senior executive or other related party of the Group has been engaged, either directly or indirectly, in any business transactions between themselves and the company. For information regarding remuneration of senior executives, see Note 4.

**NOTE 24 • EVENTS AFTER THE END OF THE REPORTING PERIOD**

No significant events occurred after the end of the financial year.

**One of Sweden's  
leading independent  
companies in  
renewable energy.**







## Parent Company income statement

Amounts to the nearest MSEK	NOTE	2023	2022
Electricity, electricity certificates and guarantees of origin		0	1
Development and services		47	35
Other operating income		1	4
<b>Total income</b>	2	<b>48</b>	<b>40</b>
Capitalised work on own account		4	1
Purchases of electricity, electricity certificates and guarantees of origin		0	-1
Cost of sold projects and management		-8	-9
Personnel costs	3	-71	-55
Other external expenses	4	-32	-30
Other operating expenses		-2	-1
<b>Operating profit/loss before depreciation (EBITDA)</b>		<b>-61</b>	<b>-54</b>
Depreciation and impairment of non-current assets	7	-1	0
<b>Operating profit/loss (EBIT)</b>		<b>-62</b>	<b>-55</b>
Profit/loss from financial items	5	787	-22
<b>Profit/loss after financial items</b>		<b>725</b>	<b>-76</b>
Group contributions		90	113
<b>Profit/loss before tax</b>		<b>815</b>	<b>37</b>
Tax on profit/loss for the year	6	-	0
<b>Profit/loss for the year</b>		<b>815</b>	<b>36</b>



# Parent Company balance sheet

Amounts to the nearest MSEK	NOTE	2023	2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	7	30	25
Property, plant and equipment	7	33	45
Shares in subsidiaries	8	1,217	874
Other long-term securities	9	26	26
Receivables from Group companies	10	150	–
Other long-term receivables	10	168	112
Deferred tax assets	6	–	–
Other financial non-current assets	11	6	1
<b>Total non-current assets</b>		<b>1,631</b>	<b>1,083</b>
<b>Current assets</b>			
Receivables from Group companies		70	15
Accounts receivable		8	7
Current tax assets		1	1
Other current receivables		2	2
Contract assets, agreements	12	–	21
Prepaid expenses and accrued income	12	2	3
Cash and cash equivalents		632	293
<b>Total current assets</b>		<b>714</b>	<b>342</b>
<b>TOTAL ASSETS</b>		<b>2,345</b>	<b>1,424</b>
<b>EQUITY</b>			
<b>Restricted equity</b>			
Share capital		4	4
Statutory reserve		0	0
<b>Non-restricted equity</b>			
Share premium reserve		1,546	1,614
Accumulated loss		–850	–886
Profit/loss for the year		815	36
<b>Total equity</b>		<b>1,515</b>	<b>768</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Non-current interest-bearing liabilities	13	549	548
Other non-current liabilities	14	200	–
<b>Total non-current liabilities</b>		<b>749</b>	<b>548</b>
<b>Current liabilities</b>			
Liabilities to Group companies		41	74
Accounts payable		3	5
Other liabilities		1	1
Accrued expenses and deferred income	15	35	28
<b>Total current liabilities</b>		<b>81</b>	<b>108</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,345</b>	<b>1,424</b>

## Parent Company cash flow statement

Amounts to the nearest MSEK	NOTE	2023	2022
<b>Operating activities</b>			
Operating profit/loss (EBIT)		-62	-55
Adjustment for non-cash items	16	10	0
Interest received		6	0
Tax paid		-1	-1
<b>Cash flow from operating activities before changes in working capital</b>		<b>-47</b>	<b>-55</b>
<b>Cash flow from changes in working capital</b>			
Increase (-) / decrease (+) in operating receivables		-8	1
Increase (+)/Decrease (-) in operating liabilities		4	-27
<b>Cash flow from operating activities</b>		<b>-52</b>	<b>-81</b>
<b>Investing activities</b>			
Acquisition and divestment of non-current assets		-17	-7
Divestment of subsidiaries		74	-
Investments in subsidiaries		-144	-170
Investments in financial non-current assets		-172	-130
Dividends from subsidiaries		776	-
<b>Cash flow from investing activities</b>		<b>517</b>	<b>-307</b>
<b>Financing activities</b>			
Loan repayments		-	-4
Loans raised		-	523
Net payment to blocked accounts		-	-1
Interest paid and other financing costs		-47	-25
Group contributions received		-	113
New share issues/warrants		-	3
Dividends to shareholders		-44	-
Repurchase of own shares		-24	-
<b>Cash flow from financing activities</b>		<b>-115</b>	<b>610</b>
<b>Cash flow for the year</b>			
Cash and cash equivalents at beginning of year		293	47
Exchange-rate difference in cash and cash equivalents		-11	24
<b>Cash and cash equivalents at year-end</b>		<b>632</b>	<b>293</b>



## Change in liabilities in financing activities 2023

Amounts to the nearest MSEK	31 Dec 2022	Cash flow	Non-cash items	31 Dec 2023
Bond loan	548	–	1	549
<b>Total</b>	<b>548</b>	<b>–</b>	<b>1</b>	<b>549</b>
<b>Other items affecting cash flow</b>		<b>–115</b>		
<b>Total</b>		<b>–115</b>		

Other items affecting cash flow in the financing operations refer to interest items, currency futures, dividends to shareholders and repurchase of own shares.

## Change in liabilities in financing activities 2022

Amounts to the nearest MSEK	31 Dec 2021	Cash flow	Non-cash items	31 Dec 2022
Bond loan	–	514	35	548
Convertible loan	133	–4	–129	–
<b>Total</b>	<b>133</b>	<b>510</b>	<b>–94</b>	<b>548</b>
<b>Other items affecting cash flow</b>		<b>100</b>		
<b>Total</b>		<b>610</b>		

Other items affecting cash flow in the financing operations refer to payments of warrants, provisions to blocked accounts, interest items, currency futures and Group contributions.

## Parent Company equity

Amounts to the nearest MSEK	Restricted equity			Non-restricted equity		
	Share capital	Statutory reserve	Other restricted equity	Share premium fund	Acc. profit/loss incl. profit/loss for the year	Total equity
<b>Opening balance on 1 Jan 2022</b>	<b>3</b>	<b>0</b>	<b>–</b>	<b>1,482</b>	<b>–886</b>	<b>599</b>
Profit/loss for the year	–	–	–	–	36	36
<b>Total comprehensive income</b>	<b>3</b>	<b>0</b>	<b>–</b>	<b>1,482</b>	<b>–850</b>	<b>635</b>
<b>Transactions with shareholders</b>						
New share issue/conversion of convertibles	0	–	–	132	–	132
<b>Total transactions with shareholders</b>	<b>0</b>	<b>–</b>	<b>–</b>	<b>132</b>	<b>–</b>	<b>132</b>
<b>Closing balance on 31 Dec 2022</b>	<b>4</b>	<b>0</b>	<b>–</b>	<b>1,614</b>	<b>–850</b>	<b>768</b>
<b>Opening balance on 1 Jan 2023</b>	<b>4</b>	<b>0</b>	<b>–</b>	<b>1,614</b>	<b>–850</b>	<b>768</b>
Profit/loss for the year	–	–	–	–	815	815
<b>Total comprehensive income</b>	<b>4</b>	<b>0</b>	<b>–</b>	<b>1,614</b>	<b>–34</b>	<b>1,583</b>
<b>Transactions with shareholders</b>						
Repurchase of own shares	–	–	–	–24	–	–24
Dividends to shareholders	–	–	–	–44	–	–44
<b>Total transactions with shareholders</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–68</b>	<b>–</b>	<b>–68</b>
<b>Closing balance on 31 Dec 2023</b>	<b>4</b>	<b>0</b>	<b>–</b>	<b>1,546</b>	<b>–34</b>	<b>1,515</b>

# Notes to the Parent Company's financial statements

## NOTE 1 • ACCOUNTING POLICIES

### Accounting policies for the Parent Company

The Parent Company has prepared its Annual Report in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities, and the applicable statements from the Swedish Financial Reporting Board. RFR 2 states that the Parent Company, in its preparation of the Annual Report for the legal entity, applies all of the IFRSs and statements approved by the EU, as far as possible within the bounds of the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act, with respect to the relationship between accounting and taxation. The Parent Company primarily applies the same policies as those described referring to the Group. The Parent Company applies the exemption rule in IFRS 9, meaning that financial instruments are measured at cost. Other differences between the Group's and the Parent Company's accounting policies are described below.

#### Income

Net sales include the sale of electricity certificates and guarantees of origin and gains and losses from electricity and currency derivatives attributable to the hedged production. Net sales also include development income from sold projects and remuneration for management services. These income streams are recognised in the same manner as for the Group, except as described below.

Income from accrued planning expenses and construction in progress which is charged to Wind Farm companies is recognised as a capital gain/loss on the sale date. Income from sales of projects is recognised at gross amount in the income statement concurrently as control of the project is passed from Arise to the purchaser.

#### Taxes

Tax legislation permits allocation to special reserves and funds which are reported separately in the Parent Company.

This allows companies to appropriate and retain reported profits in the business, within certain limits, rather than being taxed immediately. The untaxed reserves are not subject to taxation until they are utilised. However, in the event that the business reports a loss, the untaxed reserves can be appropriated to cover the loss without being subject to tax.

#### Operating leases

All leases are recognised in the Parent Company as operating leases.

#### Group contributions and shareholders' contributions

Group contributions and shareholders' contributions are recognised in accordance with RFR 2. Group contributions are recognised as appropriations in the income statement and the tax effect, in accordance with IAS 12, is also recognised in the income statement. Shareholders' contributions are recognised as an increase in participations in subsidiaries.

## NOTE 2 • INCOME

Income comprises sales of electricity certificates and guarantees of origin, consulting expenses invoiced internally in the Group, management services to external customers and income from sales of projects. Income also includes gains and losses from electricity and currency derivatives attributable to the hedged production. Income from sales of projects is recognised concurrently as control of the project is passed to the purchaser. Management income is recognised according to contract based on monthly and quarterly invoices. Profit from financial derivatives is recognised net in an amount of MSEK 0 (-3).

**NOTE 3 • PERSONNEL**

For information relating to personnel, refer to Note 4 of the consolidated financial statements.

**NOTE 4 • AUDITING FEES**

	2023	2022
<b>Öhrlings PricewaterhouseCoopers AB</b>		
Audit assignment	1.5	1.2
Audit activities not included in the audit assignment	0.1	0.0
Tax consultancy services	0.5	0.1
Other services	–	–
<b>Total</b>	<b>2.0</b>	<b>1.3</b>

**NOTE 5 • PROFIT/LOSS FROM FINANCIAL ITEMS**

	2023	2022
<b>Interest income</b>		
Intra-Group interest income	7	0
Other interest income	16	3
<b>Interest expenses</b>		
Intra-Group interest expenses	–10	–3
Bond and convertibles	–46	–21
<b>Other financial items</b>		
Impairment of shares in subsidiaries	–5	–
Gain on divestment of subsidiaries	54	2
Dividend on participations in subsidiaries	776	–
Exchange rate differences revaluation of bond	2	–33
Other financial items	–3	–2
Other exchange rate differences	–4	32
<b>Total</b>	<b>787</b>	<b>–22</b>

**NOTE 6 • TAXES**

<b>Tax on profit/loss for the year</b>	<b>2023</b>	<b>2022</b>
Deferred tax	–	0
<b>Recognised tax</b>	<b>–</b>	<b>0</b>
<b>Deferred tax</b>		
Attributable to unutilised loss carry-forwards <sup>1)</sup>	–	–
Other items	–	0
<b>Total recognised deferred tax</b>	<b>–</b>	<b>0</b>
<b>Reconciliation of recognised tax in the Parent Company</b>		
Profit before tax	815	37
Tax 20.6%	–168	–8
Tax effects of:		
Non-deductible expenses/non-taxable income	165	0
Non-deductible interest expenses	–1	–1
Loss carry-forwards for which no tax asset was previously recognised	5	8
<b>Recognised tax, profit/loss for the year</b>	<b>–</b>	<b>0</b>
<b>Change in deferred tax</b>		
Opening amount, net	–	0
Recognised deferred tax on profit/loss for the year regarding loss carry-forwards	–	0
Other items	–	0
<b>Closing amount, net</b>	<b>–</b>	<b>–</b>

<sup>1)</sup> The Parent Company's total loss carry-forwards amounted to MSEK 0 (23).



## NOTE 7 • INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

	Land and buildings <sup>1)</sup>		Equipment, tools and fittings		Advance payments constructions in progress		Intangible assets		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Opening cost</b>	<b>1</b>	<b>1</b>	<b>15</b>	<b>14</b>	<b>58</b>	<b>51</b>	<b>25</b>	<b>25</b>	<b>99</b>	<b>92</b>
Purchases/investments	–	–	1	1	19	10	5	–	25	11
Sales/disposals	–	–	–	–	–30	–4	–	–	–31	–4
<b>Closing cost</b>	<b>1</b>	<b>1</b>	<b>16</b>	<b>15</b>	<b>46</b>	<b>58</b>	<b>30</b>	<b>25</b>	<b>93</b>	<b>99</b>
<b>Opening accumulated depreciation and impairment</b>	<b>0</b>	<b>0</b>	<b>–14</b>	<b>–14</b>	<b>–15</b>	<b>–15</b>	<b>–</b>	<b>–</b>	<b>–30</b>	<b>–29</b>
Depreciation for the year	0	0	0	0	–	–	–	–	0	0
Impairment for the year	–	–	–	–	–1	–	–	–	–1	–
Sales/disposals	–	0	–	–	–	–	–	–	–	–
<b>Closing accumulated depreciation and impairment</b>	<b>0</b>	<b>0</b>	<b>–14</b>	<b>–14</b>	<b>–16</b>	<b>–15</b>	<b>–</b>	<b>–</b>	<b>–31</b>	<b>–30</b>
<b>Closing residual value according to plan</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>30</b>	<b>42</b>	<b>30</b>	<b>25</b>	<b>63</b>	<b>70</b>

<sup>1)</sup> Land and buildings includes land with a carrying amount of MSEK 1 (1). The tax assessment value of the Parent Company's properties totalled MSEK 0 (0), of which MSEK 0 (0) is the tax assessment value of the land.

For the company's guarantee commitments, see Note 17.

**Operating leases**

The company's leases refer to rented premises for offices, cars and some office equipment.

**Future total lease fees for cancellable leases are as follows:**

	2023	2022
Within 1 year	4	2
Between 1–5 years	9	3
More than 5 years	1	–
<b>Total</b>	<b>14</b>	<b>5</b>

Operating lease expenses for the year amounted to MSEK 3 (3). Office premises are leased under cancellable leases with a term of three to five years, company cars with a term of three years and office equipment with a term of one to four years.

## NOTE 8 • SHARES IN SUBSIDIARIES

	2023	2022
<b>Opening carrying amount</b>	<b>874</b>	<b>704</b>
Investments in subsidiaries	347	170
Impairment of shares	-5	-
<b>Closing carrying amount</b>	<b>1,217</b>	<b>874</b>

## Parent Company holdings

Name	Country	Corporate Identity Number	Registered office	No. of shares	Participating interest, %	Carrying amount of holding	Equity
Arise Elnät AB	Sweden	556747-2641	Halmstad	1,000	100%	2	2
Arise Kran AB	Sweden	556758-8966	Halmstad	1,000	100%	1	1
Arise Wind Farm 9 AB	Sweden	556833-5813	Halmstad	1,000	100%	0	0
Arise Wind HoldCo 1 AB	Sweden	556869-2114	Halmstad	500	100%	0	0
Arise Wind HoldCo 2 AB	Sweden	556867-9913	Halmstad	500	100%	4	15
Arise Wind HoldCo 3 AB	Sweden	556867-9798	Halmstad	500	100%	15	230
Arise Wind HoldCo 5 AB	Sweden	556867-9764	Halmstad	500	100%	0	0
Arise Wind HoldCo 6 AB	Sweden	556868-0051	Halmstad	500	100%	0	0
Arise Wind HoldCo 7 AB	Sweden	556867-9756	Halmstad	500	100%	0	0
Arise Wind HoldCo 8 AB	Sweden	556868-0010	Halmstad	500	100%	0	51
Arise Wind HoldCo 9 AB	Sweden	556758-8909	Halmstad	1,000	100%	848	783
Arise Wind HoldCo 10 AB	Sweden	559075-2746	Halmstad	50,000	100%	0	0
Pohjan Voima Oy	Finland	3004732-8	Helsinki	1,438	51%	345	-15
Arise AS	Norway	932520869	Drammen	3,000	100%	0	0
Fenix Repower AS	Norway	930929123	Stavanger	30,000	70%	2	0
<b>Total</b>						<b>1,217</b>	<b>1,068</b>

## NOTE 9 • OTHER LONG-TERM SECURITIES

	2023	2022
<b>Accumulated cost:</b>		
At the beginning of the year	26	-
Additional assets	-	26
<b>Total <sup>1)</sup></b>	<b>26</b>	<b>26</b>

<sup>1)</sup> Refers to Arise AB's share of 9% of Kolvallen Vind BidCo AB

## NOTE 10 • OTHER LONG-TERM RECEIVABLES

	2023	2022
<b>Accumulated cost:</b>		
At the beginning of the year	112	-
Additional receivables	210	106
Translation differences for the year	-4	6
<b>Total <sup>1)</sup></b>	<b>318</b>	<b>112</b>

<sup>1)</sup> The receivable is with Kolvallen Vind BidCo AB, Pohjan Voima Oy and Arise Renewable Energy UK Limited.

## NOTE 11 • OTHER FINANCIAL NON-CURRENT ASSETS

	2023	2022
Blocked / deposited funds	6	1
<b>Total</b>	<b>6</b>	<b>1</b>

## NOTE 12 • PREPAID EXPENSES AND ACCRUED INCOME

	2023	2022
Accrued development income	-	21
Prepaid expenses	2	3
<b>Total</b>	<b>2</b>	<b>24</b>

## NOTE 13 • INTEREST-BEARING LIABILITIES

Non-current portion of interest-bearing liabilities	2023	2022
Bond loan	549	548
<b>Total non-current portion</b>	<b>549</b>	<b>548</b>

**NOTE 14 - OTHER NON-CURRENT LIABILITIES**

	2023	2022
<b>Accumulated cost:</b>		
At the beginning of the year	–	–
Additional liabilities <sup>1)</sup>	200	–
<b>Total</b>	<b>200</b>	<b>–</b>

<sup>1)</sup> Refers to earnout for acquisition of the shares in Pohjan Voima Oy.

**NOTE 15 • ACCRUED EXPENSES AND DEFERRED INCOME**

	2023	2022
Accrued personnel-related expenses	26	21
Accrued interest expenses	5	5
Other accrued expenses	4	3
<b>Total</b>	<b>35</b>	<b>28</b>

**NOTE 16 • ADDITIONAL DISCLOSURES TO THE CASH FLOW STATEMENT**

Cash and cash equivalents comprise cash and bank balances.

<b>Adjustment for non-cash items</b>	2023	2022
Depreciation and impairment of non-current assets	1	0
Exchange rate differences	9	–
<b>Total</b>	<b>10</b>	<b>0</b>

**NOTE 17 • PLEDGED ASSETS AND CONTINGENT LIABILITIES**

<b>Pledged assets</b>	2023	2022
Shares in subsidiaries	848	848
<b>Total</b>	<b>848</b>	<b>848</b>
<b>Contingent liabilities</b>	<b>73</b>	<b>261</b>

The company entered into a counter indemnity for the bank guarantees issued for Arise Wind Farm 20 AB and Arise Elnät AB amounting to MSEK 7.5 and MSEK 4.3, respectively. The company has a parent company guarantee for Arise Wind Farm 20 AB to the benefit of Siemens Gamesa that amounted to approximately MEUR 6 at the end of the period. The company stands surety for the subsidiary Arise Wind HoldCo 3 AB's commitments under the share sales agreements for Kränge Vind AB and Kölvallen Vind AB and for the subsidiary Arise Wind HoldCo 8 AB's commitments under the share sales agreements for Fasikan Vind AB.

**NOTE 18 • RELATED-PARTY TRANSACTIONS**

The following transactions with related parties have taken place during the year:

	2023	2022
Sales of goods and services to subsidiaries	43	52
Sales gains/loss electricity derivatives	0	3
Purchases of goods and services from subsidiaries	3	2
Transactions with other senior executives	–	–

The Parent Company's transfer of projects and charging of services to its subsidiaries amounted to MSEK 43 (52). Services sold refer to consulting fees relating to permits and planning work, invoiced administrative expenses, gains/losses on electricity derivatives attributable to hedged production and management services to subsidiaries that own operational wind farms. The Parent Company's purchases of goods and services from subsidiaries amounted to MSEK 3 (2) and consist of electricity certificates and the purchase of various consulting services.

No Board member or senior executive has been engaged, either directly or indirectly, in any business transactions between themselves and the company which is, or was, unusual in character with respect to the terms and conditions applying. Remuneration of Board members and senior executives is presented in Note 4 to the consolidated financial statements and in the Directors' Report.

**NOTE 19 • PROPOSED APPROPRIATION OF PROFITS**

The following profits are at the disposal of the Annual General Meeting:

**Parent Company**

Accumulated loss from preceding year	–849,711,803
Share premium reserve non-restricted equity	1,545,670,531
Net profit for the year	815,236,983
<b>Total unappropriated earnings, SEK</b>	<b>1,511,195,711</b>

The Board of Directors and the CEO propose to the Annual General Meeting that the available earnings be appropriated as follows:

To be paid as dividends, SEK 1.20 per share	53,393,082
To be carried forward, SEK	1,457,802,629
<b>Total appropriation of profit, SEK</b>	<b>1,511,195,711</b>



**The income statements and balance sheets will be presented for adoption at the Annual General Meeting on 7 May.**

The Board of Directors and Chief Executive Officer hereby certify that the annual accounts have been prepared in compliance with the Annual Accounts Act and RFR 1 and give a true and fair view of the company's financial position and results, and that the Directors' Report gives a true and fair view of the development of the company's business, financial position and results, and describes significant risks and factors of uncertainty faced by the company.

The Board of Directors and Chief Executive Officer

hereby certify that the consolidated financial statements have been prepared in compliance with the *International Financial Reporting Standards* (IFRS), as adopted by the EU, and give a true and fair view of the Group's financial position and results, and that the Directors' Report for the Group gives a true and fair view of the Group's financial position and results and describes the significant risks and factors of uncertainty faced by the companies included in the Group.

Halmstad, 21 March 2024

**Joachim Gahm**

Chairman

**Per-Erik Eriksson**

CEO

**Eva Vitell**

Board member

**Johan Damne**

Board member

**Mikael Schoultz**

Board member

**Per-Gunnar Persson**

Board member

Our auditor's report was submitted on 21 March 2024

Öhrlings PricewaterhouseCoopers AB

**Ulrika Ramsvik**

Authorised Public Accountant



Ryssbol wind farm  
Hylte, Sweden





# Auditor's report

Unofficial translation

## TO THE GENERAL MEETING OF THE SHAREHOLDERS OF ARISE AB (PUBL)

Corporate identity number 556274-6726

### Report on the annual accounts and consolidated accounts

#### Opinions

We have audited the annual accounts and consolidated accounts of Arise AB (publ) for the year 2023. The annual accounts and consolidated accounts of the company are included on pages 47-101 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

#### Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or,

where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

#### Our audit approach

##### *Audit scope*

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

##### *Materiality*

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgment, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.



**Key audit matters**

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the

current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

**Key audit matters***Impairment test of owned windpower farms in operation*

Reference to Note 1 on page 67 in the Annual Report "Significant estimates and assumptions for accounting purposes", and Note 9 on page 76 "Property, plant and equipment".

As at 31 December 2023, the value of owned windpower farms in operation amounts to MSEK 990. The value of the windpower farms depends, among other things, on future prices for electricity and electricity certificates. These prices have fluctuated since the time of the investment. The company annually carries out impairment tests, which for 2023 have not resulted in any write-downs.

The assumptions and assessments performed by management in conjunction with the impairment test are complex, such as future cash flows and other circumstances, and have a major impact on the calculated value-in-use. In particular, the assumptions of the future price levels on electricity and the weighted average cost of capital (WACC), where small deviations can result in large impact on the calculated value-in-use.

**How our audit addressed the Key audit matter**

Our audit was focused to ensure that the impairment test performed by the Company is true and fair and that no requirements for impairment charges are required. We have obtained and reviewed the impairment tests performed by the Company. These include the prognosis of future cash flow made by the Group management based on the discount rate they selected. Assumptions regarding future market prices for electricity and electricity certificates are based on market price projections made by external expertise.

We have developed an understanding of how the development of macroeconomic factors impact Arise. We have also assessed the process through which the Group management and Board of Directors gather the necessary macro market data to support their assumptions and decisions.

Our review of the impairment tests has included:

- Audited the calculation model applied by management.
- Assessed and checked the mathematical accuracy of the WACC applied by management
- Reviewed input data regarding future revenues against energy price curves obtained by company management from an external party
- Audited input data regarding planned production volumes and assessed the reasonableness compared to historical performance
- Audited input data regarding estimated operating cost and other data and reconciled them against the company's projections and against historical performance.
- Performed sensitivity analysis for changes in key assumptions, such as market price development and the discount rate applied.

## Key audit matters

### *Transactions – sale of projects*

Reference to Note 1 on page 67 in the Annual Report “Significant estimates and assumptions for accounting purposes” and Note 2 Revenue and Note 16 Prepaid expenses and accrued income on page 68 and page 84.

Arise business concept implies potential acquisitions and selling of one or several projects directly or through a company. During the year the company sold companies with the project Fasikan as well as continued construction of the projects Kōlvallen and Ranasjö- and Salsjöhöjden. Project Skaftåsen has been settled. Each separate transaction is individual, and the contracts contain specific terms of agreements which stipulates, amongst others, a model for payments and the respective parts commitments and requirements during the duration of the agreements.

The business arrangement and accompanying agreements are complex areas in which interpretation of the performed transaction and the accompanying terms of agreements might have a material effect on the accounting records and the revenue recognition.

## How our audit addressed the Key audit matter

Our audit focuses on that the performed transactions are treated correctly in the accounting records.

Each separate agreement with regards to selling a company or a project is individual, and the contracts contain specific terms of agreements. We have in our audit:

- Audited the Company's capital gain through a reconciliation against the sale agreement and the company's assessment related to percentage of completion.
- Audited the company's accounting records with regards to the sales transaction on company level.
- Audited the company's accounting records with regards to the sales transaction on a group level.
- Audited that the classification for the capital gain has been treated correctly in accordance with the accounting principles for the company.

## Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–44 and 112–120. The other information also consists of the Remuneration Report for 2023, which we obtained before the date of this audit report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this

information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the

going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

### **Auditor's responsibility**

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.

## **Report on other legal and regulatory requirements**

### **The auditor's audit of the administration of the company and the proposed appropriations of the company's profit or loss**

#### **Opinions**

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Arise AB (publ) for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

#### **Basis for Opinions**

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional

ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### **Responsibilities of the Board of Directors and the Managing Director**

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

### **Auditor's responsibility**

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.



A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.

## The auditor's examination of the ESEF report

### Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Arise AB (publ) for the financial year 2023.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

### Basis for Opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Arise AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors (and the Managing Director) determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it

is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report has been marked with iXBRL in accordance with what follows from the Esef regulation.

Öhrlings PricewaterhouseCoopers AB, 113 97 Stockholm, was appointed auditor of Arise AB (publ) by the general meeting of the shareholders on the 4 May 2023 and has been the company's auditor since the financial year 2008. Arise AB (publ) has been a company of public interest since it was listed on March 24, 2010.

Göteborg 21 March 2024

Öhrlings PricewaterhouseCoopers AB

**Ulrika Ramsvik**

Authorized Public Accountant

# Corporate Governance Report

## Corporate Governance Report for the Group

Arise AB (publ) ("Arise") is a Swedish public limited liability company listed on Nasdaq Stockholm. Accordingly, Arise applies the Swedish Corporate Governance Code (the "Code", available on [corporategovernanceboard.se](http://corporategovernanceboard.se)). This Corporate Governance Report refers to the 2023 financial year and has been established in accordance with the provisions included in the Code, Chapter 6, Sections 6–9 of the Swedish Annual Accounts Act and Chapter 9, Section 31 of the Swedish Companies Act. Arise's Articles of Association and other information regarding corporate governance in Arise are available on our website, [www.arise.se](http://www.arise.se).

## Regulatory compliance

Arise has no deviations from the Code to report for the 2023 financial year. No breaches of applicable stock-market rules or good practice in the securities market was reported for Arise by Nasdaq Stockholm's Disciplinary Committee or the Swedish Securities Council in 2023.

## Shares and shareholders

The share capital in Arise as per 29 December 2023 amounted to SEK 3,559,538.80 distributed between 44,494,235 shares. All shares issued are ordinary shares of the same class and thus entitle the respective holders to equal rights to the company's assets, profits and dividends. According to the shareholder register maintained by Euroclear Sweden AB, Arise had approximately 15,863 shareholders on 29 December 2023. The company had two shareholders with a direct or indirect participation representing 10% or more of the votes on 29 December 2023, which were Johan Claesson with companies (29.0%) and AltoCumulus Asset Management (12.7%). Information about the ten largest shareholders can be found on page 112 of this Annual Report and on Arise's website, [www.arise.se](http://www.arise.se).

## Annual General Meeting

Arise's highest decision-making body is the Annual General Meeting of shareholders. Notice of the Annual General Meeting, or an extraordinary general meeting at which potential changes in the Articles of Association are discussed, is given not earlier than six weeks and not later than four weeks prior to the meeting. The Annual General Meeting is to be held within six months from the end of the financial year. All shareholders listed in the shareholder register six banking days prior to the Meeting, including registrations of voting rights made not later than four banking days prior to the Meeting, and who have announced to the company their intention to participate before the registration period has elapsed, have the right to attend and vote at the meeting. The number of votes a shareholder is entitled to exercise is not restricted. Shareholders who are unable to attend the meeting in person may be represented by proxies. The company does not apply special arrangements with regard to the function of the Annual General Meeting, either on the basis of regulations in the Articles of Association or, to the extent they are known to the

company, shareholder agreements. Furthermore, the Articles of Association do not include specific regulations relating to changes in the Articles of Association. The most recent Annual General Meeting was held on 4 May 2023 at Hotel Tylösand in Halmstad, Sweden. The minutes from the Annual General Meeting are available on Arise's website. At the Annual General Meeting, resolutions were passed regarding the authorisation of the Board to resolve on issues of ordinary shares, preference shares and convertibles, authorisation of the Board to repurchase own ordinary shares and authorisation of the Board to transfer own ordinary shares. The next Annual General Meeting will be held on 7 May 2024 in Halmstad. Shareholders wishing to add items to the agenda of the Annual General Meeting may send a written request to Arise AB (publ), Att: Chairman of the Board, Box 808, SE-301 18 Halmstad, Sweden. Such requests must reach the Board of Directors not later than seven weeks prior to the Annual General Meeting, or at least in sufficient time so that the issue can, if required, be included in the notice of the Meeting.

## Nomination Committee

Under the Code, Arise is to have a Nomination Committee whose task is to include the preparation of proposals for members of the Board, the Chairman of the Board, the Chairman of general meetings and auditors as well as procedures for the next year's Nomination Committee. The Nomination Committee is also to submit proposals on fees for Board members and auditors. The Annual General Meeting on 4 May 2023 resolved to establish procedures for the appointment of a Nomination Committee prior to the next election and for the determination of remuneration. According to the resolution, the Nomination Committee is to comprise five regular members appointed by the four largest shareholders as of the start of October as well as the Chairman of the Board.

The Nomination Committee prior to the 2024 Annual General Meeting comprised Johan Claesson (own holdings and through companies), Lars Hagerud (AltoCumulus Asset Management), Peter Lundkvist (Third Swedish National Pension Fund), Marcus Neckmar (AP2) and Chairman of the Board Joachim Gahm. All of the Nomination Committee's members are independent in relation to the company and management. No remuneration has been paid to the members of the Board for work on the Nomination Committee.

In its work, the Nomination Committee applied the diversity policy adopted by the Board. Item 4.1 of the Code comprises part of this diversity policy. The result of the work on the diversity policy is that the Nomination Committee has taken into account that, considering Arise's operations, stage of development, prevailing business and social conditions and other circumstances, the Board is to be characterised by diversity and breadth with regard to the expertise, experience and background of the Board members elected by the General Meeting. Efforts have also been made to achieve an even gender distribution on the Board. By applying the above, the Nomination Committee has a solid basis for determining whether the Board's composition is appropriate and whether

Arise's needs for expertise, experience and diversity on the Board have been met. The Nomination Committee's proposals will be published not later than in connection with the notice of the 2024 Annual General Meeting. The Nomination Committee will present a description of its activities at the Annual General Meeting on 7 May 2024. Shareholders wishing to submit proposals and opinions to the Nomination Committee are requested to contact the Chairman of the Nomination Committee: *Arise AB (publ), Att: Chairman of the Nomination Committee, Box 808, SE-301 18 Halmstad, Sweden.*

## THE BOARD OF DIRECTORS

### General information

The Board of Directors is responsible for the management of the company's affairs and its organisation. The Articles of Association stipulate that the Board of Directors is to comprise not fewer than three and not more than nine Board members. The Articles of Association do not include any specific regulations regarding the appointment or dismissal of Board members.

At the most recent Annual General Meeting, held on 4 May 2023, a Board was elected consisting of the members Joachim Gahm (Chairman), Johan Damne, Eva Vitell, Mikael Schoultz and Per-Gunnar Persson. In accordance with the formal work plan for the Board of Directors, the Board is to hold at least six scheduled meetings between each Annual General Meeting. During the 2023 financial year, the Board of Directors held 12 meetings, with minutes taken at each meeting. The Board members' attendance at the meetings is presented in the table below.

Descriptions of the members of the Board of Directors, including information on their other directorships, independence and relevant shareholdings are provided on page 114 of the Annual Report. Remuneration and other benefits to the Board of Directors are described in Note 4 on pages 71–73 of the Annual Report. All of the Board members elected by the Annual General Meeting are independent in relation to the company and management. Furthermore, all members of the Board except for Johan Damne are independent in relation to the major shareholders (refer also to page 114 of the Annual Report). More information on the Board of Directors is provided on Arise's website, [www.arise.se](http://www.arise.se).

### AGM-elected Board members' attendance, 2023 financial year

	Number of meetings	Present at	Attendance, %
Joachim Gahm, Chairman	12	12	100
Johan Damne	12	12	100
Eva Vitell	12	12	100
Mikael Schoultz	12	11	96
Per-Gunnar Persson <sup>1)</sup>	7	7	100

<sup>1)</sup> Per-Gunnar Persson became a Board member at the Annual General Meeting on 4 May 2023.

### The work of the Board

Meetings of the Board of Directors should ideally be held by physical attendance at Arise's head office. However, additional meetings may be conducted over the telephone or virtually. The Chairman of the Board leads and organises the work of the Board.

Legal counsel Jonas Frii has served as the Board's secretary. Prior to each meeting, a proposed agenda is sent out, along with the documents which are to be addressed at the meeting. The proposed agenda is prepared by the CEO in consultation with the Chairman. The matters presented to the Board are presented for the purposes of information, discussion or decision. Decisions are taken after discussions and after all members of the Board in attendance at the meeting have had the opportunity to express their opinions. The Board's broad experience in various areas often results in a constructive and open discussion. During the year, no member of the Board expressed a reservation against any issue regarding which decisions were taken. Any objections are recorded in the minutes. Open questions are followed up on a continuous basis. The Board has not established a division of responsibilities among its members, other than that which is provided in the formal work plan for the Board and its committees. The formal work plan for the Board, which is to be reviewed on an annual basis, regulates the division of duties among the Chairman, the Board and its committees. Among other things, the formal work plan stipulates, for example, the obligatory permanent items to be addressed at every scheduled meeting.

During the year, the Chairman commissioned an evaluation of the Board of Directors to be undertaken by means of a survey. The results have been compiled on an anonymous basis and have been reported to the Board and the Nomination Committee by the Chairman.

### Diversity

The Board has adopted a Diversity Policy which aims to promote diversity on the Board and in the management team. The Board believes that diversity in the Board and management contributes to greater understanding of the company's organisation and operations, and allows decisions to be constructively and independently questioned and creates a more open climate to new ideas and approaches. According to the diversity policy, the Board is to be characterised by diversity and the composition of the Board is to follow item 4.1 of the Code. Efforts are also being made to achieve an even gender distribution on the Board. The policy is a governing document for the Nomination Committee that is to be applied when preparing proposals for Board members.

### Remuneration Committee

Up to the 2024 Annual General Meeting, the Remuneration Committee comprises Board members Joachim Gahm (Chairman), Johan Damne, Eva Vitell, Mikael Schoultz and Per-Gunnar Persson. The CEO normally participates in meetings of the Remuneration Committee, but has no say in matters pertaining to his own salary or benefits. The Remuneration Committee held two meetings in 2023 at which all members participated. The Committee's areas of responsibility are to present



proposals regarding overall policy on salaries, remuneration and other employment conditions of the company's Group management and potential warrant programmes. The Remuneration Committee is to provide proposals on individuals salaries and other remuneration of the CEO and, following proposals from the CEO, decide on individual salaries and other remuneration to managers who report to the CEO. All members of the Committee are independent in relation to Arise and its senior executives. The Committee's work is based on the resolutions passed at the most recent Annual General Meeting regarding the guidelines for remuneration of senior executives. The Committee's work follows a written formal work plan adopted by the Board. The Committee does not have its own right of decision other than within the remuneration policy that the AGM resolves on for senior executives.

#### **Audit Committee**

Up to the 2024 Annual General Meeting, the Audit Committee consists of the Board members Johan Damne (Chairman), Joachim Gahm and Eva Vitell. The Company's CFO reports to the Committee. The Audit Committee held five meetings in 2023 and each meeting was attended by all members. The Audit Committee is responsible for preparing the Board's work on ensuring the quality of the company's financial reporting. Quality assurance normally takes place by the Committee addressing all critical accounting matters and drafts of the financial statements that the company publishes. The Audit Committee also addresses matters concerning, for example, financial reporting, risks, governing documents, KPIs, accounting rules and internal control. The Audit Committee also maintains a continuous dialogue with the auditor. The Committee's work follows a written formal work plan adopted by the Board and the Board does not have its own right of decision.

#### **Group management**

Arise's Group management and the Group management's shareholdings are described on page 115 of the Annual Report.

#### **Appointment of auditors**

At the 2023 Annual General Meeting, Öhrlings PricewaterhouseCoopers AB was appointed as the company's auditor, with Authorised Public Accountant Ulrika Ramsvik as Auditor-in-Charge for the period up to the next Annual General Meeting. The 2023 Annual General Meeting also resolved that fees to auditors were to be paid according to standard norms and approved invoices.

#### **Internal control**

The objective of the internal financial control in Arise is to establish an effective decision-making process in which requirements, objectives and limits are clearly defined. The company and management apply the internal control system to monitor the operations and the Group's financial position.

#### **Control environment**

The control environment forms the basis for internal control. Arise's control environment comprises, for example, sound core values, integrity, competence, a leadership philosophy, an organisational structure, responsibility and authorities. Arise's formal work plans, instructions, policies, guidelines and manuals provide guidance to the employees.

Arise ensures a clear division of roles and responsibilities for the effective management of operational risks through, for example, its formal work plans for the Board of Directors and its committees, as well as through terms of reference to the CEO.

During the company's day-to-day operations, the CEO is responsible for the system of internal controls required to create a control environment for significant risks. Arise also has guidelines and policies regarding financial governance and monitoring, communication issues and business ethics. All wholly owned subsidiaries in the Group employ the same reporting system. The Board has appointed an Audit Committee, which is responsible for, among other things, ensuring compliance with adopted policies for financial reporting and internal control. The CEO or CFO reports the results of their work on internal control to the Audit Committee.

The results of the work of the Audit Committee, in the form of observations, recommendations and proposals for decisions and measures, are reported to the Board on an ongoing basis. To summarise, Arise's internal control environment is based on the division of work between the Company organs, reporting to the Board of Directors, adopted policies and guidelines, and employee compliance with the policies and guidelines.

#### **Internal control over financial reporting**

Internal control over financial reporting is part of the internal control within Arise and its aims include providing reasonable assurance of the reliability of the company's external financial reporting in the form of interim reports, annual reports and year-end reports, and ensuring that the external financial reporting is prepared in accordance with laws, applicable accounting standards and other requirements for listed companies.

#### **Risk assessment and control activities**

Arise regularly performs risk analyses in order to identify potential sources of errors in the financial reporting. Relevant procedures are documented so as to increase traceability in the financial reporting. Normal control activities include reconciliation of accounts and supporting controls. The purpose of all control activities is to prevent, detect and remedy any errors or deviations in financial reporting. The most significant risks regarding financial reporting identified through the Group's internal control activities are managed through control structures which are primarily based on reports on deviations from established goals or norms regarding, for example, currencies and hedging.

**Follow-up**

The Board of Directors evaluates the information provided by Company management on an ongoing basis. In the activities of the Board of Directors and the Audit Committee, great importance is attached to the work involved in following up the effectiveness of internal control. The activities include, for example, ensuring that measures are taken regarding any proposals for actions arising in the external audit. The reports provided by management to the Board of Directors and the Audit Committee include a follow-up of the company's positions pursuant to the financial policy, and any deviations. The activities implemented by the Board of Directors in its follow-up of internal control regarding the financial reporting include assigning management to report on the outcome of any issues related to the financial reporting.

**Information and communication**

The dissemination of correct information, both internally and externally, implies that all parts of the operations are able to exchange and report relevant and significant information about the business in an effective manner. In order to achieve this, Arise has issued policies and guidelines regarding

the management of information in the financial processes, which have been communicated to the employees by the management group. For communication with external parties, there is a policy stipulating guidelines for the form such communication is to take. The ultimate purpose of the aforementioned policies and guidelines is to ensure that the company's disclosure requirements are complied with and that the investors receive the correct information in a timely fashion.

**Internal audit**

Taking into account the size of the company, in combination with the Audit Committee's work, and the fact that sound control procedures have been established and applied, the Board of Directors has not deemed it necessary to establish a separate internal audit function. However, the matter of whether a separate internal audit function is required will be addressed on an annual basis.

**Activities in 2023**

Focus during the year was on matters related to financing, investments and discussions regarding divestitures.

Halmstad, 21 March 2024

**Joachim Gahm**  
Chairman

**Per-Erik Eriksson**  
CEO

**Eva Vitell**  
Board member

**Johan Damne**  
Board member

**Mikael Schoultz**  
Board member

**Per-Gunnar Persson**  
Board member

**AUDITOR'S STATEMENT ON THE CORPORATE GOVERNANCE STATEMENT**

To the General Shareholders' Meeting of Arise AB (publ), Corporate Identity Number 556274-6726

**Engagement and responsibility**

It is the Board of Directors who is responsible for the corporate governance statement on pages 108–111 and that it has been prepared in accordance with the Annual Accounts Act

**The scope of the audit**

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

**Opinion**

A corporate governance statement has been prepared. Disclosures in accordance with Chapter 6, Section 6, second paragraph points 2–6 the Annual Accounts Act and Chapter 7, Section 31, second paragraph of the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Gothenburg, 21 March 2024  
Öhrlings PricewaterhouseCoopers AB

**Ulrika Ramsvik**  
Authorised Public Accountant

# Ownership structure

## Share capital

The share capital of Arise AB totals approximately MSEK 3.6, distributed between 44,494,235 shares. All shares entitle the holder to one vote and an equal right to the assets and profits of the company.

## Dividend policy and target equity/assets ratio

The company's financial targets include that the Group's equity/assets ratio shall exceed 30%.

On 31 December 2023, the equity/assets ratio was 57.9% (55.4).

The company's financial targets also include that dividends shall exceed 20% of profit/loss after tax attributable to the Parent Company's shareholders, given the approval of the AGM.

## LARGEST SHAREHOLDERS

Ownership structure as of 29 December 2023	Shares	Share of votes and capital, %
Johan Claesson with companies	12,902,842	29.0
AltoCumulus Asset Management	5,634,764	12.7
Tredje AP-fonden	4,352,723	9.8
SEB AB, Luxembourg Branch	1,113,710	2.5
Clearstream Banking S.A.	1,109,141	2.5
Andra AP-fonden	1,098,641	2.5
Nordea Funds AB	961,186	2.2
J.P. Morgan SE, Luxembourg Branch	902,839	2.0
Handelsbanken Fonder	878,855	2.0
Avanza Pension	671,457	1.5
<b>Ten largest shareholders</b>	<b>29,626,158</b>	<b>66.6</b>
Other shareholders	14,868,077	33.4
<b>Total number of registered shares</b>	<b>44,494,235</b>	<b>100.0</b>





## Historical development of share capital

Date	Transaction	Number of shares	Accumulated number of shares	Share capital, SEK	Accumulated share capital, SEK
1986	Formation of the company	50,000	50,000	50,000.00	50,000.00
1997	Split	950,000	1,000,000	–	50,000.00
1998	Bonus issue	–	1,000,000	50,000.00	100,000.00
2007	New issue	42,000	1,042,000	4,200.00	104,200.00
2007	New issue	408,000	1,450,000	40,800.00	145,000.00
2007	New issue	23,077	1,473,077	2,307.70	147,307.70
2008	New issue	100,000	1,573,077	10,000.00	157,307.70
2008	New issue	700,000	2,273,077	70,000.00	227,307.70
2008	New issue	244,000	2,517,077	24,400.00	251,707.70
2008	New issue	376,000	2,893,077	37,600.00	289,307.70
2008	Bonus issue	–	2,893,077	867,923.10	1,157,230.80
2008	Split	11,572,308	14,465,385	–	1,157,230.80
2008	New issue	51,000	14,516,385	4,080.00	1,161,310.80
2008	New issue <sup>*)</sup>	937,500	15,453,885	75,000.00	1,236,310.80
2009	New issue	5,972,185	21,426,070	477,774.80	1,714,085.60
2010	Warrants	135,000	21,561,070	10,800.00	1,724,885.60
2010	New issue	10,000,000	31,561,070	800,000.00	2,524,885.60
2011	Warrants	227,500	31,788,570	18,200.00	2,543,085.60
2011	Warrants	15,000	31,803,570	1,200.00	2,544,285.60
2011	Warrants	50,000	31,853,570	4,000.00	2,548,285.60
2011	New issue	1,574,500	33,428,070	125,960.00	2,674,245.60
2019	Warrants	117,500	33,545,570	9,400.00	2,683,645.60
2020	Redemption of convertibles	233,250	33,778,820	18,660.00	2,702,305.60
2020	Redemption of convertibles	904,191	34,683,011	72,335.28	2,774,640.88
2020	Redemption of convertibles	137,142	34,820,153	10,971.36	2,785,612.24
2020	Redemption of convertibles	1,677,763	36,497,916	134,221.04	2,919,833.28
2021	Redemption of convertibles	596,314	37,094,230	47,705.12	2,967,538.40
2021	Redemption of convertibles	1,359,285	38,453,515	108,742.80	3,076,281.20
2021	Redemption of convertibles	143,559	38,597,074	11,484.72	3,087,765.92
2021	Redemption of convertibles	24,366	38,621,440	1,949.28	3,089,715.20
2022	Redemption of convertibles	5,872,795	44,494,235	469,823.60	3,559,538.80

<sup>\*)</sup> Private placement in conjunction with the acquisition of PLU Energy Intressenter AB, which was merged with the Parent Company during 2009.

## Arise's Board of Directors



Joachim Gahm



Johan Damne



Eva Vitell



Mikael Schoultz



Per-Gunnar Persson

### Joachim Gahm, born 1964

Joachim Gahm has been a Board member since 2007 and has served as Chairman of the Board since being appointed by the Annual General Meeting on 6 May 2014.

**OTHER DIRECTORSHIPS AND POSITIONS:** Chairman of Catella Fondförvaltning AB, Odinviken AB and Kristineberg Förvaltnings AB, member of Danderyd Municipal Council.

**EDUCATION:** M.Sc. in Business and Economics from Stockholm University.

**INDEPENDENCE/DEPENDENCE:** Joachim Gahm is independent in relation to Arise AB, its senior executives and major shareholders.

**HOLDINGS, OWN AND THROUGH COMPANIES:** 40,000 shares and 100,000 warrants

### Johan Damne, born 1963

Johan Damne has been a Board member since being appointed by the Annual General Meeting on 6 May 2020.

**OTHER DIRECTORSHIPS AND POSITIONS:** CEO of Claesson & Andersson AB and Board member of Catella AB (publ). In addition, several Board and management positions in other companies within the Claesson & Anderzén Group.

**EDUCATION:** B.B.A Växjö University

**INDEPENDENCE/DEPENDENCE:** Independent in relation to Arise and its senior executives but not in relation to the major shareholders in Arise.

**HOLDINGS, OWN AND THROUGH COMPANIES:** 93,333 shares.

### Eva Vitell, born 1973

Eva Vitell has been a Board member since being appointed by the Annual General Meeting on 4 May 2022.

**OTHER DIRECTORSHIPS AND POSITIONS:** Founder and CEO of Vitell konsult AB. Partner in Davidson Vitell Handelsbolag. Previously CEO of Svea Vind Offshore AB and Hybrit Development AB and senior positions at Vattenfall.

**EDUCATION:** M.Sc. in Economics from Stockholm School of Economics.

**INDEPENDENCE/DEPENDENCE:** Independent in relation to Arise, its senior executives and major shareholders.

**HOLDINGS:** None.

### Mikael Schoultz, born 1963

Mikael Schoultz has been a Board member since being appointed by the Annual General Meeting on 4 May 2022.

**OTHER DIRECTORSHIPS AND POSITIONS:** Chief Investment Officer at Liquid Wind AB. Former senior positions at Copenhagen Infrastructure Service Company, Lekela Power B.V, Sustainable Technology Partners, Platina Partners and Citigroup. Board member of Vindkraft i Dalåsen AB and Deputy Board member of Snickaregatan Holding AB and ST Associates AB.

**EDUCATION:** International M.Sc. in Economics from Lund University.

**INDEPENDENCE/DEPENDENCE:** Independent in relation to Arise, its senior executives and major shareholders.

**HOLDINGS:** None.

### Per-Gunnar Persson, born 1965

Per-Gunnar Persson has been a Board member since being appointed by the Annual General Meeting on 4 May 2023.

**OTHER DIRECTORSHIPS AND POSITIONS:** Board member of Diös Fastigheter AB, Chairman of John Mattson Fastighetsföretagen AB, Board member of Svenska Sportpublikationer AB, Board member of Rikshem AB and Board member of BRIS (Children's Rights in Society). Board member and CEO of Safjället Fastigheter AB. Former President and CEO of Platzer Fastigheter Holding AB.

**EDUCATION:** Master Programme in Civil Engineering, Chalmers University of Technology

**INDEPENDENCE/DEPENDENCE:** Independent in relation to Arise, its senior executives and major shareholders.

**HOLDINGS:** None.

The information concerning shareholdings and warrants refers to the situation as of 31 December 2023.

## Arise's Group management



Per-Erik Eriksson



Hans Carlsson



Markus Larsson



Daniel Cambridge



Karmen Bergholcs

### Per-Erik Eriksson, born 1963

CEO since October 2021 and COO of the company since 2012. Per-Erik has 30 years' of experience from various positions in energy companies, the forestry industry and as a consultant.

**OTHER DIRECTORSHIPS AND POSITIONS:** Chairman of several of Arise's subsidiaries. Chairman of CapViva Wind Skogaby AB, AREF II Wind Bohult AB and Hästhalla Wind AB. Deputy Board member of Sveten AB and Sveten Holding AB.

**EDUCATION:** Degree in Energy Engineering from Mälardalen University.

**HOLDINGS:** 100,000 warrants, 10,000 shares

### Hans Carlsson, born 1967

Deputy CEO and COO since March 2022. Hans has broad experience in sales, maintenance and project management of wind power project since 2007 and most recently worked at turbine supplier Siemens Gamesa Renewable Energy AB, where he was CEO of the Swedish and Finnish local companies.

**OTHER DIRECTORSHIPS AND POSITIONS:** Board member of CapViva Wind Skogaby AB, AREF II Wind Bohult AB, Hästhalla Wind AB and Brotorp Power AB. Members and convenor of Swedish Wind Energy Association's Nomination Committee. Board member of Skovly Group AB.

**EDUCATION:** M.Sc in Industrial Engineering and Management KTH.

**HOLDINGS:** 100,000 warrants.

### Markus Larsson, born 1976

CFO since March 2022, and previously interim CFO of the company since January 2022. Markus has many years of experience from the capital markets and in business development, and as CFO.

**OTHER DIRECTORSHIPS AND POSITIONS:** Board member of several of Arise's subsidiaries. Board member of Kølvalen Vind BidCo AB, Kølvalen Vind AB. Board member of Emission Particle Solution Sweden AB and Butterfly Road AB.

**EDUCATION:** M.Sc. in Media Technology and Engineering from Linköping University.

**HOLDINGS:** 150,000 warrants, 10,000 shares.

### Daniel Cambridge, 1986

CCO since May 2022. Former director of UK and Irish subsidiaries of ib vogt GmbH, and senior investment manager at Foresight Group LLP.

**OTHER DIRECTORSHIPS AND POSITIONS:** Board member of Arise Renewable Energy UK Ltd.

**EDUCATION:** LLB from the University of Sussex.

**HOLDINGS:** 20,000 warrants.

### Karmen Bergholcs, born 1970

Group Legal Counsel since January 2024. Karmen has broad experience in business law and M&A and has most recently worked as General Counsel at Pandox AB (publ).

**OTHER DIRECTORSHIPS AND POSITIONS:** None.

**EDUCATION:** Master of Law, Stockholm University.

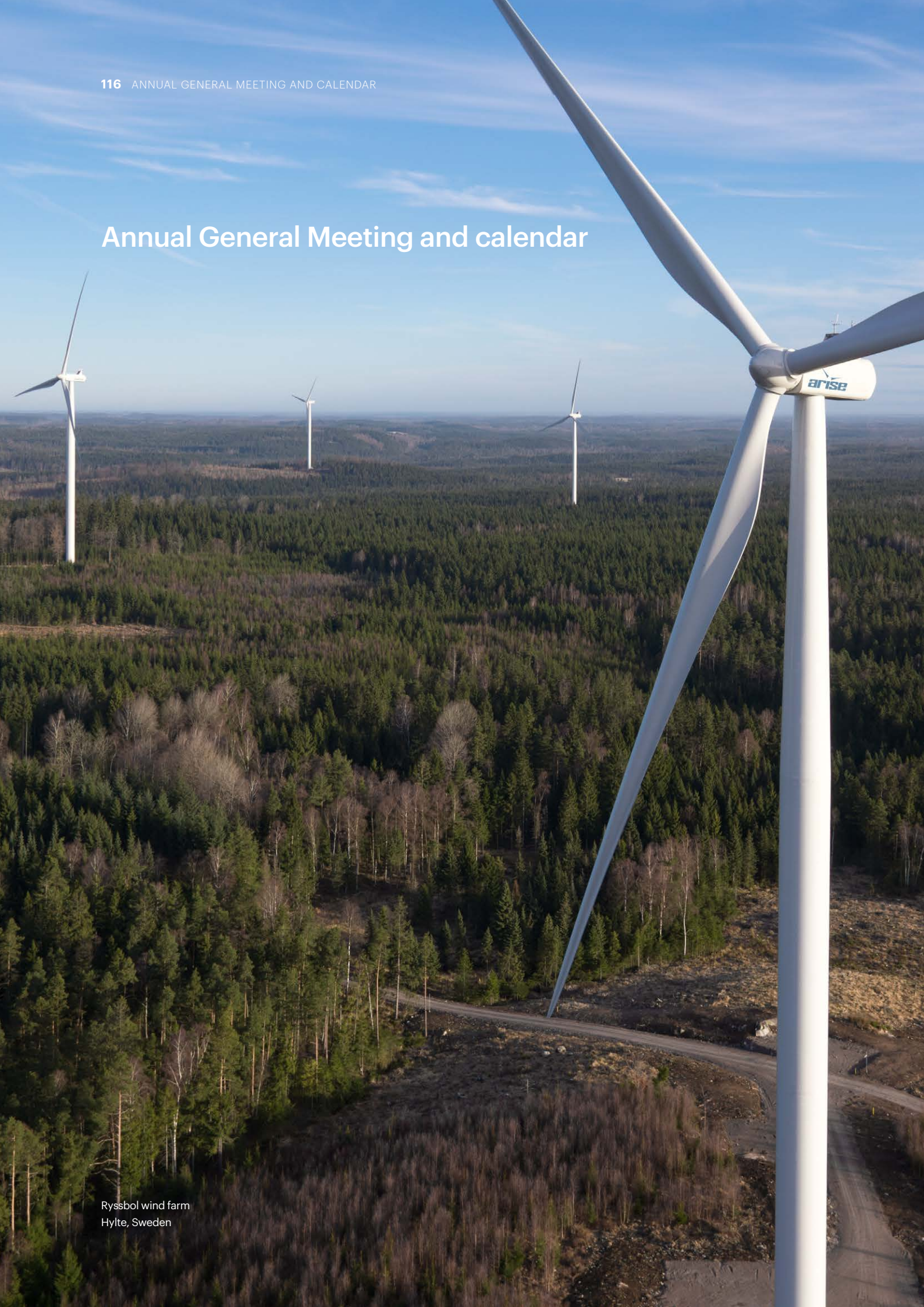
**HOLDINGS:** None.

The information concerning shareholdings and warrants refers to the situation as of 31 December 2023.



## Annual General Meeting and calendar

Ryssbol wind farm  
Hylte, Sweden





**Annual General Meeting**

Arise's Annual General Meeting will take place on 7 May 2024 at Hotel Tylösand in Halmstad, Sweden. More information about the Annual General Meeting and instructions for registration and voting will be provided in the notice of the Annual General Meeting and be available on Arise's website [www.arise.se](http://www.arise.se)

**Calendar of financial information**

All financial information is published on [www.arise.se](http://www.arise.se) as soon as it has been released. In 2024, financial information will be published as follows:

*First quarter:* 7 May 2024

*Second quarter:* 17 July 2024

*Third quarter:* 14 November 2024

*Fourth quarter:* 14 February 2025

**Annual Report**

The annual report is available on our website [www.arise.se](http://www.arise.se). Printed copies of the report can be ordered via e-mail at [info@arise.se](mailto:info@arise.se) or via the switchboard, telephone +46 (0) 10 450 71 00. The 2023 Annual Report is expected to be available in early April 2024.

**IR contact**

CEO Per-Erik Eriksson and CFO Markus Larsson are responsible for Arise's financial information.

**Per-Erik Eriksson, CEO**

Tel: +46 (0) 702 409 902

**Markus Larsson, CFO**

Tel: +46 (0) 735 321 776

## Financial information in summary

MSEK	2023	2022	2021	2020	2019
Net sales*	503	1,164	341	130	454
Operating profit/loss before depreciation and impairment (EBITDA)	286	851	143	33	-56
Operating profit/loss (EBIT)	223	790	79	-37	-131
Profit/loss before tax	200	772	58	-108	-233
Profit/loss for the year	200	772	57	-108	-235
Total non-current assets	2,510	1,432	1,298	1,276	1,322
Equity attributable to Parent Company shareholders	1,887	1,616	676	703	698
Equity attributable to non-controlling interests	318	-	-	-	-
Cash flow from operating activities*	222	926	143	65	327
Number of employees at the end of the period	67	41	30	31	28
Basic earnings per share, SEK	4.65	18.60	1.51	-3.08	-7.03
Diluted earnings per share, SEK**	4.65	18.60	1.49	-3.08	-7.03
EBITDA margin, %	56.5	72.8	41.7	25.1	neg
Operating margin %	43.9	67.6	23.2	neg	neg
Return on capital employed (EBIT), %	7.5	42.0	6.4	neg	neg
Return on equity, %	10.5	67.4	8.2	neg	neg
Equity/assets ratio, %	57.9	55.4	44.8	49.6	38.9
Debt/equity ratio, times	0.1	neg	0.6	0.7	0.7
Equity per share, SEK	43	39	18	20	21
Equity per share after dilution, SEK**	43	39	18	20	21

\* In 2022, the company changed the presentation format of projects sold in the income statement and cash flow statement. Retroactive adjustments were made for 2021 and these did not result in any impact on earnings.

\*\* In the calculation of earnings per share and equity per share, dilution from convertibles were included.





Ryssbol wind farm  
Hylte, Sweden





PRODUCTION: hstd reklambyrå.

PHOTOGRAPHY: Anders Sällström, Håkan Nilsson,  
Tina Axelsson, Hstd, Jesper Alm Jarl, Getty, Stocksy.

Arise AB, Box 808, SE-30118 Halmstad, Sweden  
Telephone +46 (0) 10 450 71 00 | [www.arise.se](http://www.arise.se)