Arise Capital Markets Day

12 September 2023

VISION & MISSION

Creating clean energy for a sustainable future!

- We want to be the obvious partner for investors in renewable electricity production and to create added value throughout the life cycle
- We want to maximise the value of our green electricity production through professional operation, management, sales and financing

Capital markets day 2023

- Welcome
- Arise in brief
- Our core markets
  - Sweden
  - UK
  - Finland
- Energy markets outlook
- Our targets
- Wrap up Q&A

Today's presenters

Per-Erik Eriksson | CEO

Markus Larsson | CFO

Hans Carlsson | COO

Daniel Cambridge | CCO

Juho Rönni
Founder / CFO
Pohjan Voima

Max Halvarsson
Head of Energy Sales and
Risk Management

The Arise journey

2007 → | 2014 → | 2023 →

IPP

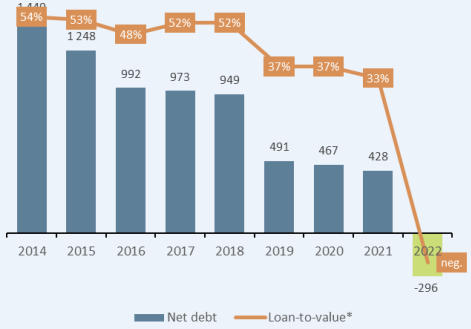
- Founded 2007 - IPP
- Oxhult, first windfarm COD 2009
- Listed on Nasdaq 2010
- Challenging financial situation, downward trend on commodity markets

Also developer & de-leveraging

- Updated strategy, combining IPP with project development, first transaction Brotorp 2014
- Jädraås (50% / 66 WTGs) sold 2019
- Kölvallen sold 2022 – most profitable project sale to date

Focus on profitable growth

- Growth strategy
- Leveraging on our core competencies – focusing on what we do best
- New markets and technologies
- Acquisition (51%) & partnership with Pohjan Voima in Finland



POHJAN VOIMA

Our business segments

Development

~5,700 MW
Project pipeline

~1,340 MW
Divested

Production

139 MW
Own operating assets

>340 GWh
Annual production*

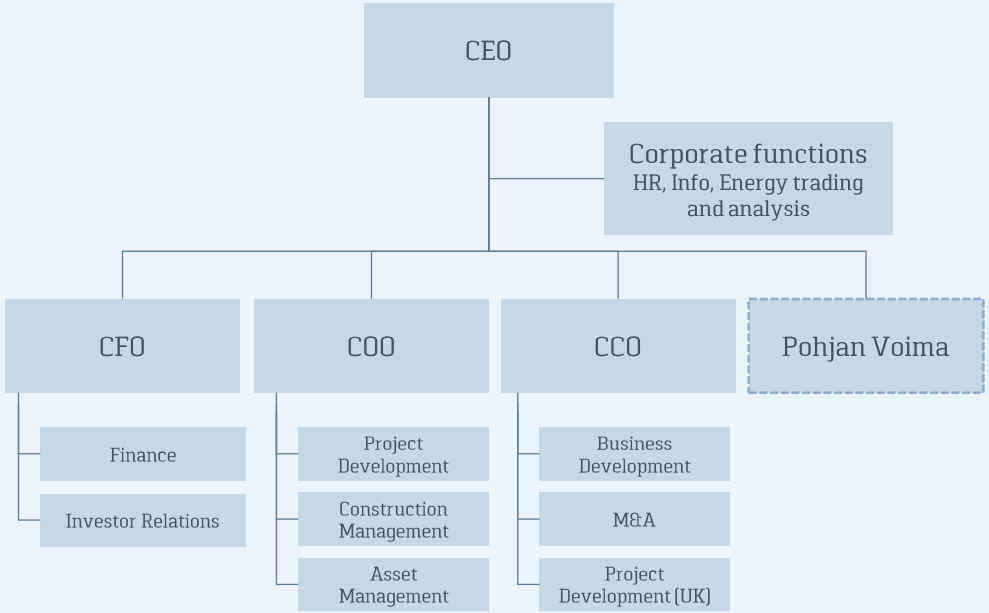
Solutions

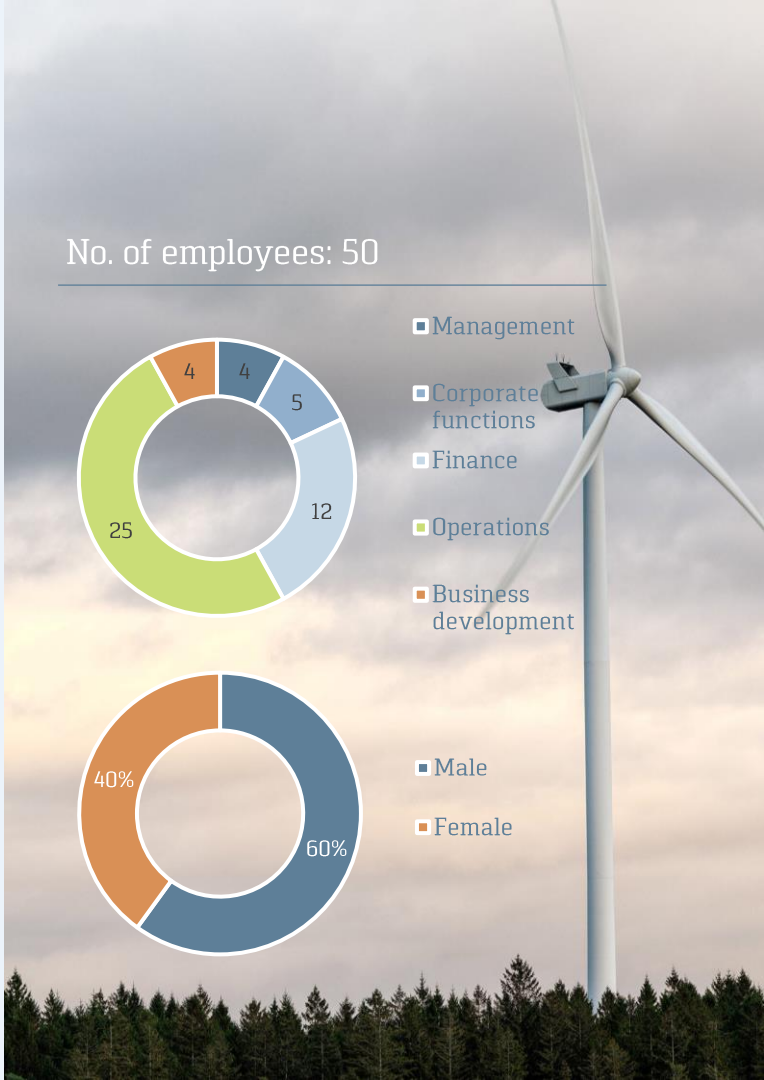
>1,800 MW
Under management

~550 MW
Under construction

*Budgeted P50

Organisation





Q2, 1 April – 30 June 2023

Net sales and results

MSEK	Q2 2023	Q2 2022	H1 2023	H1 2022
Net sales	110	53	217	141
EBITDA	69	25	145	86
EBIT	53	10	114	56
Comparable profit before tax	74	7	136	49
Reported profit before tax	36	-6	88	32
Reported profit after tax	36	-6	88	31

Items affecting comparability comprise exchange rate differences on bank loans, bond loans and unallocated bond proceeds in foreign currencies.

- Net sales for the quarter amounted to MSEK 110 (53),
- EBITDA totalled MSEK 69 (25)
- Net income totalled MSEK 36 (-6), corresponding to SEK 0.85 (-0.13) per share
- Operating cash flow was MSEK 60 (67) and cash flow after investments amounted to MSEK -167 (-12)
- Production generated 54 GWh (61) of green electricity with an average income of SEK 947 per MWh (675)
- Acquisition of 51% of the shares in Pohjan Voima completed
- Skaftåsen project taken over with additional 2 MEUR recognised
- Dividend of 1 SEK per share
- Project portfolio grew by 200 MW

Growing project portfolio of ~5,700 MW across four geographies

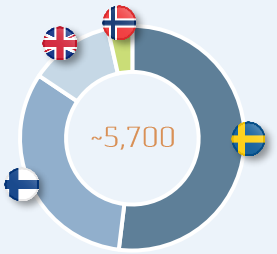
Late stage development

Fasikan	SE 2		100 MW
Finnåberget	SE 2		200 MW
Tormsdale	Scotland		70 MW
Pohjan Voima	Finland		600 MW*
Total			~1,000 MW

Early stage development

Sweden		~2,450 MW
Sweden		~210 MW
Norway		~200 MW
Finland		~1,250 MW*
UK		~120 MW
UK		~500 MW
Total		>4,700 MW

Geographical split



Wind power

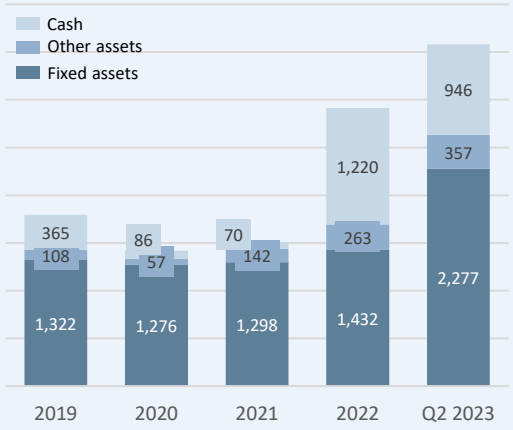
Solar power

Battery storage

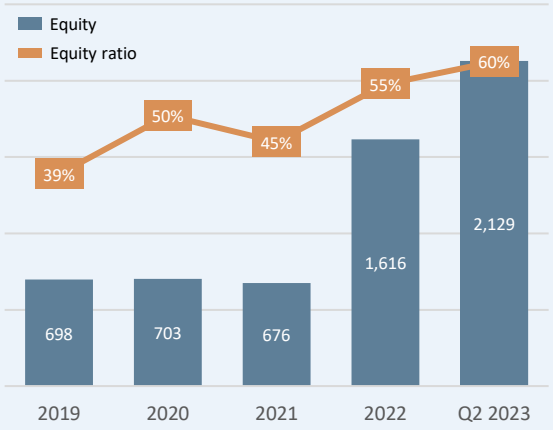
*) Gross capacity, Arise share amounts to 51%

Strong balance sheet supports growth ambitions

Total assets



Equity & equity ratio



Net debt (MSEK), Q2 2023

Interest-bearing debt (excl. lease labilities)	**1,006**
Cash and cash equivalents	-946
Blocked cash	-29
Net debt	**32**

50 MEUR green bond. Maturity in 2026
36 MEUR term loan. Maturity in 2025

Financial position creates exit optionality

RTB sale

Fully permitted, "ready-to-build", signing/closing at RTB, construction risk mostly with buyer

COD sale or sale of operating asset

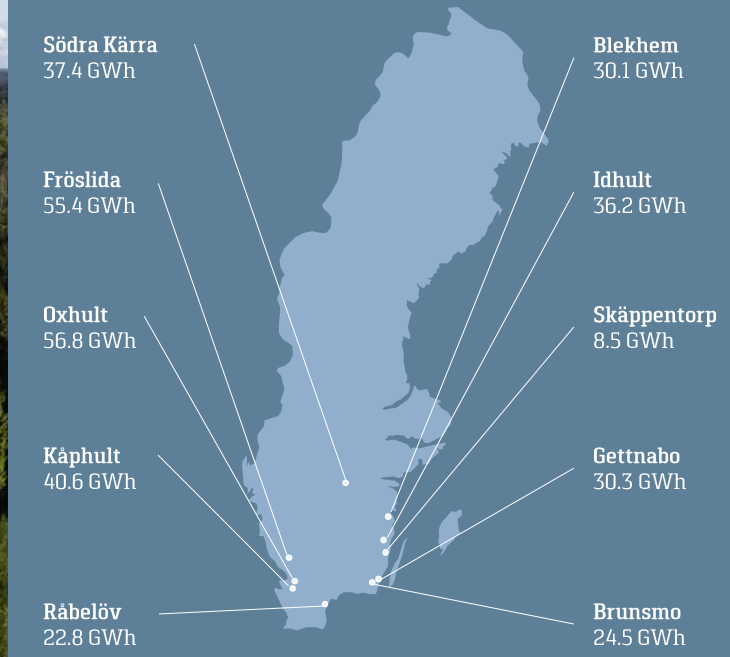
Commissioned wind farm, no construction risk, transaction at COD or after a few years in operation

Forward sale

Fully permitted, signing at RTB, closing at COD, construction risk with Arise

Stable cashflow from production complements development activities

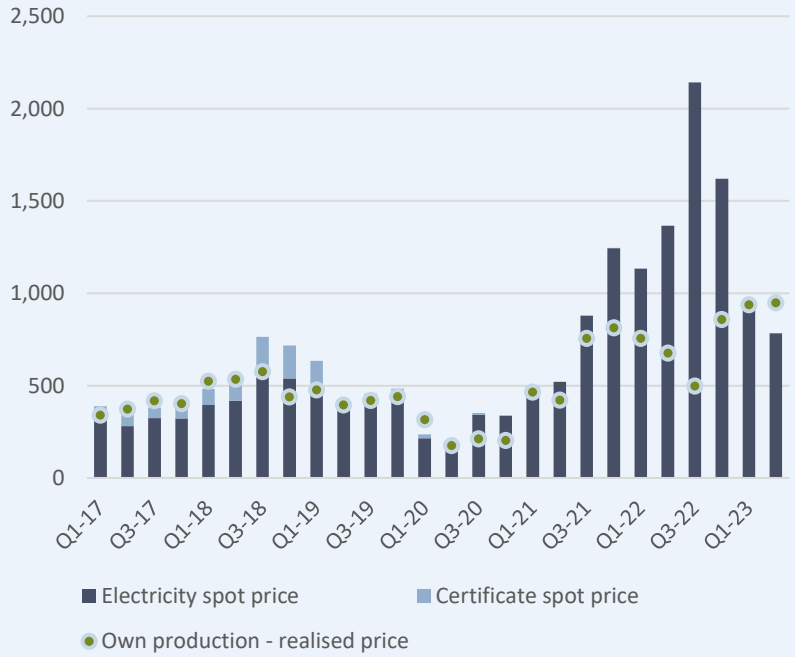
10 operating wind farms with annual production of 343 GWh



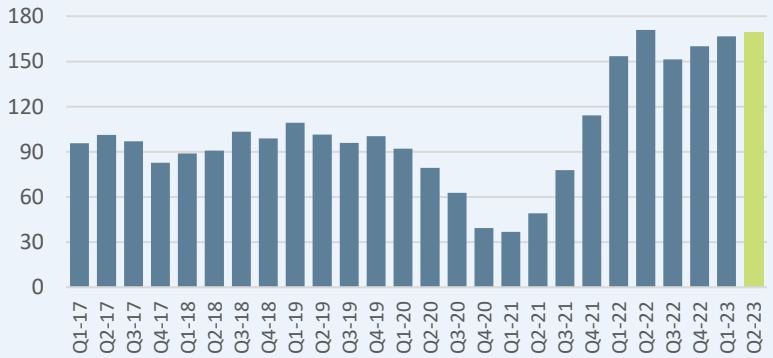
- Limited financial gearing allows flexible hedging strategy
- In addition, Arise has invested in more production capacity which will get commissioned in the coming years:
  - Lebo, price area 3, annual production ~90GWh
  - Kölvallen, price area 2, annual production ~80GWh (Arise' share of total production)

Power production and pricing

Market and realised prices, SEK/MWh



LTM EBITDA – own production, MSEK



Hedging

Hedging portfolio	Q3 2023	Q4 2023	2024
MWh, SE 4	26,500	30,900	92,200
EUR/MWh, SE4	124	119	105

Activities in 2023

- Continue to grow the project portfolio
  - Sweden (wind/solar/battery)
  - UK (wind/solar/battery)
  - Finland (mainly wind but also solar)
- Achieve “ready-to-build” status for Fasikan as well as solar and battery projects in Sweden – targeting two transactions in H2
- Evaluate acquisition opportunities (project portfolios and production assets)
- Manage ongoing construction projects towards completion

OUR CORE MARKETS

Sweden

Hans Carlsson | COO

Arise' operations led by senior team, covering the whole value chain

Stefan Johansson
Project Development

Rolf Grybb
Construction Management

Johan Neogard
Asset Management

- Lean process with great ownership
- Seamless handover between project stages

Key in-house competencies, e.g.

- Yield analysis solar/wind
- Layout solar/wind
- Permit/Environmental
- Procurement
- Project management
- Grid/Battery

CONSTRUCTION

Skaftåsen

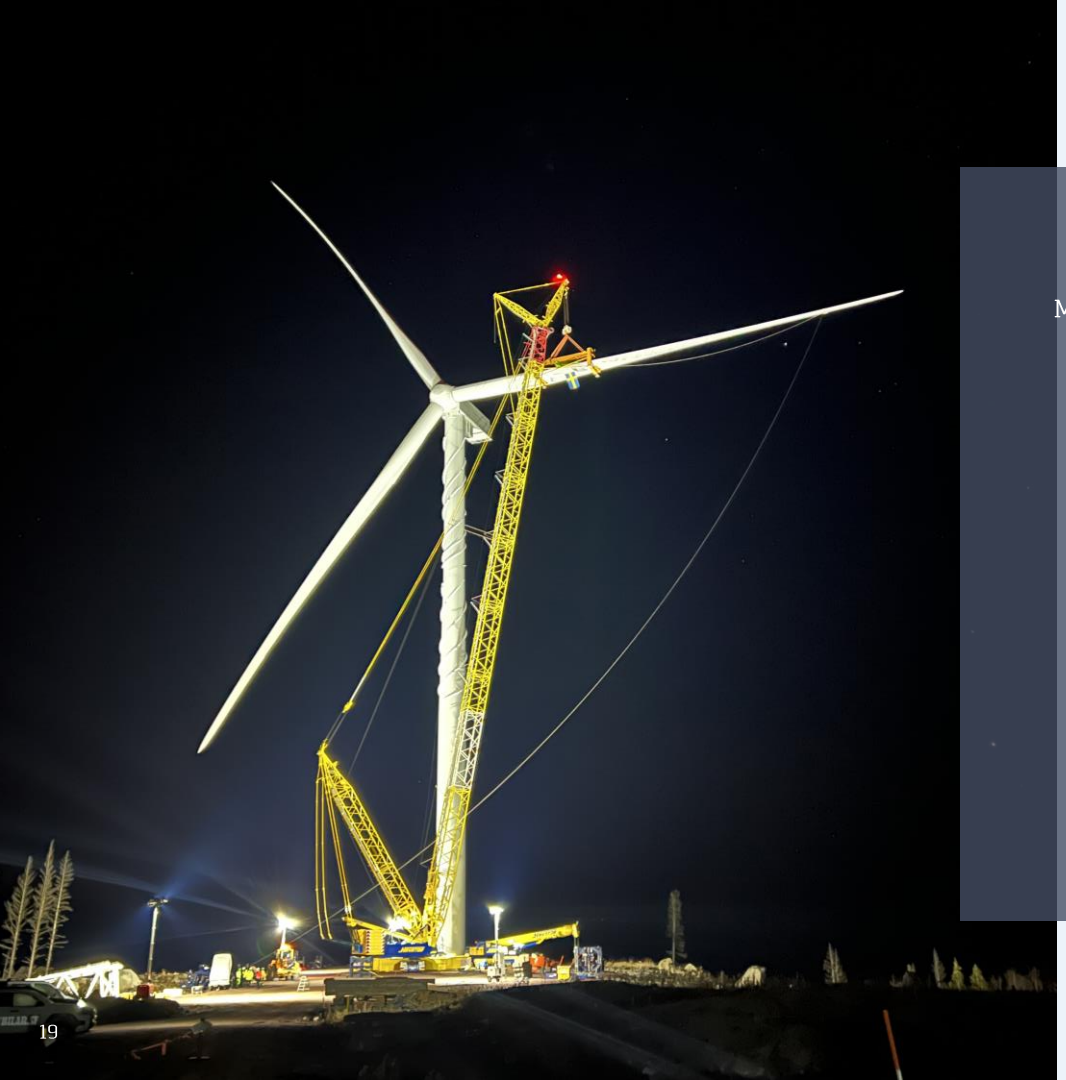
MUNICIPALITY
Härjedalen

WIND TURBINES
35

OUTPUT MW
231

HOUSES WITH GREEN ELECTRICITY
35,000

IN OPERATION
Q2 2023



Ranasjö & Salsjö

MUNICIPALITY
Sollefteå

WIND TURBINES
39

OUTPUT MW
242

HOUSES WITH GREEN ELECTRICITY
45,000

IN OPERATION
2024

Lebo

MUNICIPALITY
Västervik

WIND TURBINES
5

OUTPUT MW
33

HOUSES WITH GREEN ELECTRICITY
6,000

IN OPERATION
2025

Kölvallen

MUNICIPALITY
Ljusdal

WIND TURBINES
42

OUTPUT MW
277

HOUSES WITH GREEN ELECTRICITY
62,000

IN OPERATION
2025

ASSET MANAGEMENT

1,800 MW under long term asset management agreements in Sweden, Finland and Norway

Well-known investors

Allianz · BlackRock · CapMan · equitix · Foresight (For a smarter future) · Macquarie · cap global investors · SDIC Red Rock Power Limited · Whitehelm Capital · TRIG

Well-known service providers

NORDEX · WIND NOW (All service green standards) · GE · SIEMENS Gamesa Renewable Energy · Vestas

DEVELOPMENT

We develop
renewable energy
for a sustainable future

Our development focus

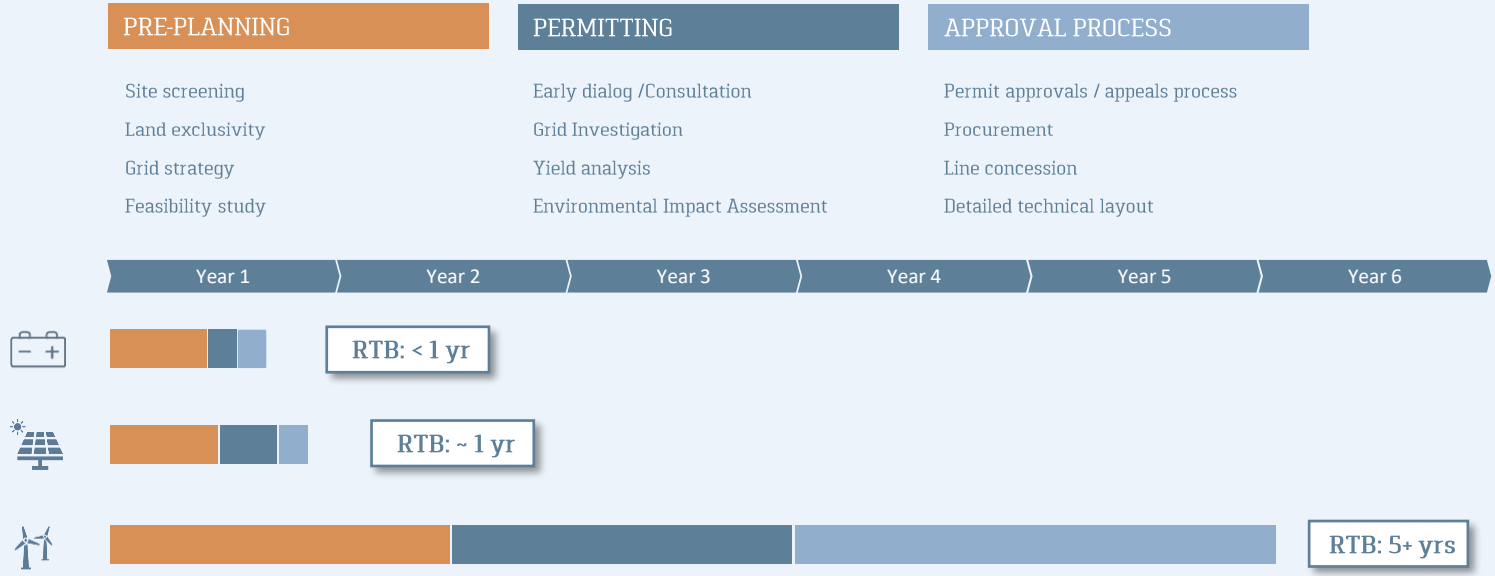
Continue leveraging our core expertise

- Onshore wind is in our DNA
  - Similarities and synergies with solar and storage
- Hybrid parks with solar, wind and storage=> Base load renewable energy
- Complementing existing windfarms with solar to utilize existing grid connection
- Battery installations for ancillary services

Offshore / Hydrogen / New technologies
– Currently not core focus

Respect & knowledge necessary to succeed

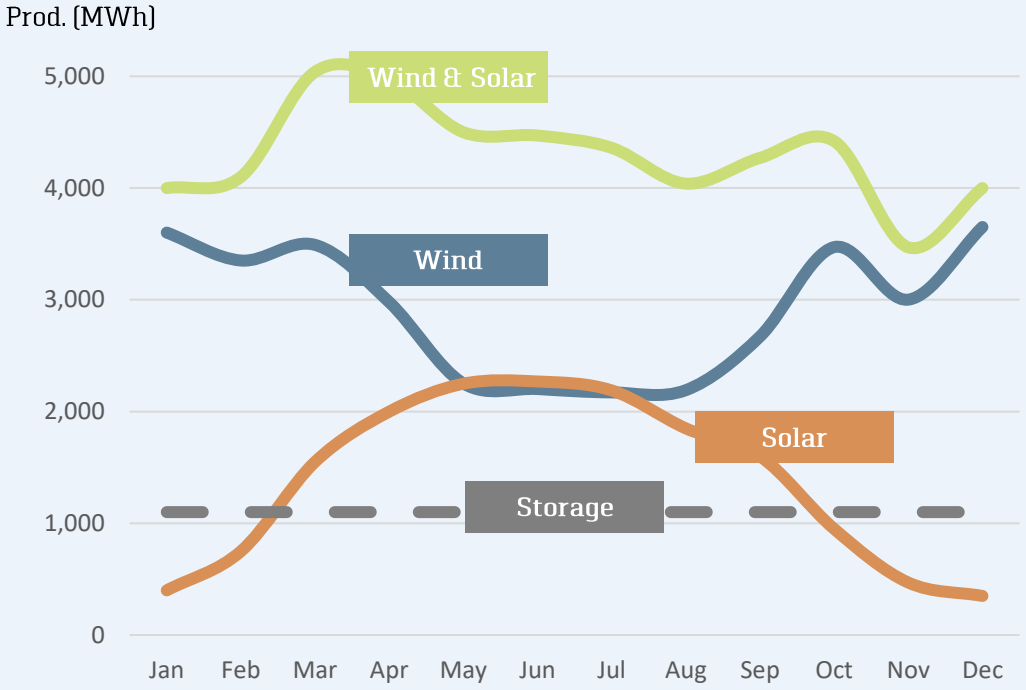
Development processes for Sweden



- Battery storage handled with a building permit. Timeline mainly depending on grid connection
- Solar range from a simplified consultation process to full environmental impact assessment, no standard process
- Wind depending on municipality veto process, unpredictable outcome, can change over time.....changes to come?

Hybrid projects combining wind/solar/storage -> base load production

Hybrid projects with solar, wind and battery: an example



- Gives a more even production over the day and over the year
- Can provide part of the production as renewable base load
- Supports the grid with ancillary service i.e. frequency support
- A more cost-efficient use of the grid connection and the "grid agreement"

Key opportunities and challenges – the paradox

- ✓ Climate.....and security of supply
- ✓ Strong driver from planned increase of industrial demand => Sustainable products
- ✓ Onshore wind and large-scale solar are the most cost-efficient alternatives
- ✓ Development of Battery Storage Solutions coming...
- ✓ Arise has a strong track record and are well positioned for growth

Conflicts of interest not addressed by politics:

- ✗ Veto–"Not in my backyard"/political polarization
- ✗ Armed forces: very conservative approach, long lead times and high degree of confidentiality
- ✗ Land use...Reindeers...Recreation....Food..
- ✗ Environmental legislation not taking climate into consideration..

Reality catching up, signs of improvements already seen!

Most things remain undone. Glorious future!

OUR CORE MARKETS

UK

Daniel Cambridge | CCO

Arise in the UK

- Active in onshore wind / co-located BESS development since 2016. 70MW Tormsdale project and 100MW project in Skye.
- NSIP scale solar / BESS project in Oxfordshire in development since 2022.
- Attractive market fundamentals, proximity and company history meant creating an on the ground development team was a logical evolution of Arise business.
- Initial recruitments concluded H1 2023. Experienced development team now on the ground working to realise existing projects and source new development opportunities.

Team

Strong in-house competencies and experience in renewables sector, supported by leading consultants.

Nick Pascoe
Head of Development

Previously at Low Carbon and Orta Solar. Has taken over 40 projects to RtB

Jill Reid
Senior Developer

Developing onshore wind projects since 2005

Alexis Tysler
Head of Planning

15+ years experience as Chartered Town Planner

Yogeswaran Sundara Murthi
Senior GIS and CAD Designer

Previously private consultant responsible for design site layouts / constraints

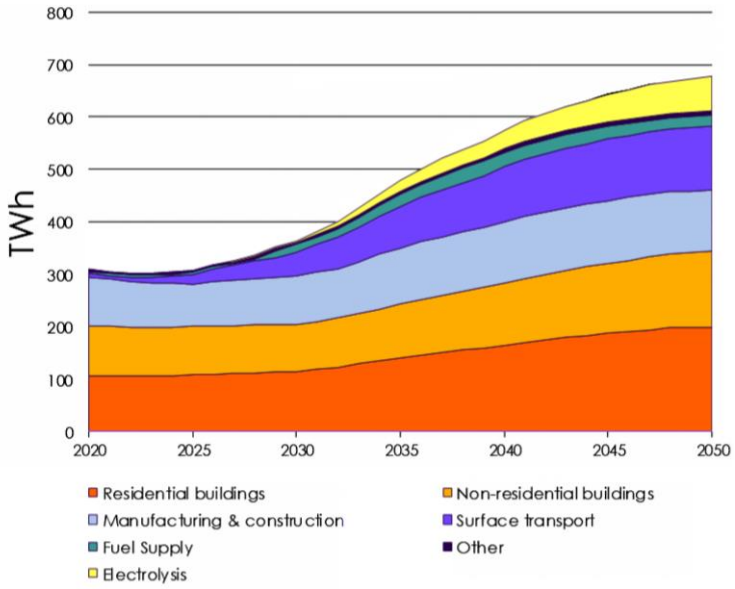
Chase Lloyd
Grid Manager

20 years experience in electricity networks.
Ex-National Grid and DSOs

Country Profile

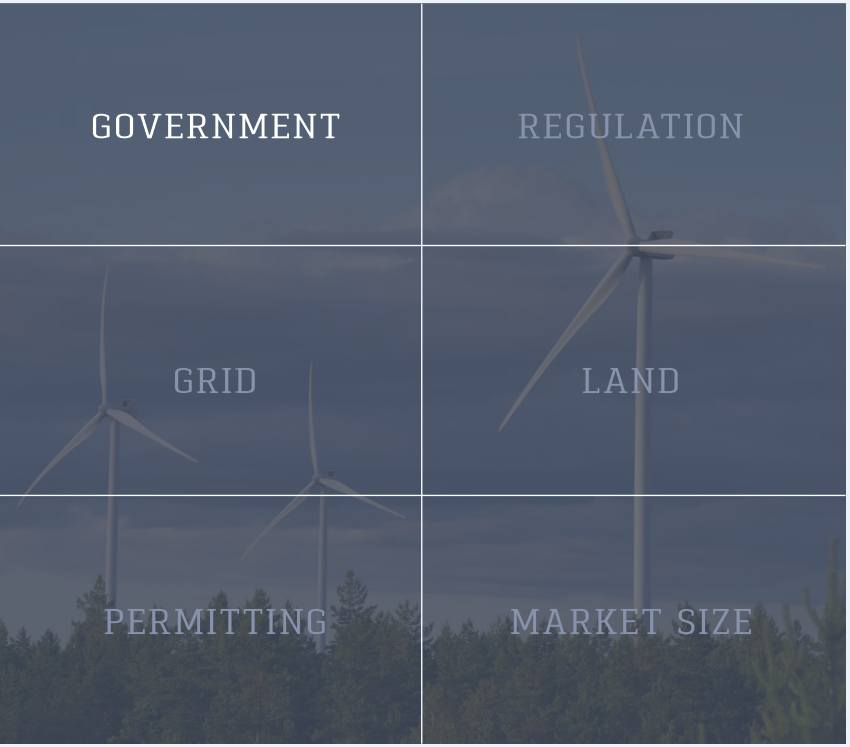
- Mature and well-developed market for renewables projects
  - Generally stable and supportive regulatory environment.
  - Strong needs case for deployment of renewables and dispatchable BESS. Govt targeting 5x increase in solar deployment, Scottish Govt committed to 20GW new onshore capacity.
  - Grid challenges being addressed by industry, regulators and Government.
- Climate Change Committee predict a double of demand for electricity by 2050 through increasing electrification of the UK economy
- Deep primary and secondary investor / financing markets for renewables projects. Investment in the sector at all-time highs, with lots of capital chasing assets.
- Current revenue schemes are govt. backed CFDs, wholesale trading (EPEX / N2EX market, financial futures), corporate or utility scale PPAs

Electricity demand by sector in the Balanced Net Zero Pathway (2020–50)



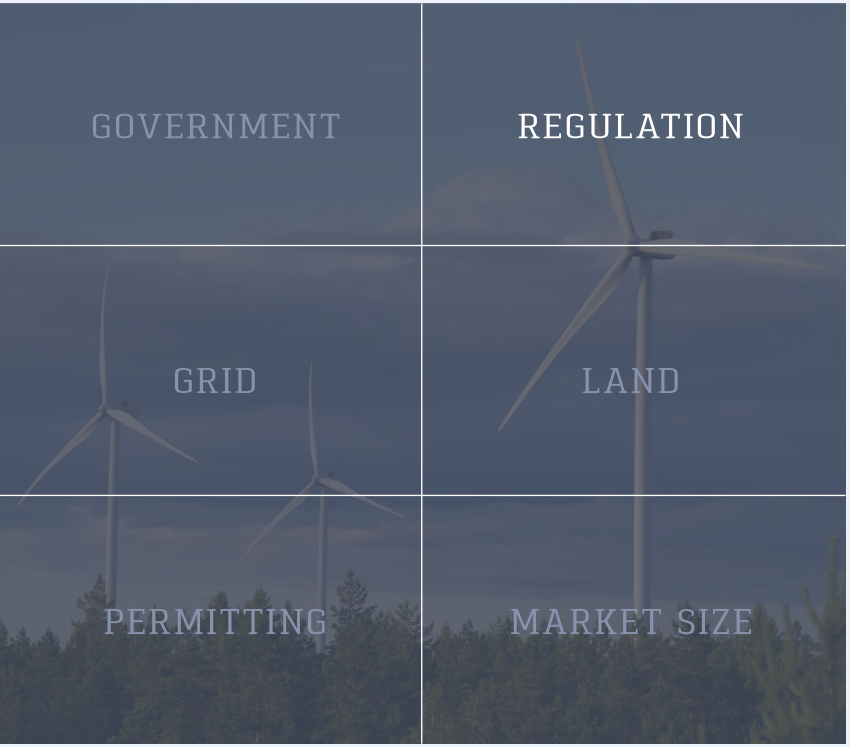
* Source: The Sixth Carbon Budget. Accessed: https://www.theccc.org.uk/wp-content/uploads/2020/12/Sector-summary-Electricity-generation.pdf

Selected discussion topics



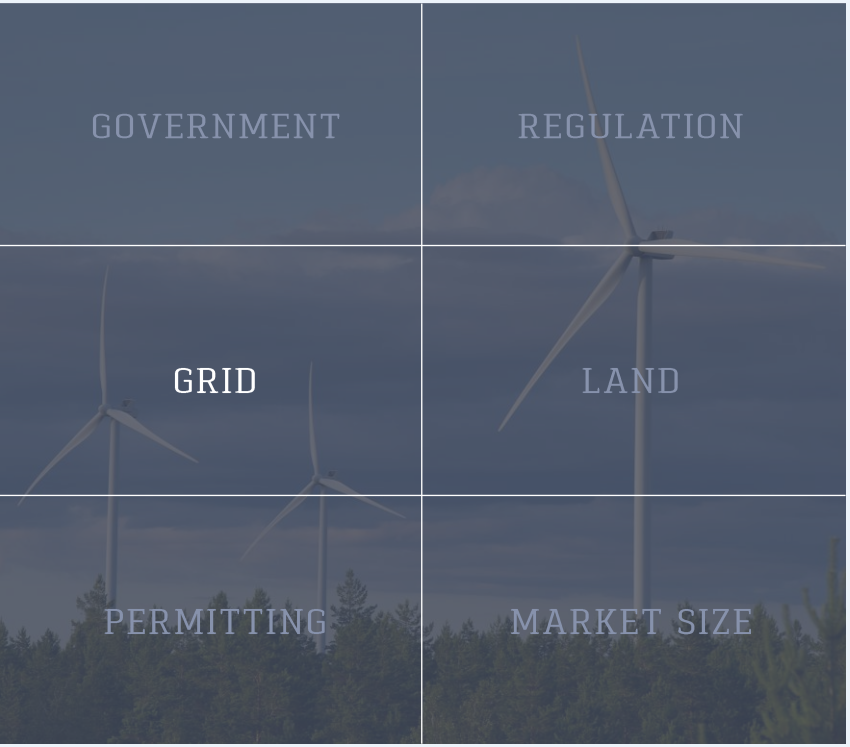
- Election expected to be called late 2024 early 2025.
- Lots of policy noise, but direction of travel is clear for renewables.
- Security of supply and high energy prices concerns a key driver.
- CFD AR5 results.

Selected discussion topics



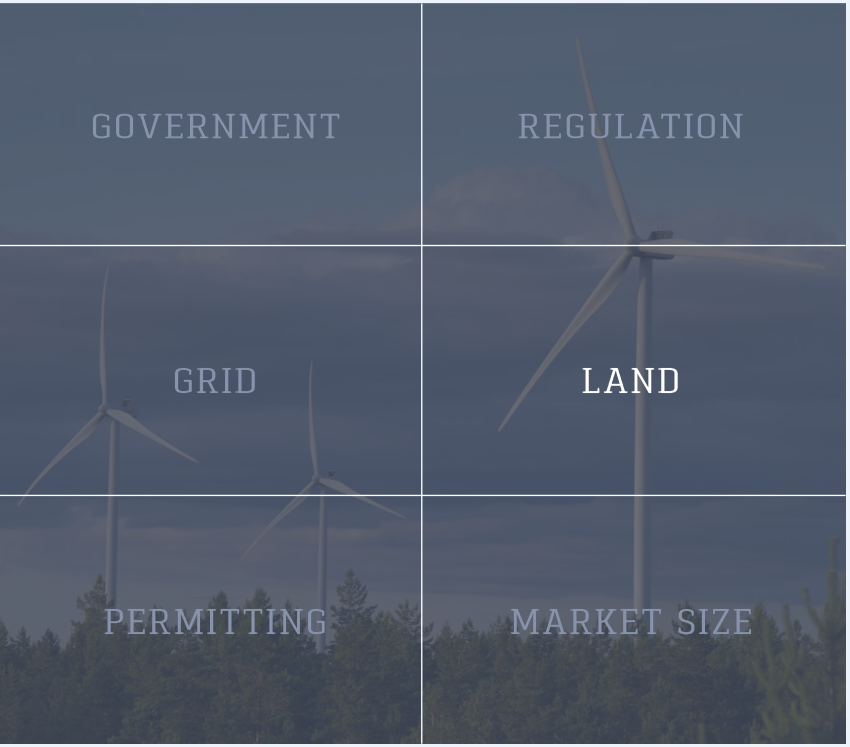
- UK committed to Net-Zero by 2050. Electricity Net-Zero by 2035.
- Onshore wind in England planning changes announced – wind to be permitted in "suitable areas".
- DESNZ established & DCO regime under review.

Selected discussion topics



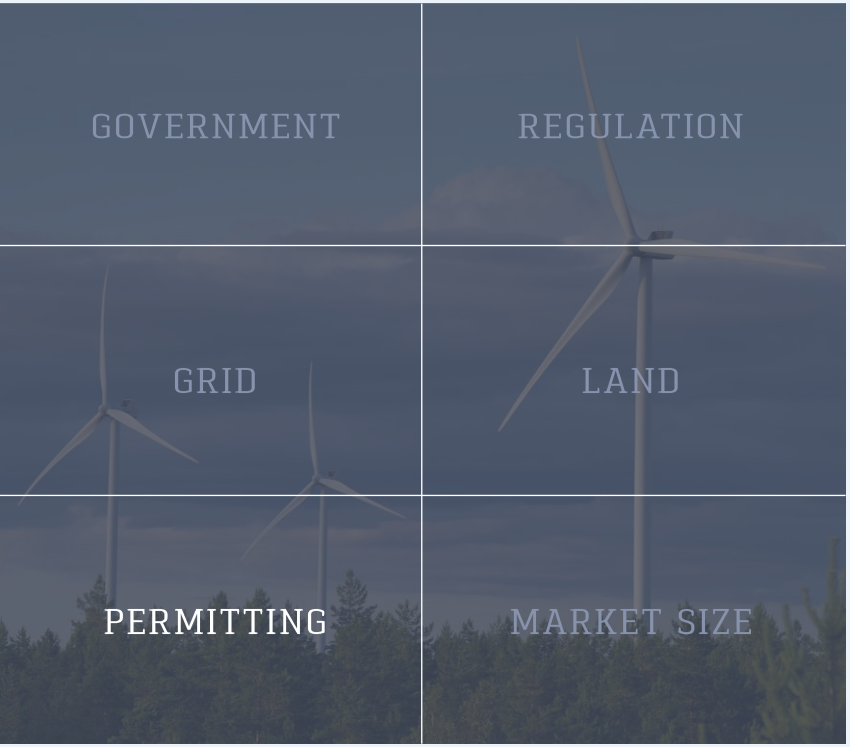
- Top of political agenda as acting as a blocker to the roll-out of renewables.
- ENC appointed by Government. Winser review published Aug 23. Holistic review of permitting regime for new TX capacity.
- TSO Amnesty & 5 Point Plan to speed up connections timeframes.

Selected discussion topics



- Professionalised sector.
- Increasingly competitive. Clear where the good sites are.
- Participate in tenders.

Selected discussion topics

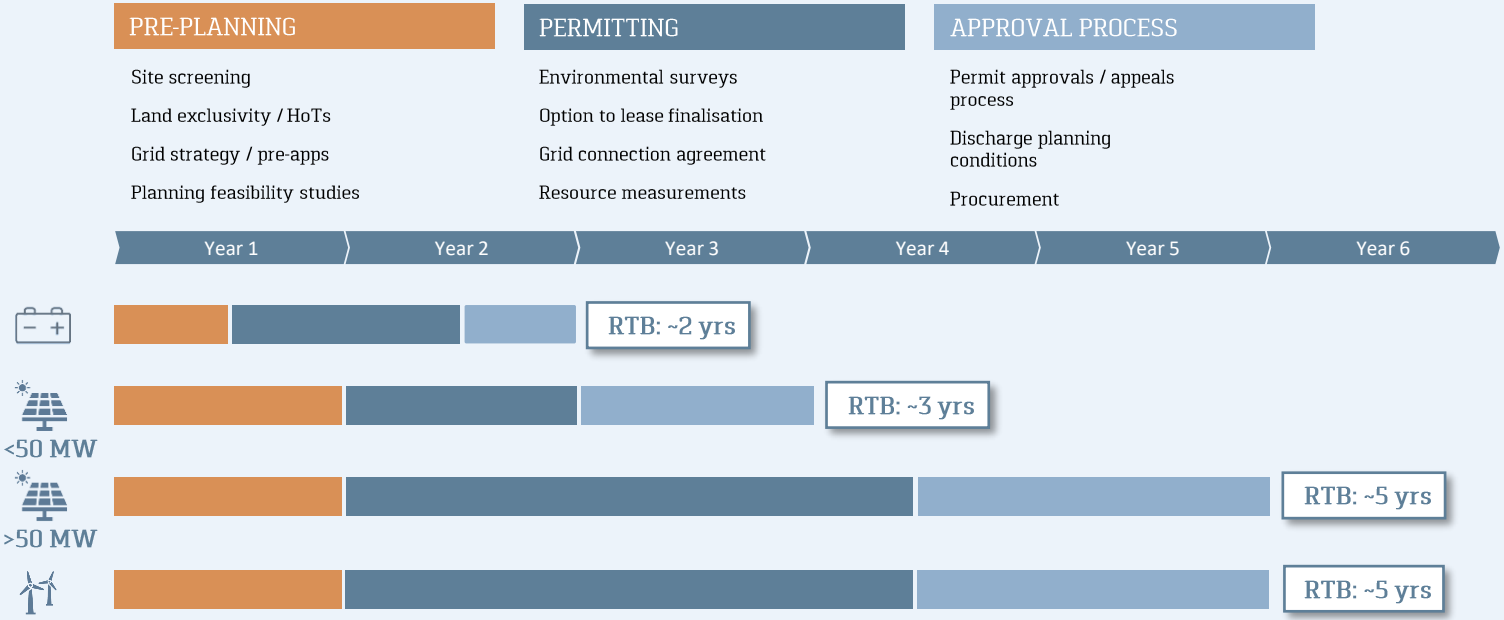


- NPF4 in Scotland.
- Net biodiversity gains & land use in sharp focus.
- DCO vs TCPA solar. Certainty & cost vs speed & local politics.

Selected discussion topics

- Public perception and support key for large scale projects.
- Scottish onshore targets 20GW by 2030. UK solar, 5x increase to 70GW
- BESS growth exploding. 2.8GW announced last month, 60% projects >100MW / 2 hr duration.

Development processes for UK



- BESS permitting generally requires less environmental assessments due to siting of projects. Permits handed at local level.
- Solar permitting route depends on installed MWp. DCO process bureaucratic, prescriptive, lengthy and expensive but approval rate is high.
- TCPA process quicker and cheaper, but decided at local level so more political in nature. Refusals increasing, however approval rate remains high overall in context of number of applications.
- Onshore wind in Scotland bureaucratic and lengthy, presumption in favour of clean energy generation at national level.

Multi-pronged approach to development

- Greenfield: in-house development team with experience in delivering utility scale pipeline. Mix of short-term and longer-term plays, e.g
  - Co-dev partnerships on new greenfield or early stage.
  - Pure greenfield onshore wind in Scotland
  - Prep the ground for English onshore wind
  - Mix of <50MW and NSIP scale solar
  - Standalone & co-located BESS.
- Acquisitions: continually evaluate acquisitions of late-stage development stage portfolios.
- Participate in land agent tenders.

On the ground approach to challenges

- **Project development team**: small but efficient development team with strong expertise and background actively sourcing new opportunities.

  Grid: adopted a smarter approach. Deep analysis of specific grid supply points (GSP / BSPs). Analyse regions of grid to identify seasonal, hourly and upgradeable capacity. Challenge grid offers with intel.

- **Land**: utilise grid analysis to target landowners & follow-up. Establish relationships with land agents. Face-time. One-one approaches rather than mailshots. GIS mapping.

- **Planning**: undertake rigorous feasibility assessments. Manage process advisors in house. Undertake extensive community engagement to build support.

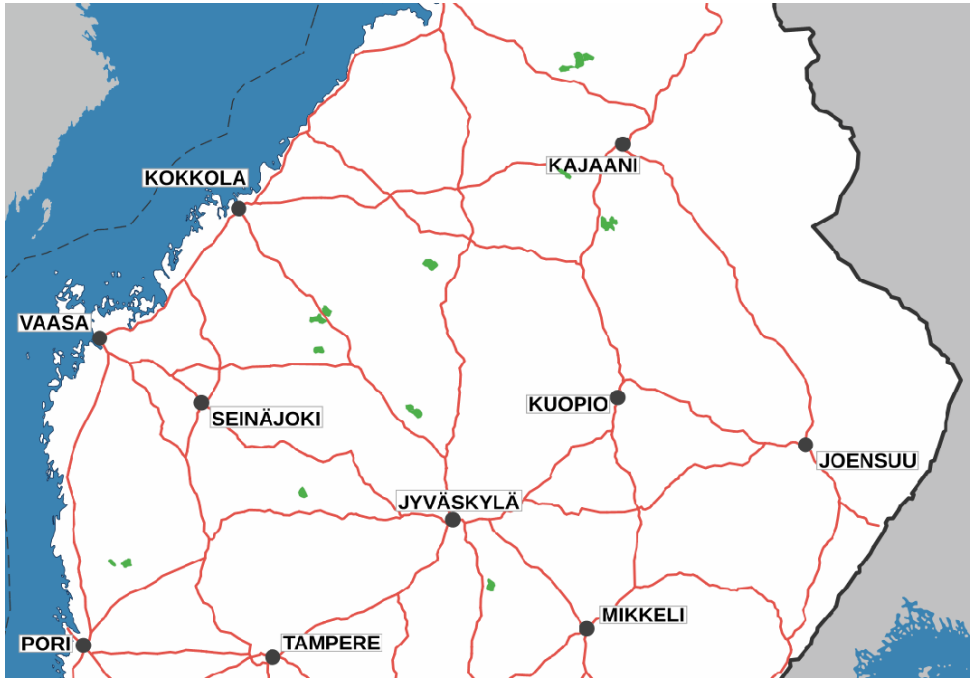
OUR CORE MARKETS

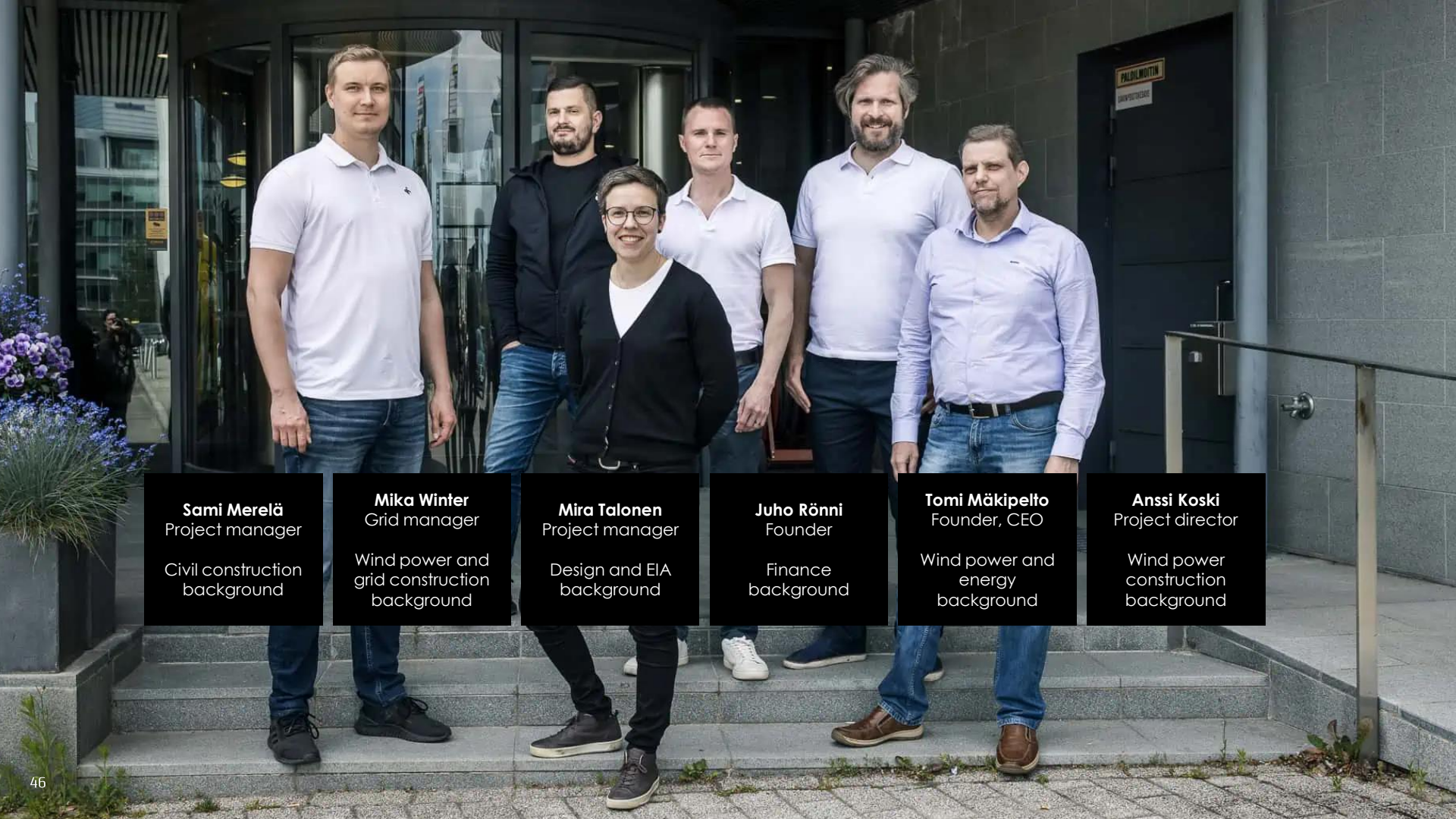
Finland

Juho Rönni
Founder / CFO
Pohjan Voima

Pohjan Voima in brief

- Leading Finnish renewables developer with a 1,8 GW onshore wind and solar pipeline
- Founded by Tomi Mäkipelto and Juho Rönni in 2020
- Experienced team and extensive co-development activities with other market participants
- Strategic partnership and 51% investment by Arise in April 2023
- Ongoing process to achieve close operational synergies between the Arise and Pohjan Voima teams





Sami Merelä
Project manager

Civil construction background

Mika Winter
Grid manager

Wind power and grid construction background

Mira Talonen
Project manager

Design and EIA background

Juho Rönni
Founder

Finance background

Tomi Mäkipelto
Founder, CEO

Wind power and energy background

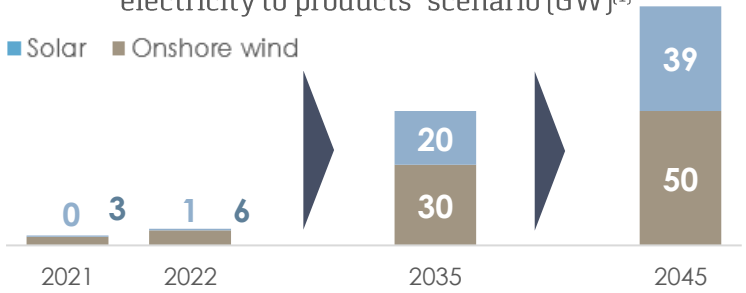
Anssi Koski
Project director

Wind power construction background

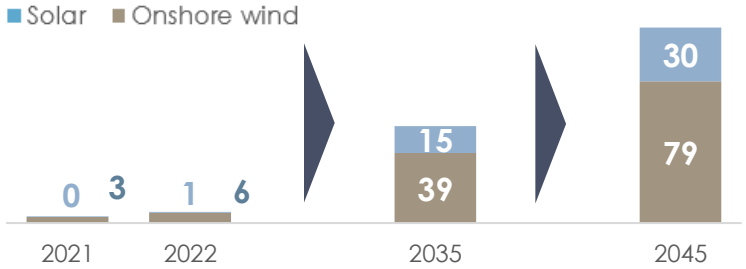
The Finnish onshore wind and solar market

- Among the most active European renewables development markets
  - Stable and supportive regulatory and permitting environment
  - Space for new projects
  - Robust grid
  - Hydrogen and P2X projects
- Fingrid's future scenarios indicate 5x growth potential for onshore wind by 2035 and 10x by 2045
  - Investment decisions announced prior to Jan-2023 indicate growth from 6 GW to ca. 9 GW in 2023-2025[2]
- Installed solar capacity is small scale – industrial scale market is only starting to develop

Finnish capacity forecast – Fingrid's "from electricity to products" scenario (GW)[1]



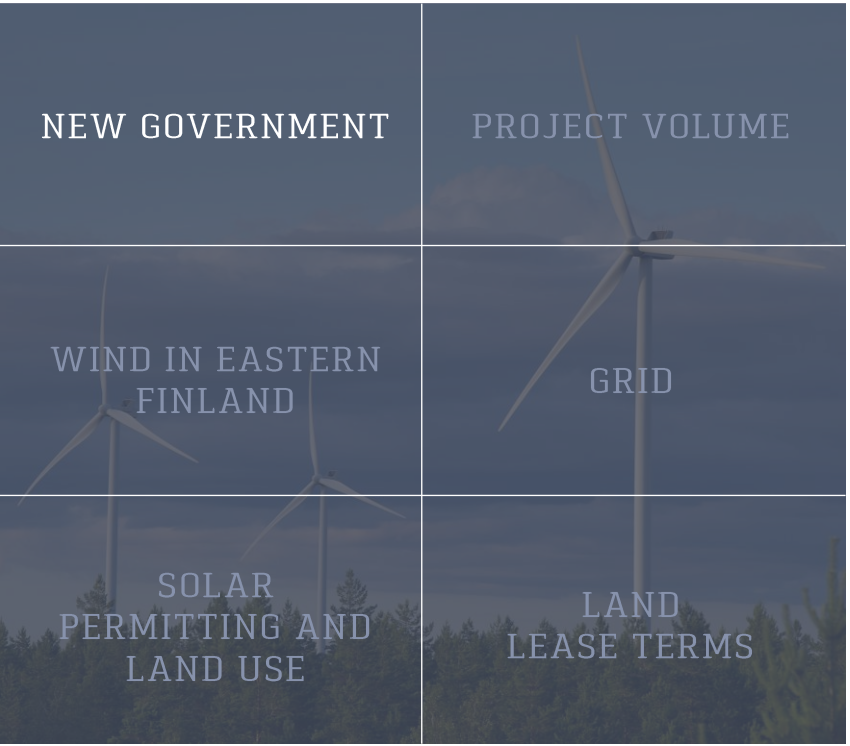
Finnish capacity forecast – Fingrid's "hydrogen with wind" scenario (GW)[1]



1. Source: Finnish Energy, Fingrid.
2. Source: Finnish Windpower Association

Selected key discussion topics in the Finnish market

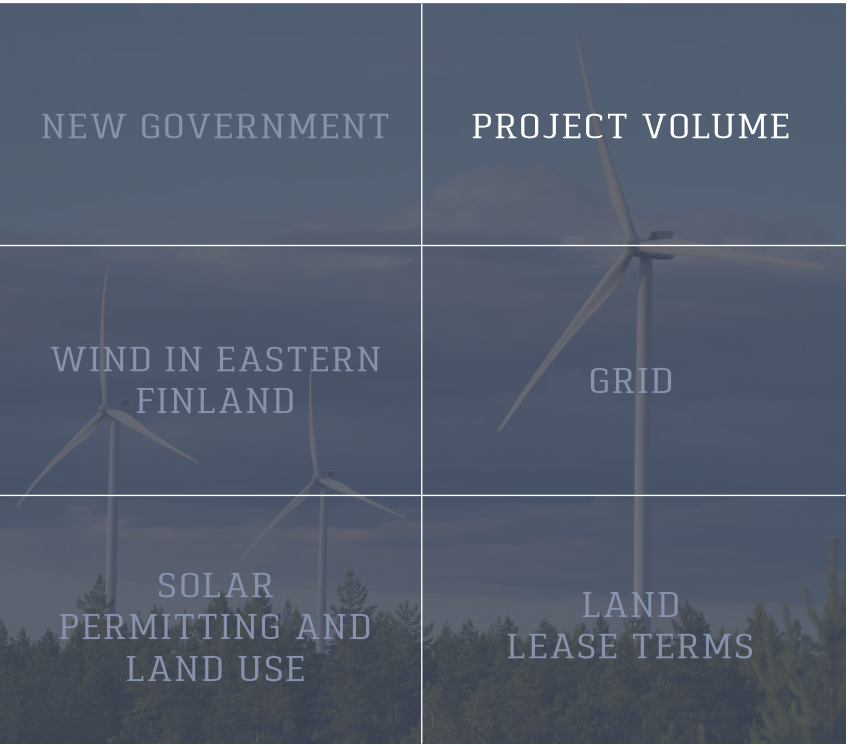
POHJAN VOIMA



- Right-wing coalition formed in the summer
- Supportive of climate goals, renewables development and wind power investments
- Some new regulation expected (e.g. EIA, land redemption, balancing capacity)

arise

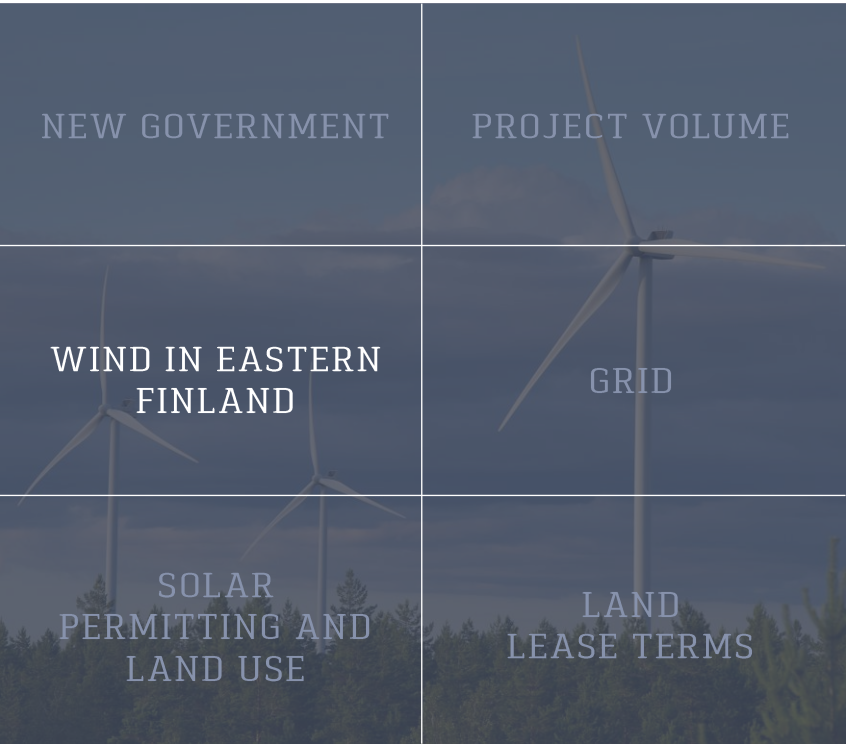
Selected key discussion topics in the Finnish market



- High development volume increases local resistance in certain areas
- Impact on species with large territories (e.g. wolf, forest deer) – how to assess?
- Role of regional land use plans

Selected key discussion topics in the Finnish market

POHJAN VOIMA

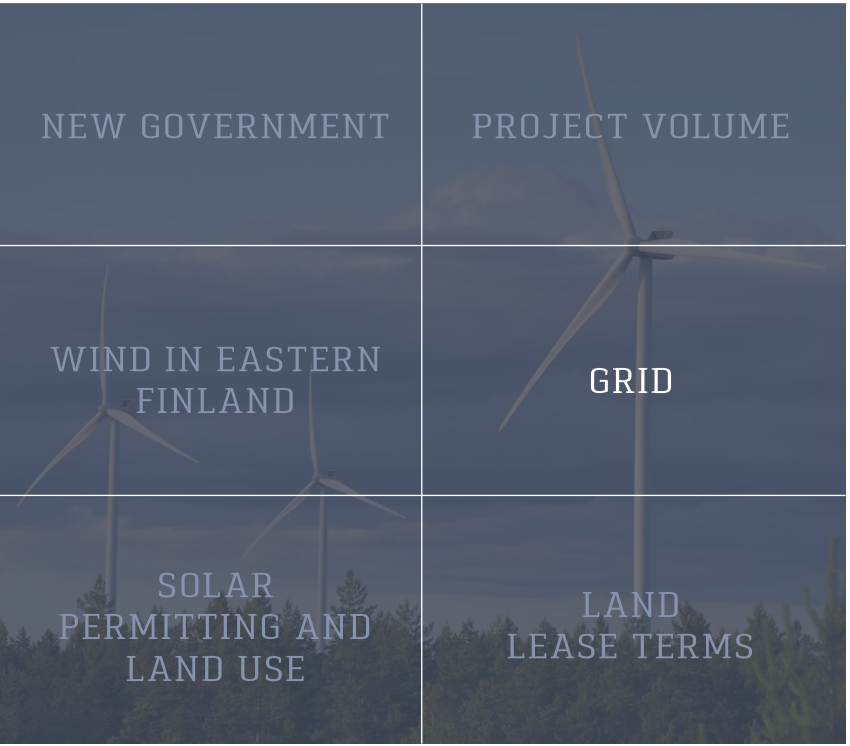


- Eastern Finland continues to be (to a large extent) blocked by radar impacts
- Government programme includes high-level steps to allow wind development in the East
- Grid capacity very limited in the East

arise

Selected key discussion topics in the Finnish market

POHJAN VOIMA

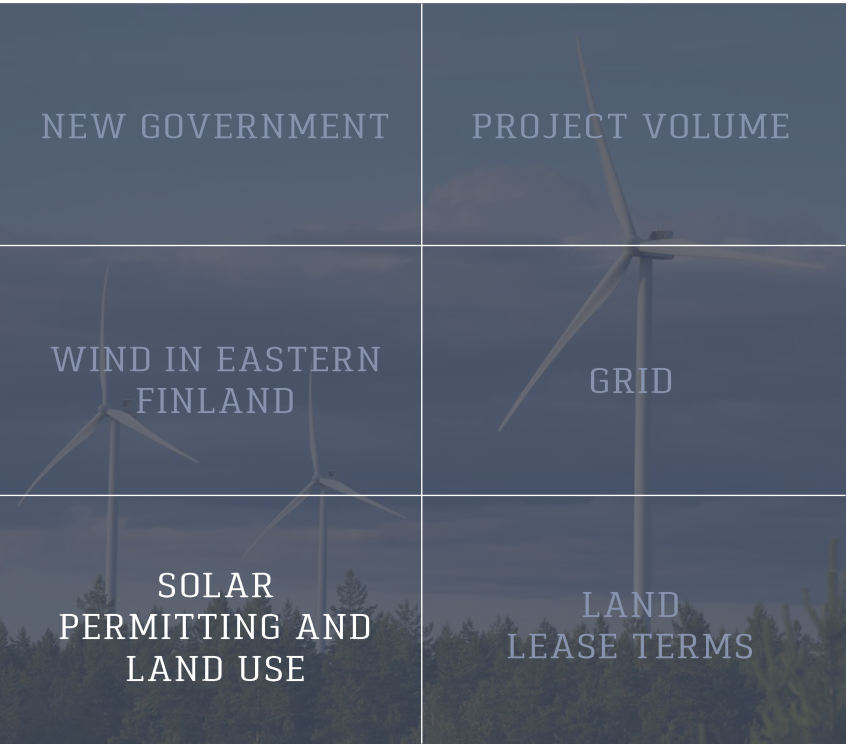


- Given high development volume, especially project-level grid connections cause local resistance
- Level of redemption compensation
- Co-operation between projects

arise

Selected key discussion topics in the Finnish market

POHJAN VOIMA

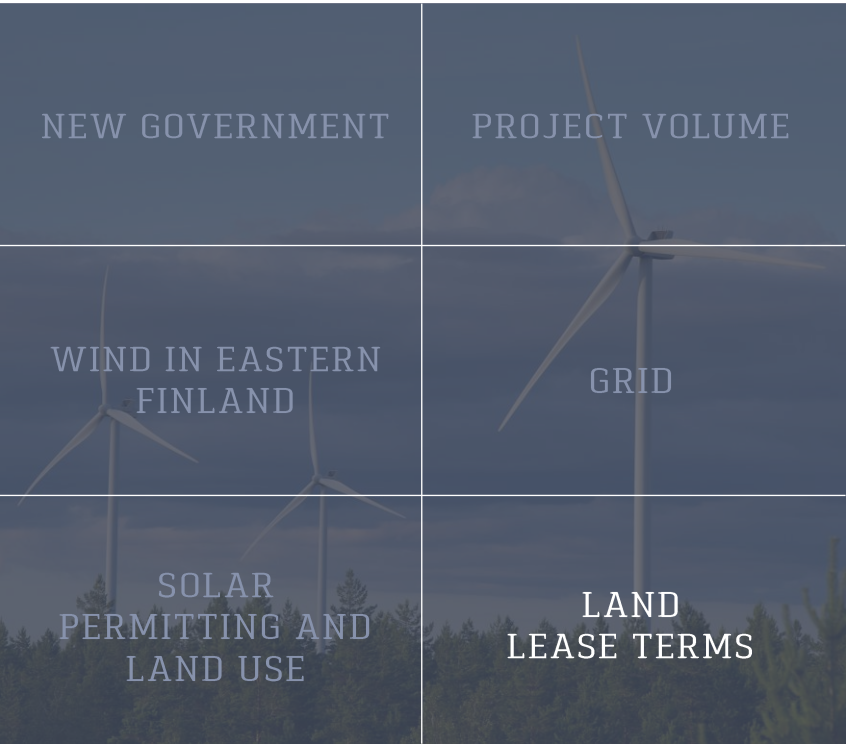


- Lack of harmonized rules for solar development
- Ministry of the Environment working to produce guidelines (spring 2024)
- Land use: Peat areas? Fields? Forest?

arise

Selected key discussion topics in the Finnish market

POHJAN VOIMA

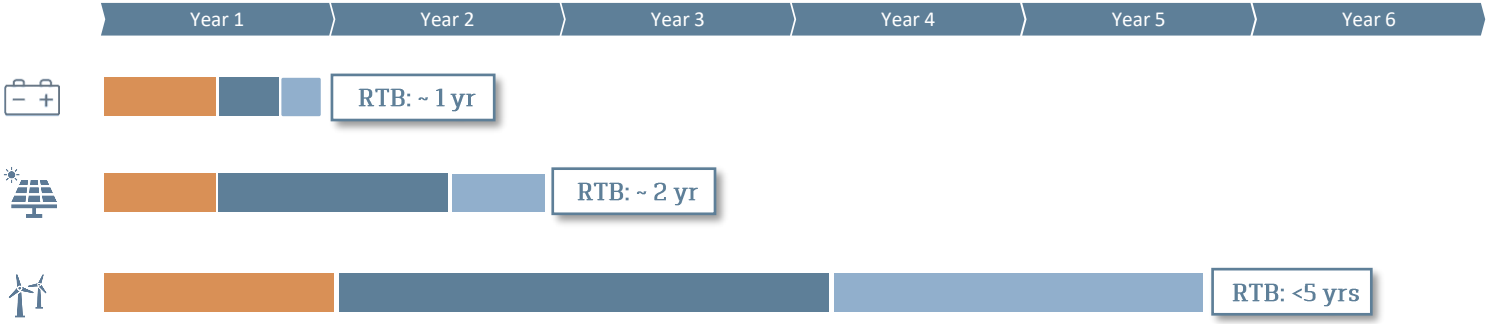


- ”Right” level of compensation and the compensation mechanism
- Auctions and sharing of development fees
- Terms and landowner understanding of bankability criteria

arise

Development processes for Finland

PRE-PLANNING	PERMITTING	APPROVAL PROCESS
Site screening	Land use planning process	Land use plan approval
Land control	Environmental impact assessment	Handling potential appeals
Desktop feasibility study	Layout and technical design	Building permits
Grid strategy	Wind measurements	Grid redemption process



- Standardized and predictable process, especially for onshore wind
- Environmental impact assessment findings determine layout, maximum project size and project feasibility
- Municipality approves land use plan – typically supportive, given significant property tax and local land lease income
- Potential appeals and handling time central to final length of permitting process

Key opportunities and challenges – Finland

- ✓ Significant growth potential of the overall Finnish renewables market
- ✓ Balanced portfolio of projects across size, maturity and location
- ✓ Active approach to source new opportunities, including own origination, co-development and selective project acquisitions
- ✓ Solar and batteries, stand-alone and in conjunction with onshore wind
- ✓ In comparison to many other markets, grid is robust...

- × ...however, grid capacity remains the key bottleneck
- × High level of competition for sites and resources
- × Materially increasing combined effects of close-by projects
- × Ability of the market to support sufficient project economics, given the potential timing gap between supply and demand increase
- × Increasing local resistance as overall project volume increases

Our approach to addressing key challenges

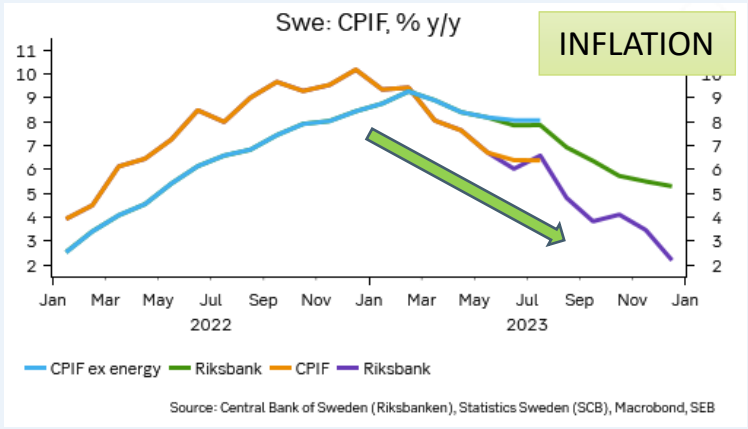
CHALLENGE	APPROACH
Grid capacity	▪ Maintain multiple grid connection opportunities for as long as possible ▪ Speed of development process and active approach to modify e.g. layout and number of turbines to achieve LUP approval before others
Competition	▪ Active origination approach, including co-development and selective project acquisitions ▪ However, balanced existing project portfolio is our main focus and means we can be selective and maintain high quality with new opportunities
Combined effects	▪ Speed of development and active approach to modify projects where needed ▪ Approach with respect to assessing combined effects in EIA processes
Project economics	▪ Strategic partership with Arise in bringing projects to market, utilising Arise's contacts, resources and expertise ▪ Flexibility in timing and approach with respect to project financing
Local resistance	▪ Active local communication approach to increase acceptability – e.g. voluntary public events, project websites, feedback channels, project newsletters

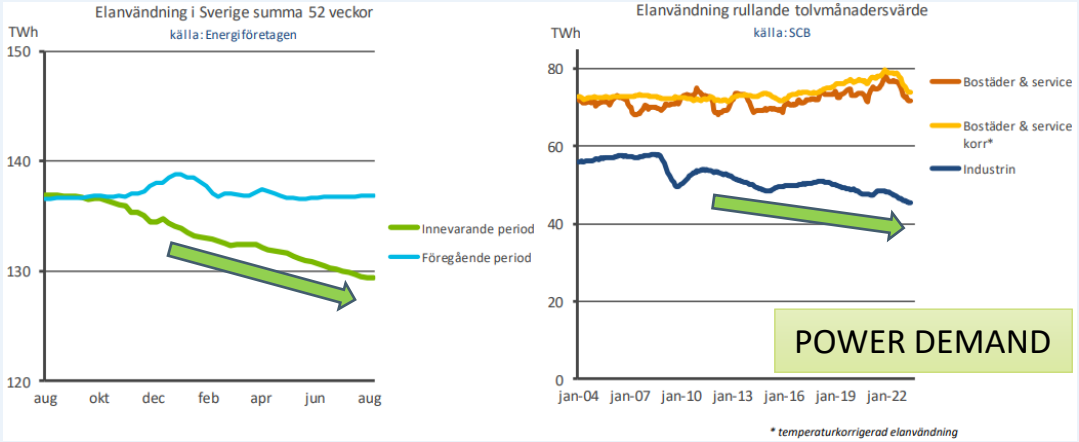
ENERGY MARKETS

Outlook

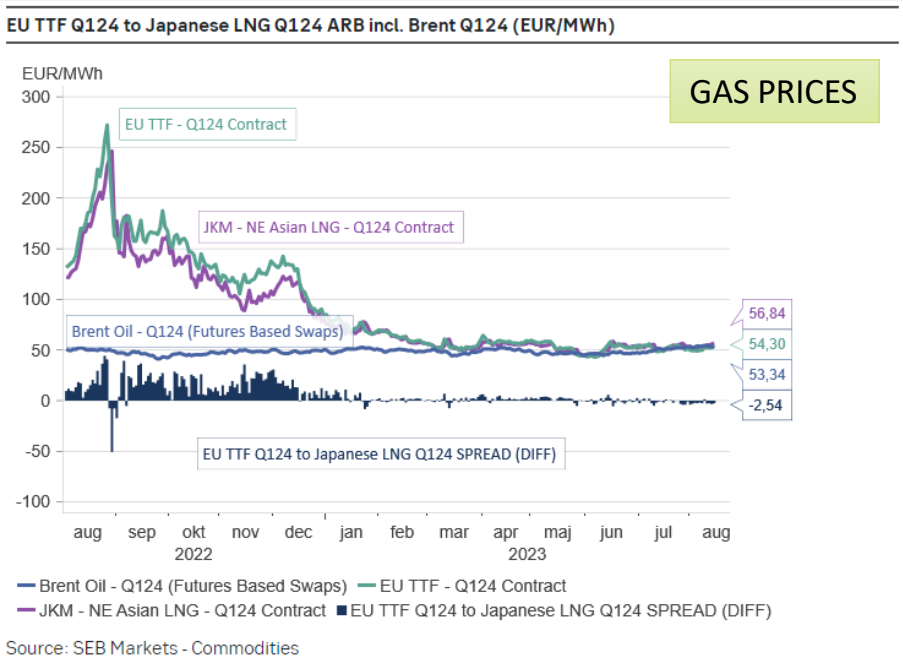
Max Halvarsson
Head of Energy Sales and
Risk Management

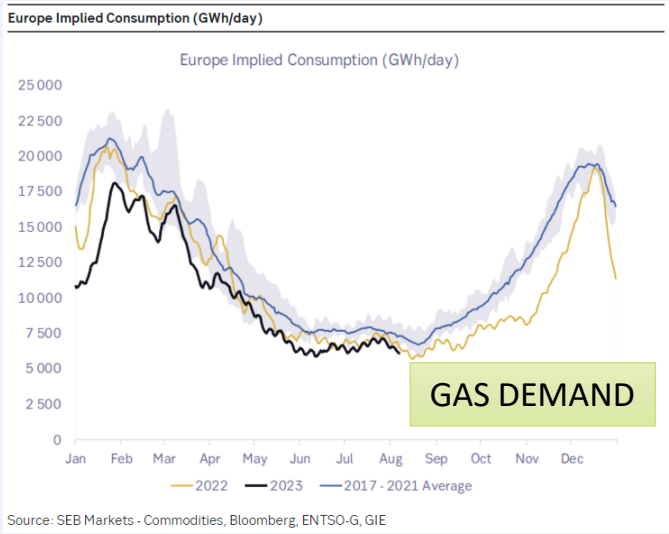
Cooldown after the perfect storm

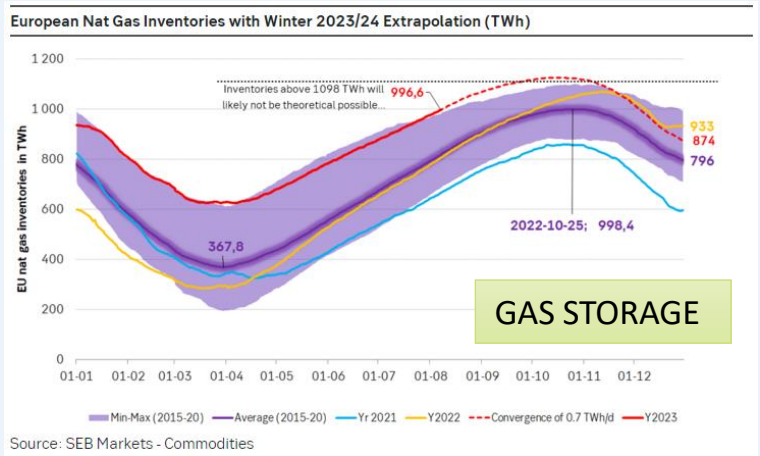




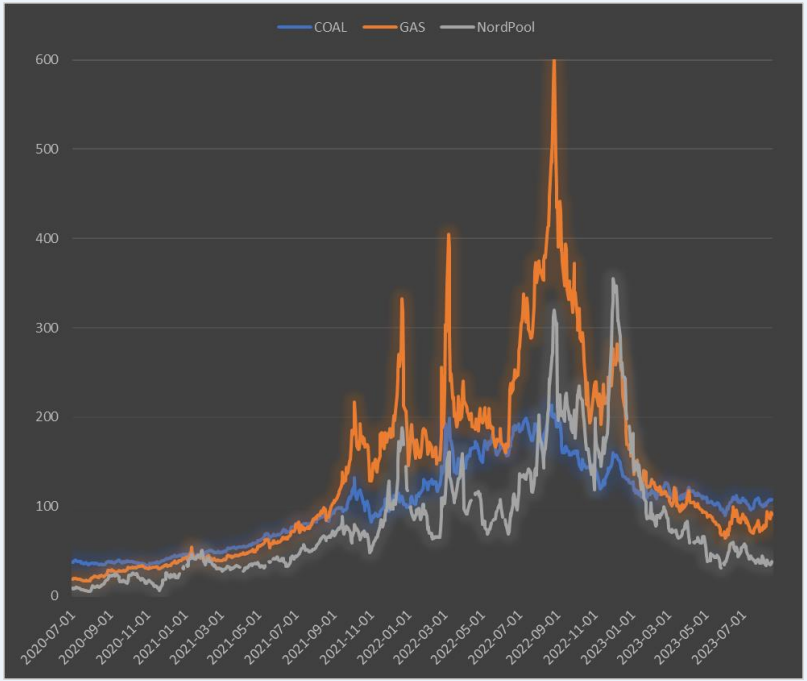
Cooldown after the perfect storm







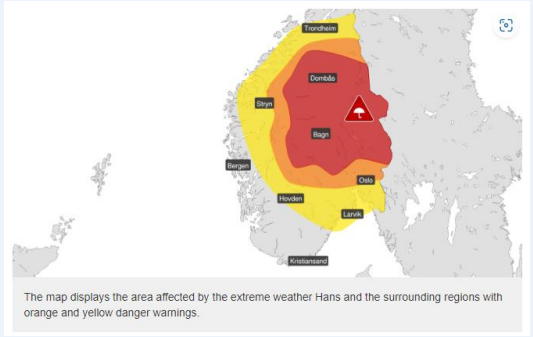
Marginal costs vs NordPool spot, EUR/MWh



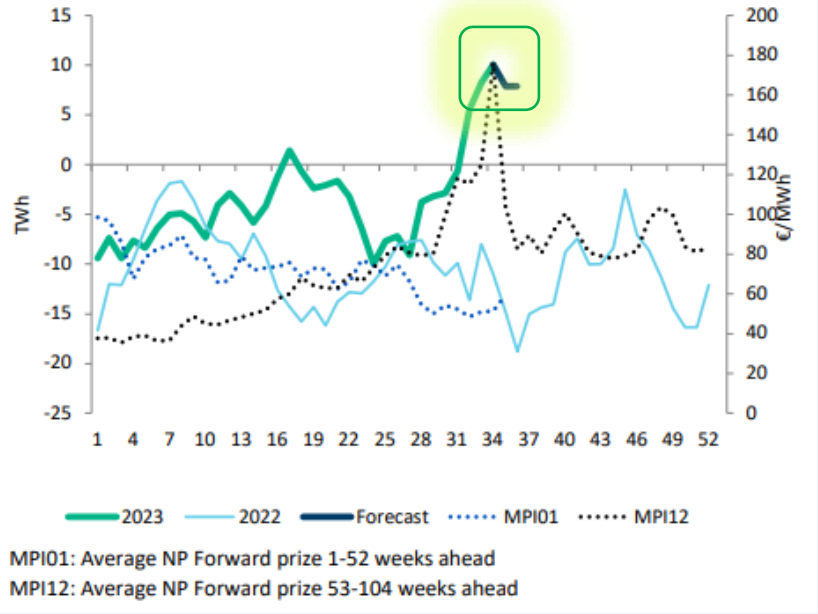
Comments

- Marginal costs down sharply from 2022 peak levels but continue to be elevated
- Nordic electricity price level still highly dependent on marginal costs
- Weather/hydrology important and highly influential for Nordics during 2023
- Cold winter(s) main risk for higher prices
- European energy supply situation uncertain with no short-term solution

Weather/hydrology always an important Nordic price driver

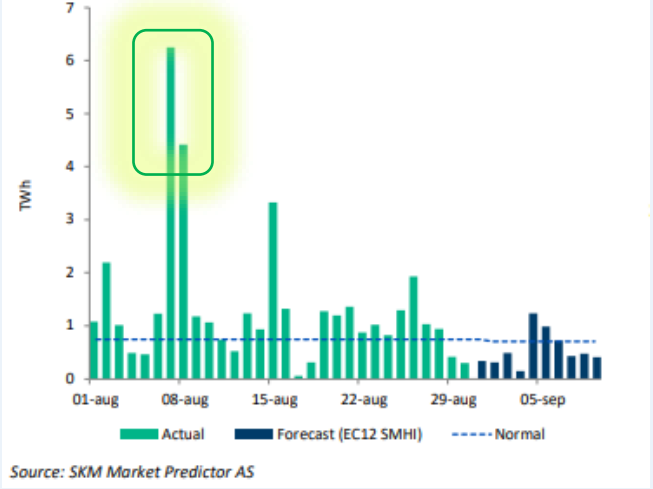


Hydrological balance NO + SE + FI



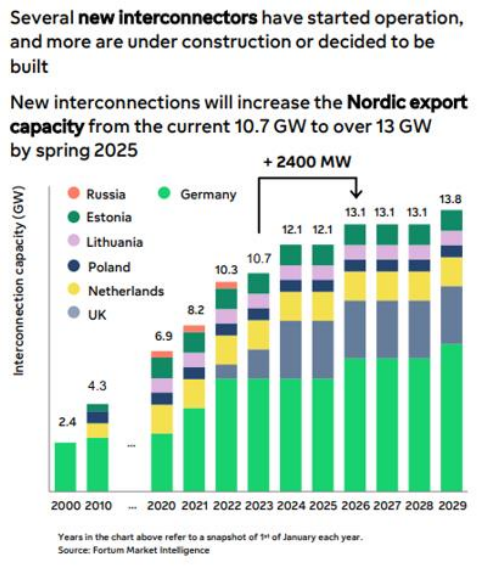
MPI01: Average NP Forward prize 1-52 weeks ahead
MPI12: Average NP Forward prize 53-104 weeks ahead

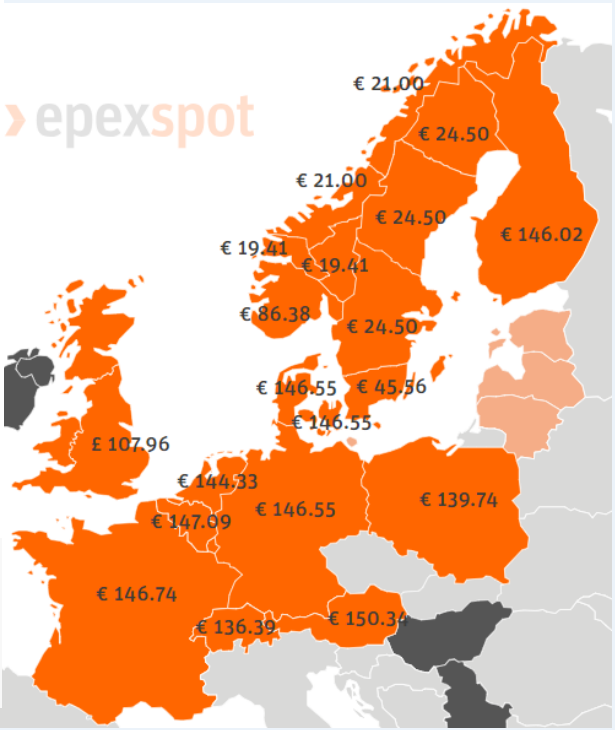
Precipitation energy NO+SE+FI (Day)



Source: SKM Market Predictor AS

European power price still elevated, and gas price driven

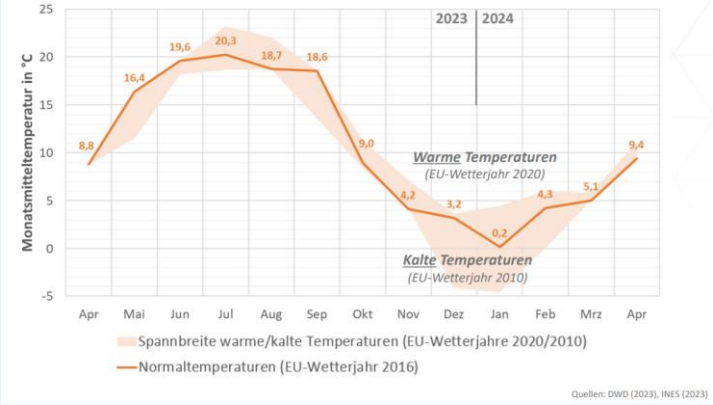


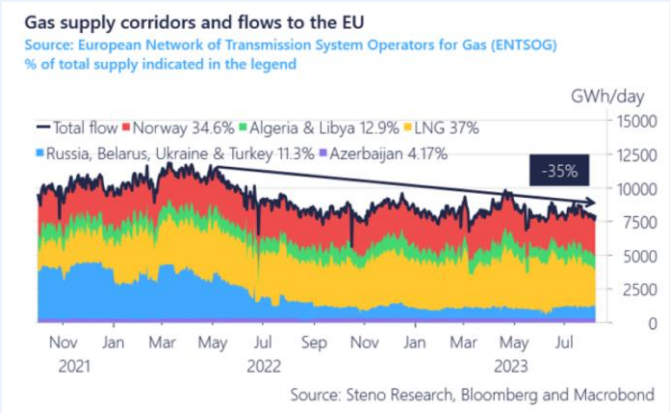


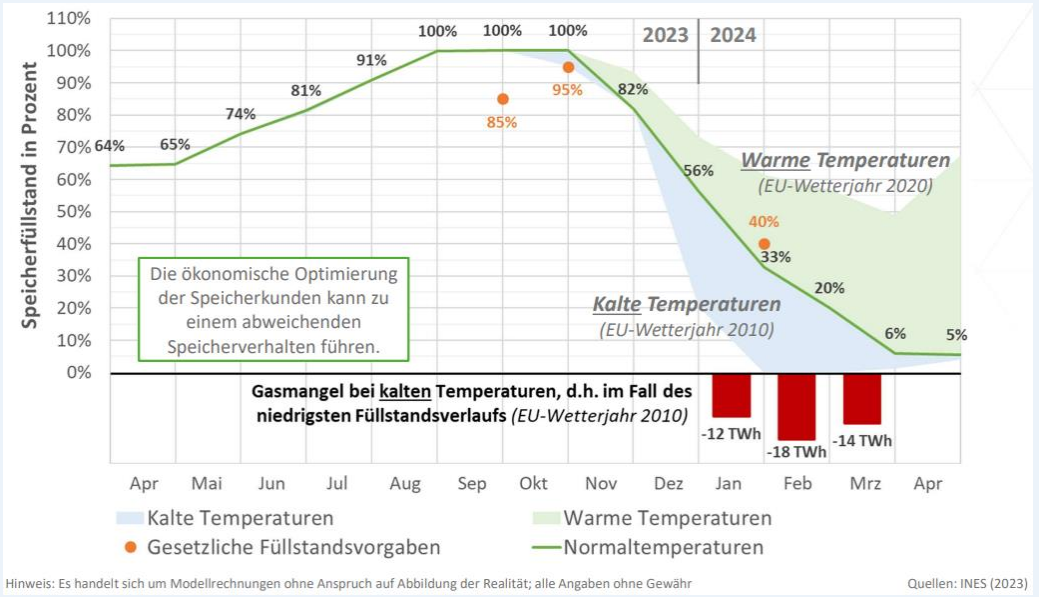
Current situation (23 August)

- Spot prices sensitive to low RES, example from low wind day during August
- Gas price often sets marginal cost = spot
- Nordic prices weak on strong hydro situation, muted seasonal demand
- Finland, temporarily, lacking nuclear and imports from Sweden
- UK prices most of the time dependent both on gas price and on imports
- New interconnectors = price convergence

Gas supply – cold winter(s) a substantial supply risk



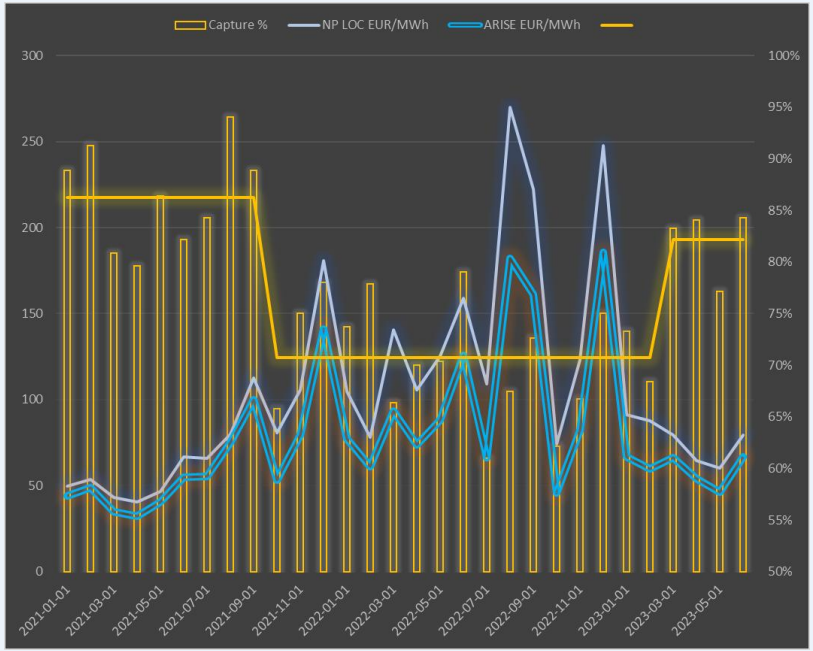




Microsoft PowerPoint - 20230417_INES-Szenarien_Gasversorgungssicherheit (erdgasspeicher.de)

Capture rate improving as spot prices retreat

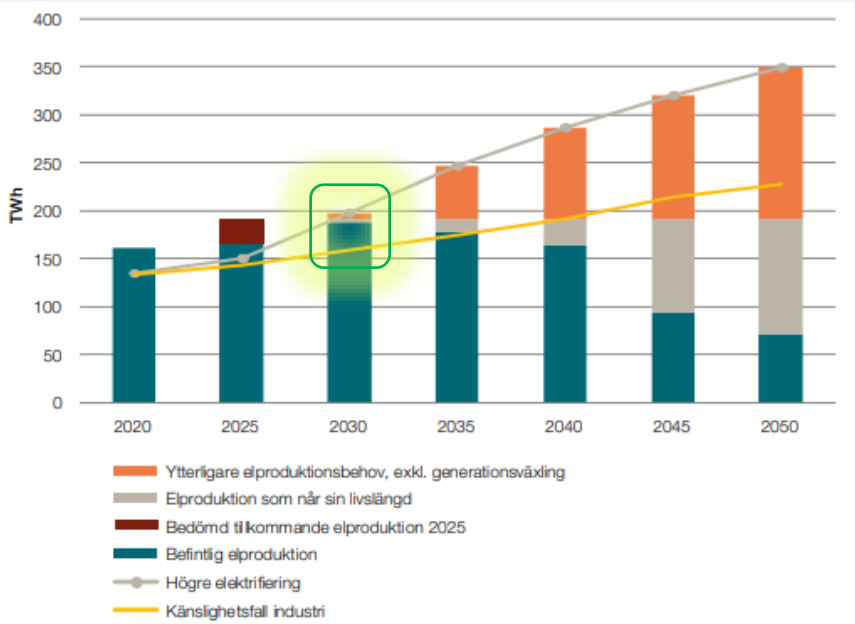
Capture rate, Arise own production, share of spot average (%)



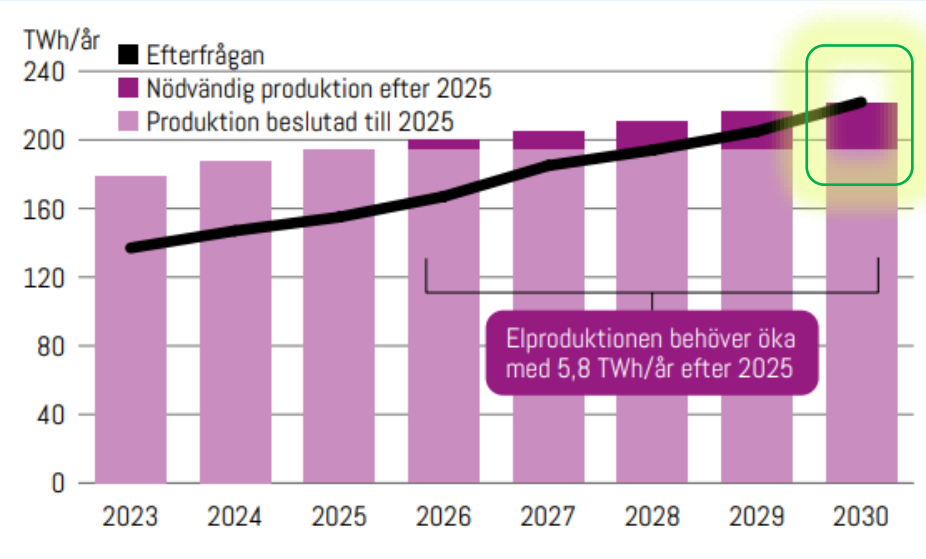
Comments

- High price volatility = lower capture rate
- Extreme price volatility Q421-Q422
- Stabilization during H123, capture rate >80%
- Return to historical levels unlikely, but normalization already taking place
- Increasing RES production, low investments in flexible assets, weakening capture rate
- Energy storages (batteries/hydrogen) and flexibility will dampen effect longer term

Improving supply-demand balance towards and beyond 2030



Figur 27. Ökning av elbehovet till 2050 (utfallsrummet visar skillnaden mellan *Högre elektrifiering* och *Känslighetsfall industri*) i jämförelse med befintlig elproduktion, antagande om elproduktion 2025 och ytterligare behov för att nå det högre utfallet.



Industrins elbehov ökar med 70 TWh till 2030 - SKGS

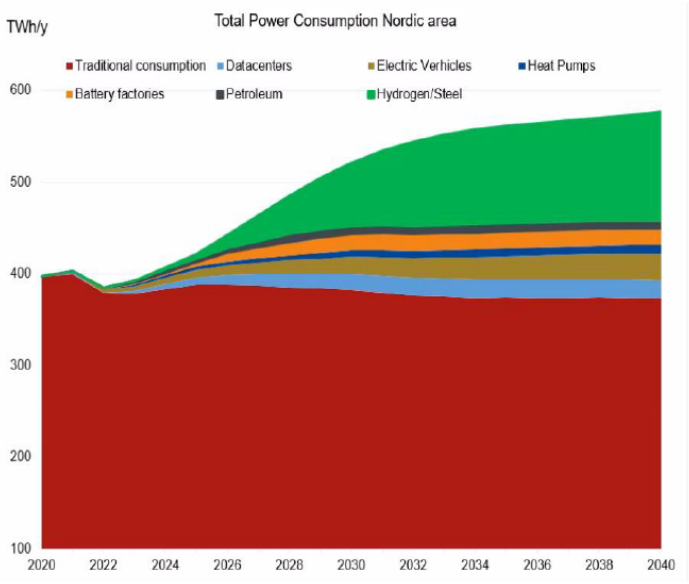
Scenarier över Sveriges energisystem 2023 (energimyndigheten.se)

Very promising long-term potential

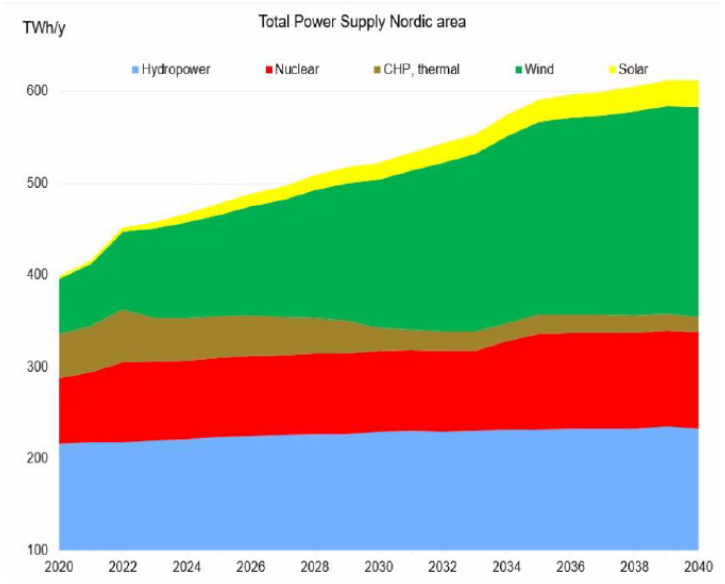
The green shift triggers a race on both sides!

2025-2030 the consumption is expected to grow faster than the production.....what about investment incentives?
All NP areas will see power balance weakening for the next 5-10 years.

Until 2030: 135 TWh growth in consumption

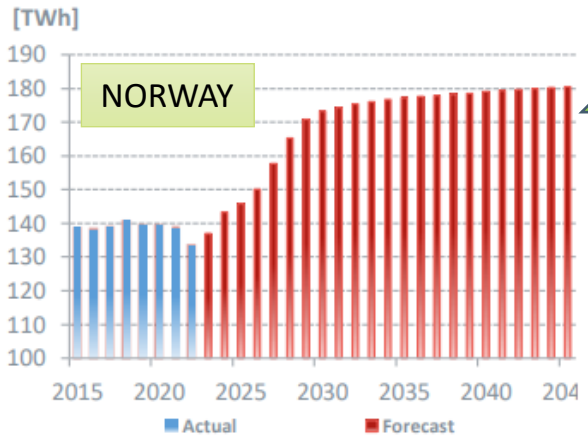


80TWh new renewable production



Very promising long-term potential

Figure 4.3: Norwegian electricity consumption



Compared with our March edition, power consumption for 2030 and 2040 is up 1.8 TWh and 1.0 TWh, respectively.

Figure 4.4: Swedish electricity consumption

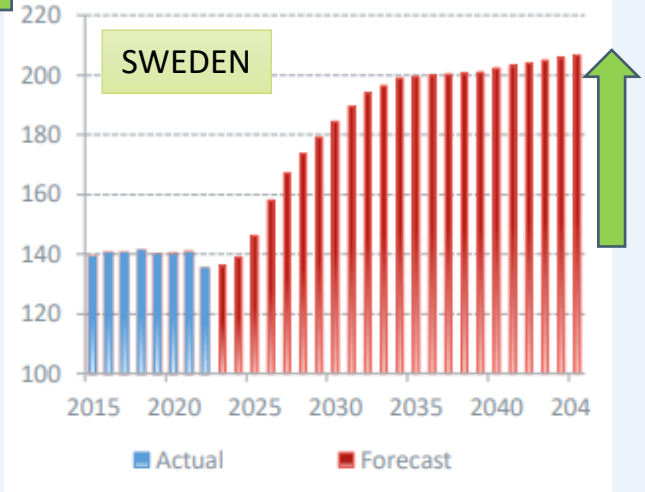


Figure 4.5: Finnish electricity consumption

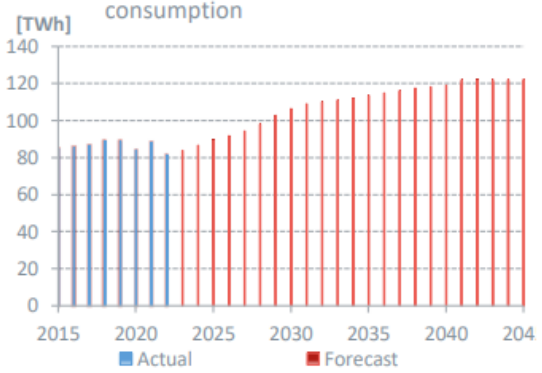
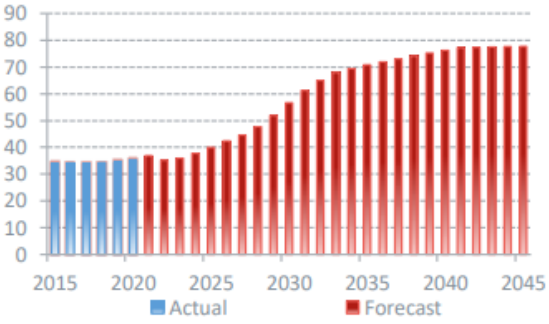


Figure 4.6: Danish electricity consumption



Nordic electricity price outlook

- Higher prices are here to stay, but 2022 levels will not return
  - European energy deficit here to stay, no quick fix available
  - Gas prices continue to be main driver for electricity price level
  - Timing of industrial electrification and offshore wind build out uncertain
- Diminishing electricity surplus toward 2030 as industrial demand increases sharply
- Price volatility to stay elevated with increased share of renewables
- Energy storages (batteries/hydrogen/etc.) required for balancing purposes
- Price convergence following electrification and improved transmission/new interconnectors
- Long-term potential for renewable investments still very promising

STRATEGY AND

Targets

69

Summary of our markets

- Generally strong drivers for new renewable electricity production
  - Climate change and security of supply in Europe
  - Electricity prices are expected to normalise, but at relatively high levels
  - Wind power and large-scale solar PV are currently the most cost-efficient production resources
  - Expectation that conditions for permitting processes will improve – policy needs to adapt to reality
  - Expansion of capacity in the transmission grid is expected to increase over time, but a limiting factor in the short-term
  - General increased demand for projects, but also increased competition
  - Comparative advantage to have own production assets and a strong financial situation in a weaker economy
  - Increased investment costs, which have been compensated by higher electricity prices and project valuations, are expected to normalise

In general favorable conditions for growth and continuous good profitability

Final turbine installed in Skaftåsen

Arise' strategy going forward

- Our business model
  - Combining IPP and Development
- Profitable growth in all business segments
  - Use the company's strong financial position and developed platform
  - Organic growth in the project portfolio
  - Evaluate acquisitions of project portfolios, companies and production assets
- The Nordic countries and the UK core markets
  - Business opportunities in other markets are continuosly evaluated

Arise' financial targets

>10,000 MW[1)] PROJECT PORTFOLIO By end of 2025	>400 MW[1)] PROJECT SALES / FID In total 2024-2025	>500 MW[1)] PROJECT SALES / FID On avg / yr 2026-2028
>60% PRODUCTION EBITDA MARGIN	>30% EQUITY RATIO	>20% DIVIDEND As % of net profit attributable to Arise shareholders

1) Including part-owned projects

Q&A

THANK YOU