

Interim Report January–September 2021

Continued growth in the project development portfolio – amounted to 17.6 GW at the end of the period

Q3 2021

- Net sales amounted to SEK 600 million (2,050).
- Operating income amounted to SEK 24 million (171), operating income adjusted for listing expenses amounted to SEK 25 million (171).
- The operating margin amounted to 4.1% (8.4), operating margin adjusted for listing expenses amounted to 4.2% (8.4).
- Profit for the period totalled SEK 15 million (132).
- Earnings per share amounted to SEK 0.06 (0.53).
- Cash flow from operating activities amounted to SEK 143 million (81).
- 614 MW of project rights were acquired.
- The project development portfolio increased by 529 MW and amounted to 17.6 GW (10.6) at the end of period.
- Agreements were signed for the sale and management of wind farms with a capacity of 17 MW.

January–September 2021

- Net sales amounted to SEK 2,553 million (3,447).
- Operating income amounted to SEK 97 million (300), operating income adjusted for listing expenses amounted to SEK 136 million (300).
- The operating margin amounted to 3.8% (8.7), operating margin adjusted for listing expenses amounted to 5.3% (8.7).
- Profit for the period totalled SEK 97 million (225).
- Earnings per share amounted to SEK 0.38 (0.90).
- Cash flow from operating activities amounted to SEK 231 million (46).
- Projects sold in the period totalled 237 MW (201).

Significant events after the end of the reporting period

- OX2 has submitted an application for a Natura 2000 permit in Kattegatt for the Swedish Galatea-Galene offshore wind farm.
- Agreement signed for the sale and management of wind farms with a capacity of 24 MW.
- One completed 56 MW wind farm was handed over.

The Group's key performance indicators

	Q3		Jan-Sep		R12	Full year
	2021	2020	2021	2020	Oct-Sep	2020
Net sales, SEK m	600	2,050	2,553	3,447	4,307	5,201
Operating income, SEK m	24	171	97	300	213	416
Operating income adjusted for listing expenses, SEK m*	25	171	136	300	251	416
Operating income adjusted for development expenses and listing expenses, SEK m*	84	195	277	371	456	549
Operating margin, %	4.1%	8.4%	3.8%	8.7%	5.0%	8.0%
Operating margin adjusted for listing expenses, %	4.2%	8.4%	5.3%	8.7%	5.8%	8.0%
Operating margin adjusted for development expenses and listing expenses, %	13.9%	9.5%	10.9%	10.8%	10.6%	10.6%
Investments in the project development portfolio, SEK m	34	16	197	44	440	287
Earnings per share before and after dilution, SEK	0.06	0.53	0.38	0.90	0.66	1.19
Project acquisitions, MW	614	397	2,871	859	3,793	1,781
Project development portfolio, MW	17,589	10,635	17,589	10,635	17,589	12,661
Sold projects, MW	17	0	237	201	365	329
Projects under construction, MW	1,006	689	1,006	689	1,006	817
Projects handed over, MW	0	78	48	486	48	486
Contracts under management, MW	2,506	2,080	2,506	2,080	2,506	2,281
Number of employees	256	175	256	175	256	182

*For definitions of alternative performance measures and key performance indicators, see pages 21 and 26



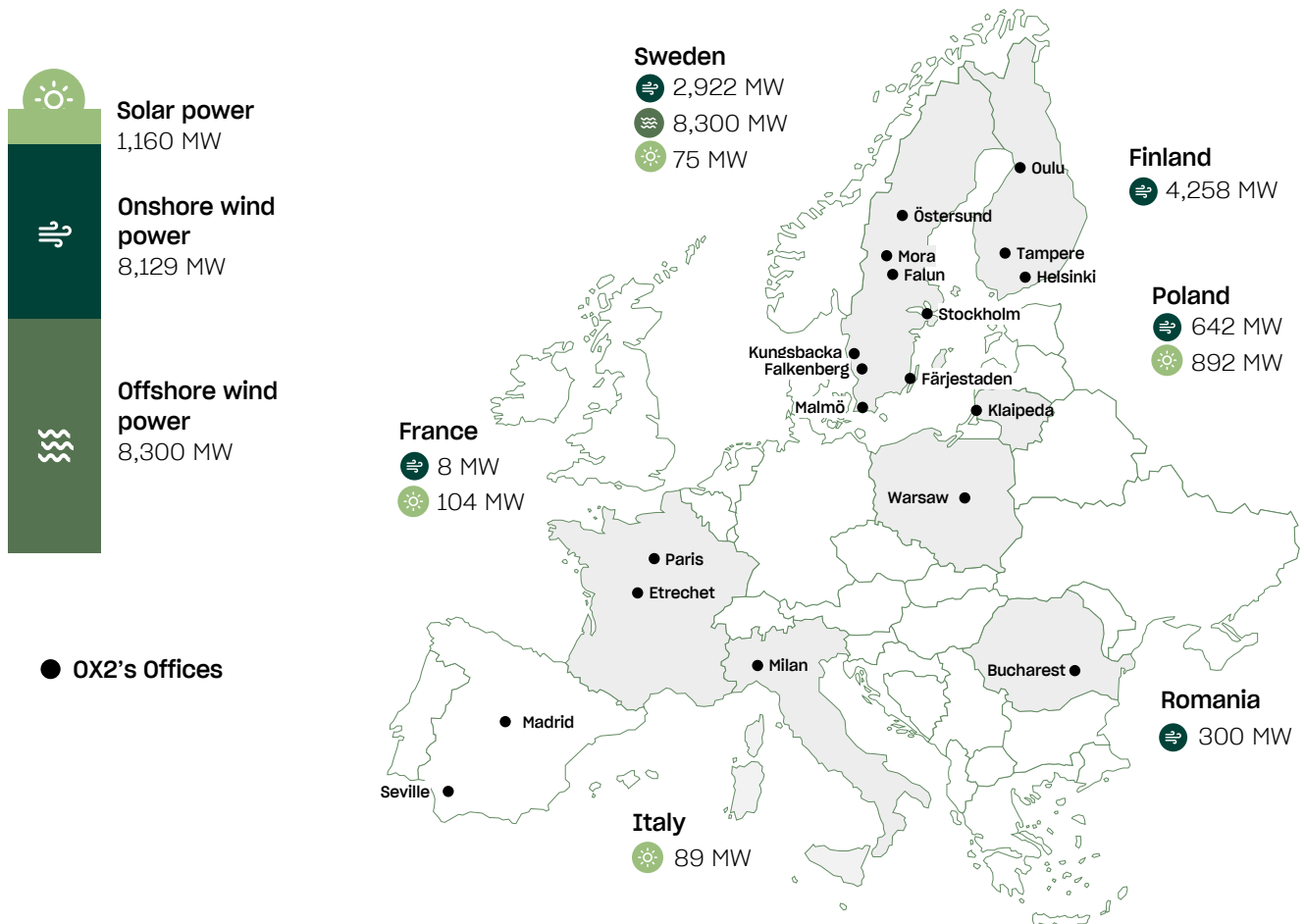
About OX2

OX2 develops and sells wind and solar farms. OX2 was founded in 2004 to be at the forefront of the transition to renewable energy, contributing to a sustainable future for people and the planet.

OX2's business model



OX2's project development portfolio



CEO statement

“The third quarter centred around a continued focus on executing our growth strategy in combination with ensuring progress in our projects under construction. Net sales totalled SEK 600 million and the project development portfolio grew by 529 MW to approximately 17.6 GW. Operating income adjusted for listing expenses amounted to SEK 25 million (171), while the operating margin adjusted for listing expenses, was 4.2% (8.4).”

OX2’s business is focused on developing and selling commissioned wind and solar power projects. In Europe, there is an intense discussion on how to increase the proportion of renewables in electricity systems in order to secure continued economic growth while ensuring agreed climate goals are achieved. For OX2, this is noticeable through growing demand for our product. It’s a development we consider to be long-term that ensures a growing market for OX2 and our business model.

Continued growth in project development portfolio

The 15 projects, totalling 1,006 MW, that have been under construction during the period are essentially proceeding as planned, despite the challenges posed by global trade due to the Covid-19 pandemic. However, we are looking forward to a gradual return to more normal conditions over the next year, which will be crucial in implementing the desired energy transition as efficiently as possible.

The project development portfolio has grown by 529 MW during the quarter through the acquisition of projects at various stages of development, to a total capacity of 17.6 GW at the end of the period. The portfolio is continuing to grow, which is important for us to achieve our medium-term target of delivering over 2 GW per annum.

Growing organisation across markets

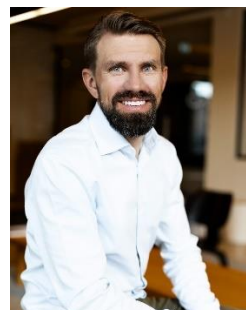
In the third quarter, OX2 continued to develop an international organisation. With experienced country managers in Romania, France and Italy, extensive

recruitment efforts are underway in each of these local markets. The return to more normal day-to-day operations following Covid restrictions has been welcomed throughout the business and we are embarking on the next phase, having learned a lot and gained new tools for promoting growth in cross-border cooperation.

First application for offshore wind power permit

Of great importance, not only to me but to all our employees, is that we after the end of the period announced an exciting milestone in the history of OX2: an application has been submitted for our first Swedish offshore project, located outside Falkenberg and capable of supplying southern Sweden with 1,700 MW of new renewable electricity. The submission of the application coincided with the news that the government will task Svenska Kraftnät with ‘extending the transmission network within Sweden’s territorial waters to areas with conditions for connecting more electricity generation facilities.’ This is positive news and an important indication that the government is keen for offshore wind power to constitute a significant portion of the additional new and green electricity required in Sweden. OX2 is continuing to invest in offshore, not only in Sweden but in Finland and Poland as well. We intend to take a substantial share of this market around the Baltic Sea, as we have done in onshore wind in northern Europe.

As we leave the third quarter behind us, we are entering an intensive fourth quarter with several projects under construction that are expected to be completed and handed over to our customers, as well as realization of new project sales.



Paul Stormoen, CEO

Projects sold, MW

237

Relates to the Jan–Sep 2021 period

Growth in project development portfolio, MW

4,928

Relates to the Jan–Sep 2021 period

Total project development portfolio, MW

17,589

As of 30 September 2021

Expand and develop

It is OX2's project development portfolio that creates long-term value and determines the company's ability to build more renewable energy in the future. At the end of the third quarter, the portfolio amounted to 17.6 GW (10.6). Offshore and onshore wind power each account for roughly 45%, with the remainder consisting of solar power.

During the third quarter, OX2's project development portfolio increased by 529 MW compared with the previous quarter, driven mainly by project acquisitions. Acquisitions of 614 MW (397) were completed, 512 MW of which is onshore wind power and 102 MW solar power. The company has acquired project rights of 280 MW of onshore wind power in Sweden, 47 MW of solar power in Italy and 55 MW of solar power in Poland.

In addition to the acquisitions, the project development portfolio has expanded with the addition of 141 MW of projects developed in-house, consisting mainly of OX2's first solar power project in Sweden, with capacity of 75 MW. As a result of a negative ruling in the Supreme Environmental Court, approximately 200 MW in the late phase of the Swedish portfolio was discontinued during the period.

Project development portfolio as of 30 September 2021

Country (MW)	On-shore wind power	Offshore wind power	Solar power	Total
Sweden	2,922	8,300	75	11,297
Finland	4,258	-	-	4,258
Poland	642	-	892	1,534
France	8	-	104	112
Other markets	300	-	89	389
Total:	8,129	8,300	1,160	17,589

The project development portfolio consists of in-house developed as well as acquired wind and solar power projects in various phases of development, in different technologies and markets. Development and optimisation of projects take place over a long period and not all projects that have been started will be realised. The probability of a project being realised increases the further on in the development phase the project is.

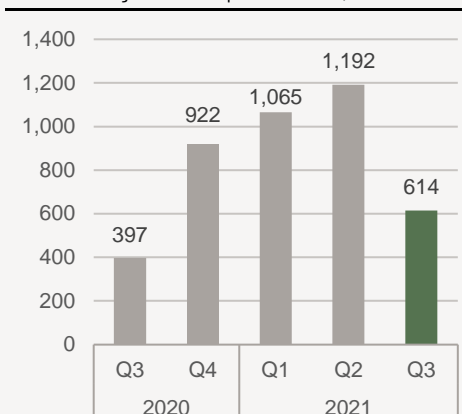
In the third quarter, external project development expenses amounted to SEK 58 million (24) and investments in the project development portfolio totalled SEK 34 million (16).

Projects sold

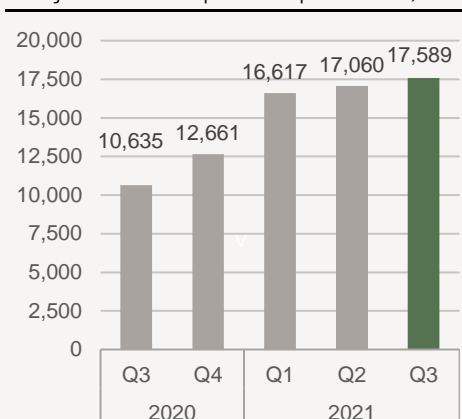
During the third quarter, new projects sold accounted to 17 MW (0). The 17 MW were part of the Merkkikallio project, which was sold to Renewable Power Capital (RPC) at the end of last year, in which permits for the construction of additional turbines now have been obtained. This project now amounts to a total of 83 MW.

Interest in OX2's projects remains high, both from new and existing clients and in all markets. During the period January–September 2021, new sales corresponding to 237 MW (201) were completed.

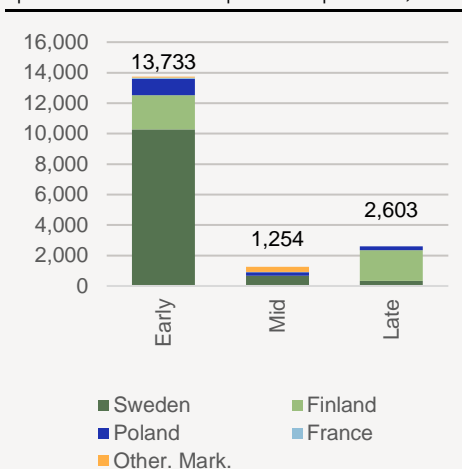
Project acquisitions, MW



Project development portfolio, MW



Project development portfolio/development phase, MW



The sale of a 24 MW wind power project in Poland was completed after the end of the period. The project was sold to Equitix, establishing a new customer relationship for OX2.

Delivery

In addition to developing wind and solar farms for its customers, OX2 takes overall responsibility for construction, and can also take on the long-term management, operation and optimisation of the farm for customers.

At the end of the third quarter, OX2 had 15 projects totalling 1,006 MW (689) under construction. Overall, projects under construction progressed as planned. It's primarily commissioning dates for a few projects that have been postponed for a couple of months, due to the Covid-19 pandemic. The delays are not expected to affect OX2's margin on these projects. During the fourth quarter, five projects are expected to be completed and handed over to customers.

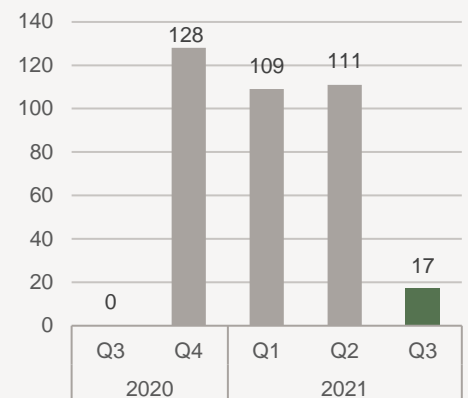
No projects were handed over to customers in the third quarter. After the end of the period the 56 MW Kjölberget project was completed and handed over. For the Merkkikallio project, capacity was increased by 17 MW to 83 MW.

Projects under construction as of 30 September 2021

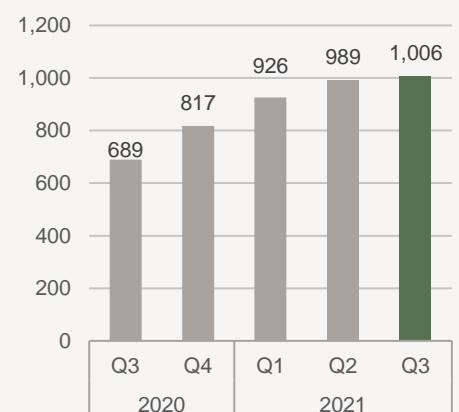
Projects under construction	Country	MW	Constr. start	Operat. start
Kjölberget	Norway	56	2019	2021
Hornamossen	Sweden	43	2019	2021
Kröpuln	Finland	30	2019	2021
Storbacken	Finland	30	2019	2021
Zary	Poland	21	2020	2021
Korkeakangas	Finland	43	2019	2022
Åndberg	Sweden	286	2019	2022
Metsälamminkangas	Finland	132	2020	2022
Puutikankangas	Finland	44	2020	2022
Rustari	Finland	44	2020	2022
Grajewo	Poland	40	2020	2022
Sulmierzyce	Poland	23	2021	2022
Merkkikallio	Finland	83	2021	2022
Karskröv	Sweden	86	2021	2023
Huszlew	Poland	45	2021	2023
Projects under construction:		1,006		

OX2's management business continues to grow. At the end of the third quarter, agreements for technical and commercial management amounted to 2,506 MW (2,080).

Projects sold, MW



Total MW under construction



Management agreements, MW

2 506 (2 080)

Financial highlights

Performance and financial position

SEK m	Q3		Jan-Sep		R12	Full year
	2021	2020	2021	2020	Oct-Sep	2020
Net sales	600	2,050	2,553	3,447	4,307	5,201
Cost of goods sold*	-429	-1,794	-2,022	-2,865	-3,508	-4,351
Gross profit*	171	256	531	582	799	850
Project development expenses*	-58	-24	-142	-71	-204	-133
Other external costs	-21	-13	-91	-53	-107	-70
Personnel costs	-63	-46	-190	-149	-257	-216
Depreciation and amortization of tangible and intangible assets	-5	-2	-11	-8	-18	-15
Operating income	24	171	97	300	213	416
Operating income adjusted for listing expenses*	25	171	136	300	251	416
Operating income adjusted for project development expenses and listing expenses*	84	195	277	371	456	549
Gross margin, %*	28.5%	12.5%	20.8%	16.9%	18.6%	16.3%
Operating margin, %	4.1%	8.4%	3.8%	8.7%	5.0%	8.0%
Operating margin adjusted for listing expenses, %*	4.2%	8.4%	5.3%	8.7%	5.8%	8.0%
Operating margin adjusted for project development expenses and listing expenses, %*	13.9%	9.5%	10.9%	10.8%	10.6%	10.6%

*For definitions of alternative performance measures, see page 21.

Net sales

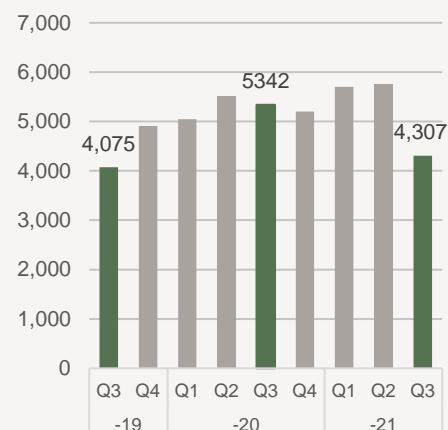
Net sales in the third quarter amounted to SEK 600 million (2,050), and SEK 2,553 million (3,447) year to date. Finland accounted for 69% (62) of net sales, followed by Poland at 14% (2), Norway at 11% (7) and Sweden at 6% (3). Net sales is lower than in the same quarter last year, as OX2 handed over three completed wind farms in Finland to a customer in Q3 2020 and due to a higher net sales recognition in projects under construction in the third quarter of last year. There has been good progress in the projects under construction during the third quarter of this year, but few milestones for net sales recognition have been achieved. This is also the explanation for the low net sales from the projects in Sweden in the quarter. During the third quarter, no projects were completed and handed over to customers.

Costs

The cost of goods sold in the third quarter amounted to SEK 429 million (1,794), and SEK 2,022 million (2,865) year to date. The reduction in the period compared to previous year was due to lower volume.

During the quarter, OX2 expanded its project development portfolio to 17,589 MW. Project development expenses amounted to SEK 58 million (24) in the quarter. Project development costs year to date this year totalled SEK 142 million (71), an increase of 100% compared to same period 2020 owing to a significantly larger project development portfolio; 17.6 GW compared to 10.6 GW. As share of net sales, project development

Net sales LTM, SEK million



Project development expenses LTM, SEK million

204 (107)

costs on a rolling twelve-month basis amount to 4.7%, compared with 2.6% for the full year 2020.

Other costs in the quarter totalled SEK 21 million (13). The increase in other costs compared with previous year was mainly due to higher costs for consultants. Personnel costs amounted to SEK 63 million (46). The increase in personnel costs was due to an increase in headcounts of 81 employees compared same period previous year, which is in line with the company's expansion plan.

Profit

Operating income for the third quarter of 2021 amounted to SEK 24 million (171), and SEK 97 million (300) year to date. Operating income adjusted for listing expenses totalled SEK 25 million (171). The profit development in individual quarters is mainly affected by sales of projects, and by the pace of completion and delivery of projects under construction. The decrease in operating income compared with previous year was due to a lower volume of projects being handed over – 0 (78) MW – and lower net sales recognition in projects under construction. There has been good progress in the projects under construction, but few milestones for profit recognition have been achieved. The gross margin for the quarter was 29% (13), which equates to 19% on a rolling 12-month basis.

Earnings from financial items amounted to SEK -5 million (7) in the third quarter, owing to a revaluation of balance sheet items that had a negative earnings effect. OX2's currency exposure is primarily in EUR and the company uses currency derivatives to hedge these flows.

The effective tax rate for the period was 21% of profit for the period. The effective tax rate for the January–September period was 3%. The effective tax rate is mainly affected by non-taxable net sales from the sale of project companies.

Profit for the period totalled SEK 15 million (132).

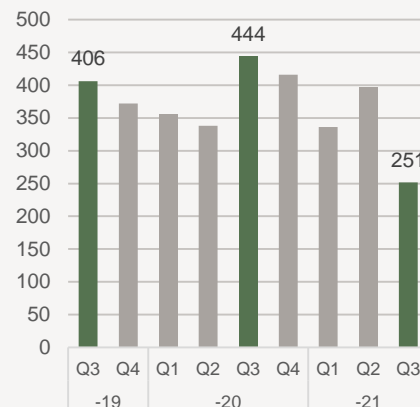
OX2 applies hedge accounting and changes in fair value relating to currency derivatives are recognised in equity.

Financial position and liquidity

Current assets amounted to SEK 3,613 million (1,929) at the end of the period, an increase of SEK 1,684 million compared with the end of December 2020. The increase is mainly due to the addition of cash and cash equivalents from the new share issue in connection with the listing, which had a positive net effect of SEK 1,278 million. The value of the project development portfolio and work in progress amounted to SEK 433 million, an increase of SEK 5 million during the quarter. Trade receivables totalled SEK 11 million (121). Cash and cash equivalents amounted to SEK 2,737 million, an increase of SEK 147 million in the quarter.

Total current liabilities were SEK 1,465 million (1,138), an increase of SEK 327 million compared with the end of December 2020. Customer prepayments amounted to SEK 1,068 million (468), an increase of SEK 600 million during the year. Accruals and deferred income amounted to SEK 186 million (450).

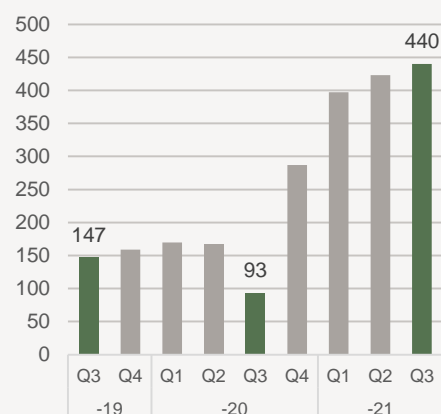
Operating income adjusted for listing expenses LTM, SEK million



Net debt/(net cash), SEK million

- 2 712

Investments in the project development portfolio LTM, SEK million



Cash flow

Cash flow from operating activities before changes in working capital amounted to SEK 12 million (180). Cash flow from changes in working capital totalled SEK 164 million (-83). Investments in the project development portfolio totalled SEK -34 million (-16). Cash flow operating activities amounted to SEK 143 million (81). The higher cash flow from operating activities compared with the year-earlier period was due to the impact on cash flow of the positive change in working capital, as a result of high proportion of advances from our customers.

Cash flow from investing activities amounted to SEK 4 million (-7). Cash flow from financing activities totalled SEK -1 million (-80). The positive change compared with the year-earlier period was due to a dividend of SEK 78 million, which was paid in Q3 last year. Total cash flow for the third quarter of 2021 amounted to SEK 146 million (-6).

Parent company

The parent company OX2 AB's employees work on project development, financing and project implementation. Group-wide management and functions are also based within the parent company. Net sales during the quarter amounted to SEK 78 million (100), comprising net sales related to the sale of projects, as well as internal invoicing of service and management fees. Income from project sales varies between quarters and is also affected by the transaction structure of the projects sold.

The cost of goods and project design in the quarter amounted to SEK 66 million (13). The higher costs were due to the higher number of projects in the development phase than last year. Other costs for the quarter amounted to SEK 20 million (24), SEK 1 million of which related to listing expenses.

Personnel costs for the quarter totalled SEK 46 million (34), due to a higher number of employees than in the same quarter last year.

Operating income for the quarter amounted to SEK -55 million (29). The lower figure is due to lower sales than in the year-earlier period, and higher project design and personnel costs. Earnings after financial items amounted to SEK -56 million (29) during the quarter. Earnings for the period totalled SEK -44 million (24).

The current assets amounted to SEK 2,851 million (454) at the end of September 2021. The increase was due to the injection of cash and cash equivalents in connection with the listing (SEK 1,272 million net effect) and to the establishment in the quarter of an internal cash pool with the parent company as owner. The introduction of the cash pool affects both cash and cash equivalents and liabilities to associate companies in the parent company.

Liabilities to associate companies amounted to SEK 2,465 million (3) as of 30 September. They comprise the cash pool of SEK 848 million and other internal loans totalling SEK 1,613 million.

The parent company's equity amounted to SEK 1,639 million (449) as of 30 September 2021.

Financial targets

OX2 has set the following financial targets:

Growth

- > 500 MW sold per year on average over the 2021–22 period.
- > 1,500 MW sold per year on average over the 2023–24 period.
- > 2,000 MW sold per year in the medium-term.

Profitability

- Operating margin of 10 percent in the medium-term.
- Operating income of SEK 2.5 billion in the medium-term.

Dividend

- The company sees significant opportunities to reinvest cash flow from operations in value-creating growth. No dividend is expected to be paid in the short term.

Other information

Shareholder information

On 23 June 2021, OX2 AB (publ) was listed on the Nasdaq First North Premier Growth Market under the OX2 ticker symbol. The total number of shares is 272,517,586. The last price per share paid on 30 September was SEK 49.50. The three largest shareholders at the end of the period were: Peas Industries AB 50.7%, Altor Fund V 16.7% and Danica Pension 4.3%.

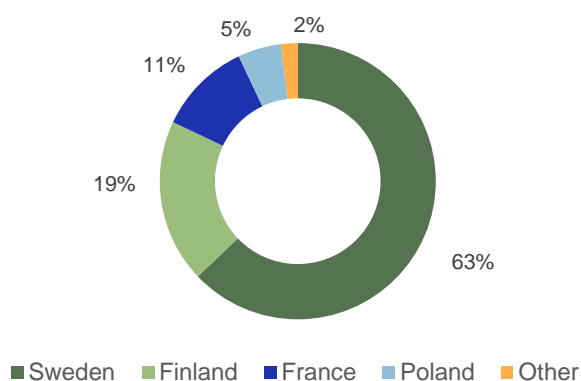
Employees

As of 30 September 2021, the company had 256 employees, 45 (41) of which percent were women. The number of employees has increased by 46 percent compared with the year-earlier period. The number of employees rose by 23 people in the quarter.

Total number of employees	9/30/2021	9/30/2020
Sweden	161	128
Finland	49	28
Poland	28	13
France	13	6
Other markets	5	-
Total OX2 Group	256	175

At the end of September 2021, 45 (41) percent were women and 55 (59) men.

Number of employees as of 30 September 2021, %



Risks and uncertainties

The renewable energy industry is dependent on the general global economic and political situation. Access to capital and investment appetite may affect the company's ability to sell projects. The climate and environmental targets adopted by the EU and

individual countries in which OX2 operates also affect prospects for the wind power market and the company's growth potential.

For a detailed description of the risks, please refer to the directors' report in the company's 2020 Annual Report. No other material risks or uncertainties have been identified in the most recent period.

Sustainability

OX2's sustainability strategy focuses on three areas: People, Planet and Profit. The company links its business operations to the 17 Sustainable Development Goals outlined in Agenda 2030, with a particular focus on goals 5, 7, 8, 9, 10 and 13. In Sweden, OX2 is certified to ISO 45001 for occupational health and safety, and ISO 14001 for environmental management systems. Work on ISO 45001, 9001 and 14001 accreditation is ongoing on several markets. In March, OX2 became a member of Business@Biodiversity Sweden, a network for companies that have an ambitious environmental agenda and want to be at the forefront of developments and work with biodiversity as part of their business model. Further information about OX2's sustainability strategy is available on the company's website: www.ox2.com.

Future prospects

The transition to renewable energy supply is a long-term and important project for society. Despite continued uncertainty due to the Covid-19 pandemic, OX2 has enjoyed a positive development during 2021, with an expanded project development portfolio, establishing a presence in Italy and Romania, and good progress in projects under construction. There is strong political support for the creation of a renewable energy supply, as it generates economic growth and we consider it the most efficient way of reducing global carbon emissions. OX2 has a positive outlook for our future and finds that utility companies and financial investors increasingly have a positive view of ownership in renewable power generation as they regard it be a stable, attractive infrastructure investments over the long term.

Planning conditions

OX2 is currently investing to enable the company to achieve its medium-term financial volume target (annual sales volume over 2,000 MW). Increasing project development expenses and personnel costs

are expected to have a negative impact on the operating margin before the company's sales volumes increase. The number of employees is expected to double by 2024 and investments in project acquisitions are expected to amount to SEK ~600 million annually. The gross margin is impacted by the mix of net sales from new project sales and net sales from projects under construction, with the gross margin from new project sales typically being higher.

Significant events after the end of the reporting period

A 56 MW wind farm was handed over to a customer. After the end of the quarter, agreements were signed for the sale and management of wind farms with a capacity of 24 MW. OX2 has submitted an application for a Natura 2000 permit for the Galatea-Galene offshore wind farm.

Estimates and judgements for accounting purposes

Preparation of financial statements in accordance with IFRS requires the Board of Directors and

management to make accounting estimates and judgements and to make assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, net sales and expenses. The actual outcome may differ from these estimates and judgements.

Audit

This report has not been subject to review by the Group's auditors.

Declaration

The Board of Directors and the Chief Executive Officer declare that the interim report for the period January–September 2021 provides a true and fair overview of the parent company's and Group's business operations, financial position and earnings and describes the material risks and uncertainties faced by the parent company and the companies included in the Group.

Stockholm, 26 October 2021

OX2 AB (publ)

Johan Ihrfelt

Chairperson

Anna-Karin Celsing

Board member

Ann Grevelius

Board member

Jan Frykhammar

Board member

Malin Persson

Board member

Niklas Midby

Board member

Petter Samlin

Board member

Thomas von Otter

Board member

Condensed consolidated income statement

SEK m	Q3		Jan-Sep		Full year
	2021	2020	2021	2020	2020
Net sales	600	2,050	2,553	3,447	5,201
Total revenue	600	2,050	2,553	3,447	5,201
Cost for goods and project development	-487	-1,818	-2,164	-2,936	-4,484
Other external costs	-21	-13	-91	-53	-70
Personnel costs	-63	-46	-190	-149	-216
Depreciation and amortization of tangible and intangible assets	-5	-2	-11	-8	-15
Total operating expenses	-575	-1,879	-2,456	-3,147	-4,785
Operating income	24	171	97	300	416
Finance income	9	20	33	55	65
Finance costs	-14	-13	-31	-58	-98
Profit after financial items	19	179	100	296	383
Income tax	-4	-47	-3	-71	-84
PROFIT FOR THE PERIOD	15	132	97	225	298
Profit for the period attributable to:					
Owners of the parent company	15	132	97	225	298
Non-controlling interests	0	-	0	-	-
Average number of share before and after dilution*	272,517,586	250,000,000	258,165,718	250,000,000	250,000,000
Earnings per share before and after dilution, SEK	0.06	0.53	0.38	0.90	1.19

* Adjusted for bonus issue in comparison periods

Consolidated statement of comprehensive income

SEK m	Q3		Jan-Sep		Full year
	2021	2020	2021	2020	2020
Profit for the period	15	132	97	225	298
Other comprehensive income:					
<i>Items that may reclassified subsequently to profit or loss</i>					
Foreign exchange differences on translation of foreign subsidiaries	1	-2	3	-3	-8
<i>Cash flow hedges</i>					
Changes in fair value	-2	10	-20	6	23
Income tax attributable to cash flow hedges	2	-2	6	-2	-7
Total other comprehensive income after tax	17	138	86	227	307
Total comprehensive income for the period attributable to:					
Owners of the parent company	17	138	86	227	307

Consolidated statement of financial position

SEK m	2021/09/30	2020/12/31	2020/09/30
ASSETS			
Non-current assets			
Other intangible assets	4	5	6
Fixtures, tools and installations	3	3	3
Right-of-use assets	19	19	16
Other financial assets	6	6	0
Total non-current assets	33	33	25
Current assets			
Project development portfolio and construction in progress	433	321	171
Accounts receivable	11	121	132
Tax receivables	7	0	32
Other receivables	56	16	124
Prepaid expenses and accrued income	361	200	154
Derivative financial instruments	7	37	9
Cash and cash equivalents	2,737	1,235	957
Total current assets	3,613	1,929	1,578
TOTAL ASSETS	3,646	1,961	1,603
EQUITY AND LIABILITIES			
Equity attributable to the shareholders of the parent company			
Share capital	1	0	0
Retained earnings including profit for the period	2,129	766	686
Total equity attributable to the shareholders of the parent company	2,130	766	686
Non-current liabilities			
Long-term interest-bearing liabilities	12	13	9
Deferred tax liabilities	39	45	74
Total long-term liabilities	51	58	83
Current liabilities			
Advance payments from customers	1,068	468	447
Accounts payable	123	124	125
Tax liabilities	-	12	-
Other current liabilities	75	73	113
Current interest-bearing liabilities	13	11	8
Accrued expenses and deferred income	186	450	141
Total current liabilities	1,465	1,138	834
TOTAL EQUITY AND LIABILITIES	3,646	1,961	1,603
Pledged assets	-	720	-
Contingent liabilities	2,383	1,695	1,415

Consolidated statement of changes in equity

SEK m	2021/09/30	2020/12/31	2020/09/30
Opening balance	766	537	537
Dividend	-	-78	-78
New issue	612	-	-
Issue for non-cash consideration	739	-	-
Issue costs referring to new share issue	-73	-	-
Profit for the period	97	298	225
Other comprehensive income			
Translation differences from translation of foreign subsidiaries	3	-8	-3
Cash flow hedges	-14	16	4
Total other comprehensive income	-11	8	1
Total comprehensive income for the period	86	307	227
Closing balance	2,130	766	686
Attributable to:			
Owners of the parent company	2,130	766	686
Non-controlling interest	0	-	-
Total equity	2,130	766	686

Consolidated statement of cash flows

SEK m	Q3		Jan-Sep		Full year
	2021	2020	2021	2020	2020
Profit after financial items	19	179	100	296	383
Adjustments for items not included in cash flow, etc.	5	2	22	8	6
Income taxes paid	-12	-1	-54	-1	-38
Cash flow from operating activities before changes in working capital	12	180	68	304	350
Cash flow from changes in working capital	164	-83	360	-215	462
Investment in project development portfolio	-34	-16	-197	-44	-287
Cash flow from operating activities	143	81	231	46	526
Acquisition of shares in other companies	-	-7	-	-4	-3
Acquisition/sale of fixed assets	4	-0	-1	-5	-5
Cash flow from investment activities	4	-7	-1	-8	-8
New issue	-	-	612	-	-
Issue for non-cash consideration	-	-	739	-	-
Issue costs referring to new share issue	6	-	-73	-	-
Repayments of lease liabilities	-7	-2	-8	-9	-11
Dividend and Group contributions	-	-78	-	-78	-278
Cash flow from financing activities	-1	-80	1,269	-87	-289
Cash flow for the period	146	-6	1,499	-49	229
Translation difference in cash and cash equivalents	1	4	3	1	0
Cash and cash equivalents at beginning of the period	2,590	959	1,235	1,005	1,005
Cash and cash equivalents at period end	2,737	957	2,737	957	1,235

Condensed parent company income statement

SEK m	Q3		Jan-Sep		Full year
	2021	2020	2021	2020	2020
Net sales	78	100	286	489	724
Other operating revenue	-	-	-	-	16
Total revenue	78	100	286	489	740
Cost of goods and project development	-66	-13	-168	-212	-361
Other external costs	-20	-24	-88	-63	-59
Personnel costs	-46	-34	-139	-111	-156
Depreciation and amortization of tangible and intangible assets	-1	-0	-2	-1	-1
Total operating expenses	-132	-72	-397	-386	-577
Operating income	-55	29	-111	102	163
Finance income	1	1	6	4	8
Finance costs	-2	-0	-6	-1	-4
Profit after financial items	-56	29	-110	105	167
Year-end appropriations				-	-49
Tax	12	-5	23	-22	-26
Profit for the period	-44	24	-87	83	91

Parent company statement of comprehensive income

SEK m	Q3		Jan-Sep		Full year
	2021	2020	2021	2020	2020
Profit for the period	-44	24	-87	83	91
Total other comprehensive income after tax	-44	24	-87	83	91

Condensed parent company balance sheet

SEK m	2021/09/30	2020/12/31	2020/09/30
ASSETS			
Non-current assets			
Other intangible assets	4	5	6
Fixtures, tools and installations	3	3	3
Participations in Group companies	1,452	564	376
Total non-current assets	1,460	572	384
Current assets			
Project development portfolio and construction in progress	40	11	23
Accounts receivable	3	6	2
Skattefordran	64	-	-
Other receivables	16	3	24
Receivables from group companies	116	175	151
Prepaid expenses and accrued income	5	1	3
Cash and cash equivalents	2,606	258	150
Total current assets	2,851	454	353
TOTAL ASSETS	4,310	1,026	737
EQUITY AND LIABILITIES			
Equity	1,639	449	485
Untaxed reserves	94	94	54
Current liabilities			
Advance payments from customers	-	1	3
Current tax liabilities	-	-	-22
Other current liabilities	14	103	23
Liabilities to group companies	2,465	256	126
Accrued expenses and deferred income	67	104	56
Total current liabilities	2,577	483	198
TOTAL EQUITY AND LIABILITIES	4,310	1,026	737
Pledged assets	-	0	-
Contingent liabilities	1,815	1,389	1,415

Key performance indicators, Group

	Q3		Jan-Sep		R12	Full year
	2021	2020	2021	2020	Oct-Sep	2020
Profitability						
Net sales, SEK m	600	2,050	2,553	3,447	4,307	5,201
Net sales growth, %	-70.7%	-8.1%	-25.9%	14.5%	-22.0%	6.0%
Operating income, SEK m	24	171	97	300	213	416
Operating income adjusted for listing expenses, SEK m*	25	171	136	300	251	416
Operating income adjusted for development expenses and listing expenses, SEK m*	84	195	277	371	456	549
Operating margin, %	4.1%	8.4%	3.8%	8.7%	5.0%	8.0%
Operating margin adjusted for listing expenses, %	4.2%	8.4%	5.3%	8.7%	5.8%	8.0%
Operating margin adjusted for development expenses and listing expenses, %	13.9%	9.5%	10.9%	10.8%	10.6%	10.6%
Profit for the period, SEK m	15	132	97	225	170	298
Earnings per share before and after dilution, SEK	0.06	0.53	0.38	0.90	0.66	1.19
Financial position						
Net debt/(Net cash), SEK m*	-2,712	-939	-2,712	-939	-2,712	-1,211
Equity ratio, %*	58.4%	42.8%	58.4%	42.8%	58.4%	39.0%
Effective tax rate, %*	21.0%	26.1%	2.8%	23.9%	8.8%	22.1%
Operating cash flow, SEK m*	164	68	270	42	827	599
Cash conversion, %*	568%	39%	249%	14%	358%	139%
Construction related working capital, SEK m*	-1,023	-416	-1,023	-416	-1,023	-779
Net working capital, SEK m	-590	-245	-590	-245	-590	-458
Equity per share, SEK m*	8	3	8	3	8	3
Return on equity, %*	0.7%	20.0%	6.7%	36.9%	12.1%	45.7%
Return on capital employed, %*	1.1%	25.0%	6.6%	47.0%	14.9%	61.1%
Investments in the project development portfolio, SEK m	-34	-16	-197	-44	-440	-287
Operational key figures						
Project acquisitions, MW	614	397	2,871	859	3,793	1,781
Project development portfolio, MW	17,589	10,635	17,589	10,635	17,589	12,661
Sold projects, MW	17	0	237	201	365	329
Projects under construction, MW	1,006	689	1,006	689	1,006	817
Projects handed over, MW	0	78	48	486	48	486
Contracts under management, MW	2,506	2,080	2,506	2,080	2,506	2,281
Number of employees	256	175	256	175	256	182

*For definitions of alternative performance measures and key performance indicators, see pages 21 and 26.

Notes

Accounting policies

The consolidated accounts for OX2 have been prepared in accordance with the International Financial Reporting standards (IFRS) adopted by the EU. The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act.

The parent company OX2 AB applies the Annual Accounts Act and RFR 2 Accounting for Legal Entities.

Items have been valued in the consolidated financial statements at cost, except in the case of certain financial instruments that are valued at fair value and at amortised cost. There have been no changes in accounting policies since the latest annual report.

Income

The Group has one segment.

The Group's net sales mainly comprise sales of wind power projects and commissioned wind farms. The Group normally recognises net sales over time and, in certain cases, at a specific time.

For a description of segment reporting, see the 2020 Annual Report, Note 2, 'Accounting policies'.

SEK m	Q3		Jan-Sep		Full year
	2021	2020	2021	2020	2020
Net sales per category					
Sales of wind power projects and wind farms	600	2,050	2,553	3,447	5,201
Total	600	2,050	2,553	3,447	5,201
Income divided by country ¹					
Sweden	36	590	717	1,273	2,157
Finland	415	1,270	1,389	1,829	2,386
Norway	67	151	215	277	350
Poland	82	38	232	68	308
Total	600	2,050	2,553	3,447	5,201

1) The income divided by country is based on where projects are localised

Valuation at fair value

The carrying amount of financial assets and financial liabilities, allocated by valuation category, is shown in the table below.

Fair value is determined on the basis of three levels:

- 1) Observable (unadjusted) quoted prices in an active market
- 2) Valuation models based on observable data other than quoted prices
- 3) Valuation models in which the input data is based on non-observable data.

For a description of how fair values have been calculated, see the 2020 Annual Report, Note 2 'Accounting policies' and Note 4 'Financial risk management and financial instruments'.

SEK m	2021/09/30	12/31/2020	9/30/2020
Fair value of financial assets			
Derivative instruments	7	37	9
<i>Assets valued at accrued acquisition value</i>			
Accounts receivables	11	121	132
Other current receivables	56	16	124
Cash and cash equivalents	2,737	1,235	957
Total financial assets	2,811	1,408	1,221
Financial liabilities at fair value			
<i>Derivatives identified as hedging instruments</i>			
Derivative instruments	-	-	-
<i>Other financial liabilities</i>			
Other long-term liabilities	12	13	9
Accounts payable	123	124	125
Other current liabilities	75	73	113
Current interest-bearing liabilities	13	11	8
Total financial liabilities	223	221	256

Related-party transactions

Peas Industries AB has issued two parent company guarantees for OX2's commitments. One guarantee as security for OX2 Construction AB's obligations towards a supplier, in which the entire contract amount is expected to be paid in 2021. Thereafter, the guarantee expires. OX2 Construction AB had no outstanding trade payables under this guarantee as of 30 September 2021. The unpaid contract value amounted to SEK 720 million as of 30 September 2021. The other guarantee is a performance guarantee for the Castles project, which was handed over in 2020, amounting to SEK 281 million.

Pledged assets and contingent liabilities

Contingent liabilities amounted to SEK 2.4 billion (1.4) as of 30 September. Changes in the value of contingent liabilities are related to guarantees that are issued regularly and expire after the guarantee period.

Basis of preparation for the interim report

The accounting policies applied to the Group's income statement and balance sheet are consistent with the accounting policies used in preparing the latest annual accounts.

Alternative performance measures

Alternative performance measures refer to financial measures of historical or future earnings performance, financial position, financial result or cash flows that are not defined or specified in the applicable rules for financial reporting (for OX2's consolidated accounts this is IFRS).

In the financial statements issued by OX2, alternative performance measures are specified that supplement the measures defined or specified in the applicable financial reporting rules such as income, profit or loss or earnings per share.

Alternative performance measures are published as they complement, in context, the measures defined in IFRS. The basis for the alternative performance measures provided is that they are used by management to assess financial performance and are therefore considered to provide valuable information for analysts and other stakeholders.

Pages 21–26 show the definition and reconciliation of significant alternative performance measures with the most directly reconcilable item, subtotal or total stated in the financial statements for the corresponding period.

Alternative performance measure definitions

Return on equity, %	Net profit/loss in relation to average shareholders' equity.
Return on capital employed, %	Operating income/loss in relation to average capital employed.
Gross profit	Net sales for the period less the total cost of goods sold and transaction costs relating to sales of projects.
Gross margin, %	Gross profit as a percentage of net sales.
Construction-related working capital	Current assets less the project development portfolio, derivative financial instruments and cash and cash equivalents less current liabilities adjusted for receivables and liabilities against Group companies and tax liability adjusted for interest-bearing current liabilities.
Effective tax rate	Income tax in relation to profit after financial items.
Equity per share	Shareholders' equity divided by the average number of shares.
Cash conversion, %	Operating cash flow as a percentage of the company's EBITDA for the period.
Cost of goods sold	Total cost of goods sold and transaction costs in connection with the sale of projects.
Net sales growth, %	Change in net sales compared with the same period the previous year.
Net working capital	Current assets less derivative financial instruments and cash and cash equivalents less non-interest-bearing current liabilities adjusted for receivables from and liabilities to group companies and tax liability.
Net debt/(net cash)	Interest-bearing non-current and current liabilities less cash and cash equivalents, current investments and interest-bearing current and non-current receivables.
Operating cash flow	EBITDA less changes in net working capital less investments in project development portfolio, as well as cash flows from investing activities.
Project development expenses	External development expenses related to the enhancement of the project development portfolio, and expenses incurred in connection with the acquisition of project rights.
Operating margin before listing expenses, %	Operating income before stock exchange listing expenses as a percentage of net sales.
Operating margin before development expenses and listing expenses, %	Operating income before project development expenses and stock exchange listing expenses as a percentage of net sales.

Operating income adjusted for listing expenses	Operating income excluding stock exchange listing expenses.
Operating income before development expenses and listing expenses	Operating income excluding project development expenses and stock exchange listing expenses.
Equity ratio %	Shareholders' equity divided by total assets.
Capital employed	The sum of equity and interest-bearing liabilities. Average capital employed is calculated as the average of the values of the opening and closing balances for each measurement period.
LTM	Last 12 months; refers to sales, profitability, or other earnings as an annual total up to the year-end date.

Reconciliation of alternative performance measures

Reconciliation of return on equity

SEK m	Q3		Jan-Sep		R12	Full year
	2021	2020	2021	2020	Oct-Sep	2020
Shareholders' equity, beginning of period	2,107	637	766	537	686	537
Shareholders' equity, end of period	2,130	686	2,130	686	2,130	766
Average equity	2,119	662	1,448	612	1,408	652
Profit for the period	15	132	97	225	170	298
Average equity	2,119	662	1,448	612	1,408	652
Return on equity	0.7%	20.0%	6.7%	36.9%	12.1%	45.7%

Reconciliation of return on capital employed

SEK m	Q3		Jan-Sep		R12	Full year
	2021	2020	2021	2020	Oct-Sep	2020
Equity	2,130	686	2,130	686	2,130	766
Interest-bearing liabilities (long-term and short-term)	25	17	25	17	25	24
Capital employed	2,155	703	2,155	703	2,155	789
Average capital employed						
Capital employed, beginning of period	2,129	665	789	572	703	572
Capital employed, end of period	2,155	703	2,155	703	2,155	789
Average capital employed	2,142	684	1,472	638	1,429	681
Operating income	24	171	97	300	213	416
Average capital employed	2,142	684	1,472	638	1,429	681
Return on capital employed	1.1%	25.0%	6.6%	47.0%	14.9%	61.1%

Reconciliation of cost of goods sold

SEK m	Q3		Jan-Sep		R12	Full year
	2021	2020	2021	2020	Oct-Sep	2020
Cost for goods and project development	-487	-1,818	-2,164	-2,936	-3,712	-4,484
Of which cost of goods sold	-429	-1,794	-2,022	-2,865	-3,508	-4,351
Of which project development expenses	-58	-24	-142	-71	-204	-133

Reconciliation of gross profit and gross margin

SEK m	Q3		Jan-Sep		R12	Full year
	2021	2020	2021	2020	Oct-Sep	2020
Net sales	600	2,050	2,553	3,447	4,307	5,201
Cost of goods sold	-429	-1,794	-2,022	-2,865	-3,508	-4,351
Gross profit	171	256	531	582	799	850
<i>Gross margin, %</i>	<i>28.5%</i>	<i>12.5%</i>	<i>20.8%</i>	<i>16.9%</i>	<i>18.6%</i>	<i>16.3%</i>

Reconciliation of operating income, operating income adjusted for listing expenses, operating income before project development expenses and listing expenses, and margins for all of the above

SEK m	Q3		Jan-Sep		R12	Full year
	2021	2020	2021	2020	Oct-Sep	2020
Net sales	600	2,050	2,553	3,447	4,307	5,201
Operating income	24	171	97	300	213	416
<i>Operating margin, %</i>	4.1%	8.4%	3.8%	8.7%	5.0%	8.0%
Depreciation and amortization of tangible and intangible assets	5	2	11	8	18	15
EBITDA	29	174	108	308	231	431
Operating income	24	171	97	300	213	416
Listing expenses	-1	-	-38	-	-38	-
Operating income before listing expenses	25	171	136	300	251	416
<i>Operating margin before listing expenses, %</i>	4.2%	8.4%	5.3%	8.7%	5.8%	8.0%
Development expenses	58	24	142	71	204	133
Operating income before development expenses and listing expenses	84	195	277	371	456	549
<i>Operating margin before development expenses and listing expenses, %</i>	13.9%	9.5%	10.9%	10.8%	10.6%	10.6%

Reconciliation of equity per share

SEK m	Q3		Jan-Sep		R12	Full year
	2021	2020	2021	2020	Oct-Sep	2020
Equity	2,130	686	2,130	686	2,130	766
Number of shares before and after dilution	272,517,586	250,000,000	258,165,718	250,000,000	258,165,718	250,000,000
Equity per share before and after dilution (SEK)	8	3	8	3	8	3

Reconciliation of net sales growth

SEK m	Q3		Jan-Sep		R12	Full year
	2021	2020	2021	2020	Oct-Sep	2020
Net sales for the previous period	2,050	2,230	3,447	3,012	5,521	4,906
Net sales for the current period	600	2,050	2,553	3,447	4,307	5,201
<i>Net sales growth, %</i>	-70.7%	-8.1%	-25.9%	14.5%	-22.0%	6.0%

Reconciliation of net debt/(net cash)

SEK m	Q3		Jan-Sep		R12	Full year
	2021	2020	2021	2020	Oct-Sep	2020
Interest-bearing liabilities (long-term and short-term)	25	17	25	17	25	24
Interest-bearing receivables (long-term and short-term)	0	0	0	0	0	-
Cash and cash equivalents	-2,737	-957	-2,737	-957	-2,737	-1,235
Net liabilities / (net holdings)	-2,712	-939	-2,712	-939	-2,712	-1,211

Reconciliation of equity ratio

SEK m	Q3		Jan-Sep		R12	Full year
	2021	2020	2021	2020	Oct-Sep	2020
Equity	2,130	686	2,130	686	2,130	766
Balance sheet total	3,646	1,603	3,646	1,603	3,646	1,961
Equity ratio %	58.4%	42.8%	58.4%	42.8%	58.4%	39.0%

Reconciliation of effective tax rate, %

SEK m	Q3		Jan-Sep		R12	Full year
	2021	2020	2021	2020	Oct-Sep	2020
Income tax	-4	-47	-3	-71	-16	-84
Profit after financial items	19	179	100	296	186	383
Effective tax rate, %	21.0%	26.1%	2.8%	23.9%	8.8%	22.1%

Reconciliation of cash conversion, %

SEK m	Q3		Jan-Sep		R12	Full year
	2021	2020	2021	2020	Oct-Sep	2020
EBITDA	29	174	108	308	231	431
Changes in net working capital	164	-83	360	-215	1,037	462
Investment in project development portfolio	-34	-16	-197	-44	-440	-287
Cash flow from investment activities	4	-7	-1	-8	-1	-8
Operating cash flow	164	68	270	42	827	599
Cash conversion, %	567.5%	39.0%	249.2%	13.6%	357.8%	138.9%

Reconciliation of construction-related working capital and net working capital

SEK m	Q3		Jan-Sep		R12	Full year
	2021	2020	2021	2020	Oct-Sep	2020
Construction in progress	0	0	0	0	0	0
Accounts receivable	11	132	11	132	11	121
Other receivables	56	124	56	124	56	16
Prepaid expenses and accrued income	361	154	361	154	361	200
Construction working capital assets	428	410	428	410	428	337
Advance payments from customers	-1,068	-447	-1,068	-447	-1,068	-468
Accounts payable	-123	-125	-123	-125	-123	-124
Other current liabilities	-75	-113	-75	-113	-75	-73
Accrued expenses and deferred income	-186	-141	-186	-141	-186	-450
Construction working capital liabilities	-1,452	-826	-1,452	-826	-1,452	-1,115
Construction working capital	-1,023	-416	-1,023	-416	-1,023	-779
Project development portfolio	433	171	433	171	433	321
Net working capital	-590	-245	-590	-245	-590	-458
As % of LTM net sales						
LTM net sales	5,757	5,521	5,757	5,521	5,437	5,201
Construction related working capital assets	7.4%	7.4%	7.4%	7.4%	7.9%	6.5%
Construction related working capital liabilities	-25.2%	-15.0%	-25.2%	-15.0%	-26.7%	-21.4%
Construction related working capital	-17.8%	-7.5%	-17.8%	-7.5%	-18.8%	-15.0%
Net working capital %	-10.2%	-4.4%	-10.2%	-4.4%	-10.9%	-8.8%

Key performance indicator definitions

Number of employees	The number of employees in the Group at end of period.
Balance sheet total	Total assets.
EBITDA	Operating income before depreciation and impairment of property, plant and equipment and intangible assets.
Management agreements, MW	Contracts for the management of power plants.
Investment in project rights	Payment for acquired project rights.
Project acquisitions, MW	Acquired rights to power plant projects.
Project development portfolio, MW	OX2's power plant project development.
Projects under construction, MW	Power plant projects under construction.
Projects handed over to customers, MW	Completed power plants handed over to customers.
Earnings per share	Profit divided by the average number of shares.
Operating margin, %	Operating income as a percentage of net sales.
Projects sold, MW	Power plant projects sold.
Development phase	<p>OX2 divides its project development portfolio into three phases based on how far a project has come in the development process. Projects that are shelved or, where no active development work is in progress, are not included in the OX2 project development portfolio. The time required for project development and realisation depends on several factors such as technology and geography.</p> <p>Early Projects with expected realisation within 3–7 years</p> <p>Medium Projects with expected realisation within 2–5 years</p> <p>Late Projects with expected realisation within < 3 years</p>

Financial calendar

Year-end Report 2021:

23 February 2022

Annual Report 2021:

28 March 2022

Annual General Meeting:

4 May 2022, Stockholm

Contact details

Paul Stormoen, CEO

Email: paul.stormoen@ox2.com

Johan Rydmark, CFO

Email: johan.rydmark@ox2.com



OX2

Lilla Nygatan 1
Box 2299
SE-10317 Stockholm
Sverige

Tel. +46 8 559 310 00
info@ox2.com
www.ox2.com
Reg.no 556675-7497