Øyfjellet Wind Investment AS
Tveråvegen 370, 8658 Mosjøen, Norway
Business Registration No. 927 378 779

Interim condensed consolidated financial statements 31 December 2023

Contents

Parent Company Details

Parent Company
Øyfjellet Wind Investment AS
Tveråvegen 370
8658 Mosjøen
Norway

Business Registration No.: 927 378 779
Registered office: Mosjøen
Financial year: 01.01.2023 – 31.12.2023

Board of Directors:
Joakim Brønner Johnsen, Chair
Erik Mortensen
Bernhard Gierke

Executive Board
-

Auditors
PricewaterhouseCoopers AS
Dronning Eufemias gate 71
0194 Oslo
Norway

Responsibility Statement

Today, the Board of Directors reviewed and approved the Øyfjellet Wind Investment AS interim condensed consolidated report as of December 2023.

To the best of our knowledge, we confirm that:

- The Øyfjellet Wind Investment AS interim condensed consolidated report as of December 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union (EU), and additional Norwegian disclosure requirements in the Norwegian Accounting Act, and that
- The report has been prepared in accordance with applicable financial reporting standards, and that
- The information presented in the financial statements gives a true and fair view of the Group's assets, liabilities, financial position, and results for the period viewed, and that
- The report, together with the yearly report, gives a true and fair view of the development, performance, financial position, principle risks and uncertainties of the Group.

The interim financial consolidated report has not been audited or reviewed by auditors.

Oslo, 29 February 2024

Executive Board

-

Board of Directors

Joakim Brønner Johnsen	Erik Mortensen	Bernhard Gierke
Chair		

Management Report

Major events in 2023

The Engineering, Procurement and Construction Management Agreement (EPCMA) was declared completed in March 2023, including a "snag-list" which comprised smaller remaining works to be performed by the construction parties. As of December 2023, the construction of a storage hall and an administration building is still ongoing and will be completed in the following year. Nordex has been responsible for the supply and installation of wind turbines, as well as service and maintenance, and continues to be a long-term part of the local business community. The turbines have the latest wind turbine technology and provide renewable energy with no CO2 emissions and the least possible impact on the surrounding natural environment. During the year 2023, Nordex completed repair works on several gearboxes and also rectified the anti-icing system, which was not fully operational during the winter period. One turbine was severely damaged during the repair works and Nordex only expects this turbine to become operational again during the year 2024. The wind park has a capacity of 400MW with an expected production volume of 1,300 GWh. A substantial part of the production capacity became operational from September 2022 onwards. As the production during the past year was negatively affected by the aforementioned events, the company expects to receive a substantial compensation according to the availability warranty in the O&M agreement with Nordex. In addition, the Technical and Commercial Management contract with Eolus was terminated. The commercial and technical matters are now handled directly by the employees of the SPV.

Risk factors

The Group and its wind farms is exposed to in several risk factors. Without limitation, this may include risks with respect to weather variations, changing tax regime, the performance of suppliers and/or contractors who are engaged to operate assets held by the Group, credit risk with respect to the sole off taker under the PPA for the Øyfjellet Wind Farm, future prices of power, origin guarantees and wind farm operations. The group is also exposed to litigation risk in relation to ongoing appraisal case for the compensation connected to the expropriation of certain land rights, including a motion for invalidity of the facility license and in relation to an ongoing arbitration case against the Turbine Supplier regarding Liquidated damages for the construction period.

Power price uncertainty

91.22% of the electricity generated by the wind park is sold to a local off-taker through a power purchase agreement at a fixed price until 2036. However, as the risk management strategy foresees to only hedge 70% of the total volume, the Group has entered into a swap agreement to reduce the hedged amount by 21.22%. Short-term fluctuations in the electricity spot market can therefore indirectly impact 30% of the generated volume.

Currency fluctuations

There can be a difference in currency regarding revenues, loans, procurement and construction invoices. The main currency exposure relates to fluctuations between NOK, and EUR. Based on the currency hedging policy, the Group mitigates this risk by strictly controlling and monitoring currency exposure, as well as balancing revenues and costs in the same currency.

Financing and interest rates

The construction of large energy projects is capital intensive. Corporate funding and guarantee lines make interest payments a significant expense and an important factor in the cost of energy projects. The Group has secured the long-term financing through the issuance of bonds and receiving shareholder loans. There are no significant fluctuations expected as the interest rate for bonds and the shareholder loans are fixed. The utilized bonds include options which allow for a repayment of previously drawn down amounts including compensation for the net present value of underlying hedges. The Group currently does not intend to exercise such options.

Environment

Revenues of the Group will depend on wind resources. The effects of climate change might affect the wind conditions at the wind farm location.

Social

Wind farm operations could affect local communicities. Failure to maintain a good relationship and constructive dialogue with local stakeholders could result in impaired operations or additional costs during the lifetime of the project.

Delay and construction costs overrun

The wind farm is operational, and the construction contracts are declared completed. Remaining works, which are not expected to impair operations, were agreed in a “snag list” and are expected to be completed in the year 2024. The risk for further cost overruns related to construction works is low.

Operations

The total production in the year 2023 was recorded at 895 GWh, which is below the expected budget of 1.300 GWh. The main factors which have impaired performance are low wind, repair works on gearboxes and rectification of the anti-icing-system and corresponding maintenance works.

The wind farm is located close to the polar circle, severe weather conditions might continue to affect works on site. As a mitigation, Øyfjellet Wind AS has prepared a winter operation concept, comprising an additional garage, 11 winter units such as groomers, traction vehicles, snow mobiles, agreements to utilize a helicopter, and increased the budget for operating expenses.

Shareholders' Equity

Following the negative total comprehensive income of EUR -16.7 million for the financial year 2023, the total equity of the group decreased and amounted to EUR -7.9 million as of 31.12.2023. The reduction in equity is mainly caused by financial expenses in relation to shareholder loans which were provided by the shareholders per rata share as a project financing. With the completion of the wind farm, these equity-like instruments are to be converted into equity in 2024.

Interim consolidated financial statements

Interim financial statements

Notes to the interim consolidated financial statements

Interim condensed consolidated statement of comprehensive income

TEUR	Note	**1 July – 31 December 2023**	**1 July – 31 December 2022**	**1 January – 31 December 2023**	**1 January – 31 December 2022**
Revenue	2	14,324	14,527	28,658	17,624
Other income		6,140	(731)	6,018	10,577
Other operating expenses		(8,339)	(9,933)	(16,994)	(9,933)
Depreciation and amortization expenses	3,4	(10,836)	(12,650)	(21,102)	(22,631)
Operating profit/(loss) before tax		**1,289**	**(6,739)**	**(3,420)**	**(4,363)**
Financial income		1,480	2,067	3,202	12,333
Financial expenses		(11,945)	(12,638)	(29,171)	(24,733)
Profit/(loss) before tax		**(9,176)**	**(17,310)**	**(29,389)**	**(16,763)**
Income tax expense		9,173	4,765	12,703	6,243
Profit/(loss) after tax		**(3)**	**(12,545)**	**(16,686)**	**(10,520)**
Other comprehensive income		**-**	**-**	**-**	**-**
Profit/(loss) and total comprehensive income for the financial year		**(3)**	**(12,545)**	**(16,686)**	**(10,520)**

Interim condensed consolidated statement of financial position

ASSETS

TEUR	Note	31 December 2023	31 December 2022
Intangible assets		26,743	27,734
Property, plant and equipment	3	453,915	472,959
Right-of-use asset	4	7,869	6,968
Prepayments		3,755	3,197
Deferred tax asset		14,071	1,357
Non-current financial assets	5	20,700	22,972
Total non-current assets		**527,053**	**535,187**
Trade receivables		12,352	3,560
Prepayments		9,063	9,945
Other current receivables		299	1,289
Cash and cash equivalents		28,586	52,873
Total current assets		**50,300**	**67,667**
Total assets		**577,352**	**602,854**

EQUITY AND LIABILITIES

		31 December 2023	31 December 2022
TEUR	Note		
Share capital	6	2,958	2,958
Share premium		27,522	27,521
Accumulated losses		(38,383)	(21,698)
Total equity		**(7,903)**	**8,781**
Loans and borrowings	5	531,987	534,536
Lease liabilities	4	7,316	7,024
Provisions		5,431	8,207
Total non-current liabilities		**544,734**	**549,765**
Trade and other payables		5,483	10,346
Tax payable		0	0
Loans and borrowings	5	33,612	31,889
Lease liabilities	4	420	216
Other current liabilities		1,007	1,856
Total current liabilities		**40,521**	**44,307**
Total liabilities		**585,255**	**594,073**
Total equity and liabilities		**577,352**	**602,854**

Interim condensed consolidated statement of changes in equity

Table 2

	Share capital	Share premium	Accumulated losses	Total equity
TEUR				
Equity at 1 January 2023	2,958	27,521	(21,698)	8,781
Net profit/(loss) for the period	-	-	(16,686)	(16,686)
Total comprehensive income	-	-	-	-
Balance at 31 December 2023	**2,958**	**27,521**	**(38,384)**	**(7,905)**

	Share capital	Share premium	Accumulated losses	Total equity
TEUR				
Equity at 1 January 2022	2,958	27,521	(11,178)	19,301
Net profit/(loss) for the period	-	-	(10,520)	(10,520)
Total comprehensive income	**-**	**-**	**-**	**-**
Balance at 31 December 2022	**2,958**	**27,521**	**(21,698)**	**8,781**

Interim condensed consolidated statement of cash flows

Table

TEUR	**Note**	**1 January – 31 December 2023**	**1January – 31 December 2022**
Operating profit/loss		(3,420)	(4,363)
Depreciation	3,4	21,102	22,631
Fair value adjustments on derivatives		612	(10,577)
Change in provisions		(2,776)	6,014
Change in operating receivables		(6,920)	(6,796)
Change in trade payables and other payables		(332)	(13,801)
Cash flow from operating activities before financial income and expenses		**8,266**	**(6,892)**
Interest received		3,202	2,197
Interest paid		(26,739)	(8,391)
Income taxes, received/(paid)		0	0
Cash flow from operating activities		**(15,271)**	**(13,086)**
Acquisition of financial assets		2,272	(571)
Acquisition of plant, property and equipment		(6,512)	(47,777)
Net cash flows from investing activities		**(4,240)**	**(48,348)**
Proceeds from loans		1,100	2,373
Repayment of loans		(4,000)	(3,000)
Payment of principal portion of lease liabilities		(403)	(127)
Cash flow from financing activities		**(3,303)**	**(754)**
Cash and cash equivalents, beginning of the period		52,873	116,086
Net (decrease)/increase in cash and cash equivalents		(22,814)	(62,188)
Foreign exchange differences on cash		(1,474)	(1,025)
Cash and cash equivalents at 31 December		**28,586**	**52,873**
Cash and cash equivalents in the cash flow statement comprise:			
Cash and cash equivalents		28,586	52,873

The figures in the cash flow statement cannot be directly derived from the figures in the balance sheet.

Notes to the interim condensed consolidated financial statements

Note 1 Basis of reporting

Basis of preparation

The interim condensed consolidated financial statements for the twelve months ended 31 December 2023 have been prepared in accordance with IAS 34 (Interim Financial Reporting) and additional Norwegian disclosure requirements in the Norwegian Accounting Act. The interim condensed consolidated financial reporting should be read in conjunction with the annual financial statements for the year ended 31 December 2022 for Øyfjellet Wind Investment Group, which have been prepared in accordance with IFRS Accounting Standards as adopted by EU.

The accounting policies implemented are consistent with those of the annual financial statements for the group for the year ended 31 December 2022

Øyfjellet Wind Investment AS is a financing entity with the sole purpose to own shares in Øyfjellet Wind AS. Øyfjellet Wind AS is a wholly owned subsidiary established to construct and operate the Øyfjellet Wind Farm.

The interim condensed consolidated financial statements are presented in Euros thousands (TEUR). Euros is the functional currency of both Øyfjellet Wind Investment AS and Øyfjellet Wind AS.

Materiality in financial reporting

For the preparation of the interim condensed consolidated financial statements, Management aims to focus on the information considered to be material and relevant for the understanding of the Group's performance for the reporting period.

If a financial statement line item is not individually material, it is aggregated with other financial statement items of a similar nature in interim condensed consolidated financial statements or in the disclosure notes.

Management provides specific disclosures required by IFRS unless the information is not applicable or considered immaterial to the economic decision-making of the users of these condensed interim consolidated financial statements.

Key accounting estimates and judgements

As part of the preparation of the condensed interim consolidated financial statements, Management makes a number of accounting estimates and assumptions as a basis for recognising and measuring the Company's assets, liabilities, income and expenses as well as judgements made in applying the Group's accounting policies. The estimates, judgements and assumptions made are based on experience gained and other factors that are considered prudent by Management in the circumstances, but which are inherently subject to uncertainty and volatility.

Evaluation of power purchase agreement

To secure cash flows from the wind farm the Group has entered into a power purchase agreement (PPA) with Alcoa Norway. The PPA is guaranteed by the Norwegian state through GIEK ("Garantiinstituttet for Eksportkreditt"). GIEK guarantees that if Alcoa defaults under the PPA, a portion of the payment obligations will still be fulfilled. The Group has analysed the agreements and concluded that the PPA agreement is not in scope of IFRS 16, as it is a predetermined asset and customer does not operate the asset nor has the customer designed it. However, the PPA is in scope of IFRS 15 due to the physical delivery to a balancing party.

Fair value of long-term power swap agreement

The Group has entered into a counter-hedging plan whereby the Group purchases up to 21.22% of annual production at spot reducing the effective hedge position. Assumptions used for measuring fair value were replacement price for the PPA amounting to 30 EUR/MWh (31 December 2022: 30 EUR/MWh), PPA volume of 276 GWh/a and a discount rate of 6.8%. Refer to note 5 for further information.

Provision for decommissioning

The Group has recognised a provision for decommissioning obligations associated with the wind turbines erected on leased land. In determining the best estimate of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the wind farm from the site and the expected timing of those costs. Additional assumptions used for the calculation were long-term inflation rate of 2%, a risk-free interest rate and the useful life of the underlying assets. The carrying amount of the provision as at 31 December 2023 was TEUR 5,431.

Note 2 Revenue

Set out below is the disaggregation of the Group's revenue:

TEUR	1 July – 31 December 2023	1 July – 31 December 2022	1 January – 31 December 2023	1 January – 31 December 2022
Revenue				
Fixed price	12,536	9,438	24,288	12,157
Variable price	899	3,367	1,924	3,714
Certificates	758	903	2,316	934
Other	130	819	130	819
Total revenue	**14,324**	**14,527**	**28,658**	**17,624**

Seasonality of operations

According to historical measurements, the changing meteorological conditions of the area where the wind farm is located expose operations to seasonality. This entails variability of the net energy yields generated by the wind farm, which may lead to revenue fluctuations across the year. Specifically, higher revenues can be expected in the autumn and winter months, as most of the annual energy yield is expected to be generated between September and March. Conversely, revenues are expected to trend downwards in spring and summer, between March and September, due to a lower expected energy yield contribution. This information provides more granularity into the aggregate results and confers a more holistic view on the wind farm´s expected future performance. However, management has concluded that this is not ‘highly seasonal’ in accordance with IAS 34.

Note 3 Property, plant and equipment

TEUR	Plant and machinery	Construction in progress
2023		
Cost at 1 January	495,498	-
Additions	-	2,109
Disposals	-	-
Adjustment	(1,341)	-
Transfer	1,292	(1,292)
Cost at 31 December	**495,449**	**816**
Depreciation at 1 January	(22,539)	-
Depreciation during the period	(19,812)	-
Depreciation at 31 December	(42,351)	-
Carrying amount at 31 December	**453,098**	**816**

TEUR	Plant and machinery	Construction in progress
2022		
Cost at 1 January	446,137	-
Additions	49,361	-
Cost at 31 December	**495,498**	-
Depreciation at 1 January	(1,527)	-
Depreciation during the year	(21,012)	-
Depreciation at 31 December	(22,539)	-
Carrying amount at 31 December	**472,959**	-

In 2020 and 2021, Øyfjellet Wind AS has 72 wind turbines under development located in the Vefsn municipality. All 72 wind turbines (towers and wind turbines) were finished and have been put in operation as per 31 December 2022. After the mechanical milestone was reached, management concluded that the construction phase was finalised after all turbines were installed. Depreciation started according to Group accounting policies.

Accounting policies

Property, plant and equipment are measured at cost less accumulated depreciation and impairment. Cost comprises the acquisition price and other directly attributable costs until the date on which the wind turbines were installed and started being depreciated. No significant components were identified by management, so no assets are broken down into components.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The purpose of the notes and shareholder loans are specifically to fund the construction of the wind farm, interest has been capitalised in full. The purpose of the bonds was partly related to the construction, the rate used to determine the amount of borrowing costs eligible for capitalisation was 95%,

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to significant accounting judgements, estimates and assumptions (note 1) for further information about the recognised decommissioning provision.

Depreciation is recognised on a straight-line basis from the time of acquisition, or when the asset is available for use, over the expected useful life. The expected useful lives are assessed individually for every class of assets. A reassessment is made once a year to ascertain that the depreciation basis reflects the expected useful lives and future residual values of the assets. Land is not depreciated.

The expected useful lives are as follows:

Machinery & Equipment	5 years
Plant (Windfarm)	30 years

The windfarm has been depreciated over the period of the estimated length of concession, which is was 25 years. In addition, the company started a construction of an operational building, which is under construction as of 31.12.2023 and is due to be completed in 2025. Concessions period has been set to 30 years as per 31.12.23, however the useful life was 25 years during 2023.

Note 4 Leases

TEUR	2023 Land	2022 Land
Cost at 1 January	7,310	7,965
Additions	-	-
Disposals	-	-
Adjustments and revaluations	1,204	(655)
Cost at 31 December	**8,514**	**7,310**
Depreciation at 1 January	(341)	(37)
Reversals regarding disposals	-	-
Depreciation during the year	**(645)**	**(341)**
Carrying amount at 31 December	**7,869**	**6,969**

Carrying amounts of lease liabilities and movements during the period:

TEUR	31 December 2023	31 December 2022
At 1 January	7,240	7,795
Additions	-	-
Accrual of interest	215	241
Payments	(403)	(127)
FX gain / loss	(520)	(338)
Adjustments	(1,204)	(331)
At reporting date	**7,736**	**7,240**
Non-current	**7,316**	**7,024**
Current	**420**	**216**

Leases

The Group leases the land where the wind farm is built on.

The right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term and the useful life of the asset which is 25. As of 31.12.2023 the useful life is adjusted to 30 years.

Note 5 Financial assets and financial liabilities

Set out below is an overview of financial assets and liabilities held by the Group as at 31 December 2023 and 31 December 2022 including a comparison of the carrying amounts and fair values. Carrying amounts of financial assets and liabilities measured at amortised costs are a reasonable approximation of fair values:

	31 December 2023		31 December 2022	
TEUR	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Financial assets measured at amortized cost:				
Trade receivables	12,352	12,352	3,560	3,560
Deposits	2,353	2,353	2,353	2,353
Financial assets at fair value through profit or loss:				
Interest rate derivatives	9,477	9,477	11,144	11,144
Power swap derivatives	8,668	8,668	9,280	9,280
Embedded derivatives	202	202	194	194
Total Financial assets	**33,052**	**33,052**	**26,531**	**26,531**

	31 December 2023		31 December 2022	
TEUR	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Financial liabilities measured at amortized cost:				
Trade and other payables	5,483	5,483	10,346	10,346
Loans and borrowings				
Notes	226,085	181,061	229,932	232,823
Bonds	79,829	76,754	79,605	79,672
Shareholder loans	259,685	199,055	256,886	248,256
Lease liabilities	7,736	7,736	7,240	7,240
Financial liabilities at fair value through profit or loss:				
Power swap derivatives	-	-	-	-
Total financial liabilities	**578,818**	**470,089**	**584,009**	**578,337**

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities as at 31 December 2023:

TEUR	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value:				
Interest rate derivatives	**9,477**	-	9,477	-
Power swap derivatives	**8,668**	-	-	8,668
Embedded derivatives	**202**	-	-	202
Total	**18,347**	**-**	**9,477**	**8,870**

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities as at 31 December 2022:

TEUR	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value:				
Interest rate derivatives	**11,144**	-	11,144	
Power swap derivatives	**9,280**	-	-	9,280
Embedded derivatives	**194**	-	-	194
Total	**20,618**	**-**	**11,144**	**9,474**

	Interest rate	Maturity	30 December 2023	31 December 2022
EUR				
Loans and borrowings				
Notes	2,12 %	Sep. 2045	222,085	225,932
Bond loan	2,75 %	Sep. 2026	79,829	79,605
Shareholder loans	7,25 %	Aug. 2023	228,973	228,997
Lease liabilities	3,28 %	Nov. 2045	7,316	7,024
Non-current			**538,203**	**541,558**
Notes	2,12 %	Sep. 2045	4,000	4,000
Bond loan	2,75 %	Sep. 2026	-	-
Shareholder loans	7,25 %	Aug. 2023	30,712	27,889
Lease liabilities	3,28 %	Nov. 2045	420	216
Current			**35,132**	**32,105**
Total financial liabilities			**573,335**	**573,663**

Management considers that the Group has so far fulfilled all covenants required in the borrowing agreements and expects to fulfil the convenance as well in the next financial year

Accounting policies

Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade receivables.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss under financial income and expenses. This category includes derivative instruments.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables and loans and borrowings.

Financial liabilities at amortised cost

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Fair value measurement

The Group measures financial instruments such as derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair value of derivatives is mainly within level 2 of the fair value hierarchy and is calculated based on observable market data as of the end of the reporting period. Fair value of level 3 assets and liabilities is primarily based on the present value of expected future cash flows. A reasonably possible change in the discount rate is not estimated to affect the Group's profit or equity significantly. For further information on assumptions used for the valuation refer to note 1.

Note 6 Share capital

The share capital comprises 3,000,000 shares of NOK 10 each (2022: 3,000,000). The shares are all authorised, issued and fully paid. No shares carry any additional special rights. The Group continuously assesses the need for adjustment of the capital structure.

Note 7 Related parties

Transactions with related parties

Balances and transactions between the Company and its subsidiary, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

31 December The major transactions with related parties are in connection with the shareholder loan received from Øyfjellet Wind Holding AS (open balance 31 December 2023). For further information please refer to note 5.

There were no transactions with the Board of Directors, besides remuneration.
Breakdown of remuneration is as follows:

TEUR	**Salary**	**Benefits and other related expenses**	**Total**
31 December 2023:			
Board of Directors	0	0	0
Total	**0**	**0**	**0**

TEUR	**Salary**	**Benefits and other related expenses**	**Total**
31 December 2022:			
Board of Directors	67	18	85
Total	**67**	**18**	**85**

Note 8 Commitments and contingencies

Commitments

At 31 December 2023, the Group had commitments of EUR 9,324k in relation to payments for acquisition of property, plant and equipment.

Contingent liabilities

The Group is involved in an ongoing appraisal case to determine a compensation to local communities, where the validity of the license decision is questioned by the local reindeer district. A court hearing is scheduled in May 2024. The Group has conducted a comprehensive assessment of the arguments presented in conjunction with its legal advisors and assesses the probability of an unfavorable outcome in the appraisal case to be minimal.

Note 9 Events after the reporting period

A provision has been made to cover the reversal of previously deducted VAT of MNOK [14] related to the reconstruction and reinforcement of Tveråvegen. This obligation to reverse input VAT has been triggered in February 2023. It is assumed that it will be possible to reduce the final cost of the reversal. This may be done through an agreement with Vefsn municipality on the transfer of the right of adjustment. Since it is not yet clear if it is feasible to enter into such an agreement and if applicable what the terms for such an agreement would be any potential future cost reduction has not been taken into account when fixing the amount of this provision.

COMPLIANCE CERTIFICATE

28 February 2024

Øyfjellet Wind Investment AS 2.75 % bonds 2021/2026 ISIN NO0011082117

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 12.2 (*Requirements as to Financial Reports*) of the Bond Terms a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period ending 31 December 2023.

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*) we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate. Copies of our latest consolidated Interim Accounts are enclosed.

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,

Joakim Johnsen *Bernhard Gierke*

Enclosure: Interim Accounts

SIGNATURES **ALLEKIRJOITUKSET** **UNDERSKRIFTER** **SIGNATURER** **UNDERSKRIFTER**

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Erik Mortensen

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BankID - d8961b48-c77f-412a-8f93-537edf4cd3e3 - NO

Joakim Brønner Johnsen

926757a0-ae6c-4a38-bdef-7d9f3d426dfd - 2024-02-29 19:10:27 UTC +02:00
BankID - baed6480-d95d-44a6-a447-0eed99336dd2 - NO

Bernhard Gierke - bernhard.gierke@aquila-capital.com - 217.110.125.230

d398d540-ab59-403c-a9e7-495f3833c87c - 2024-02-29 19:11:36 UTC +02:00

authority to sign	asemavaltuutus	ställningsfullmakt	autoritet til å signere	myndighed til at underskrive
representative	nimenkirjoitusoikeus	firmateckningsrätt	representant	repræsentant
custodial	huoltaja/edunvalvoja	förvaltare	foresatte/verge	frihedsberøvende