



OX2 sells stake in 9,000 MW offshore wind development portfolio to Ingka Investments and updates earnings guidance for 2022

OX2 sells its first offshore wind projects to Ingka Investments, who acquires a 49 percent stake in three projects in Sweden. The projects will have the potential to reach a total installed capacity of up to 9,000 MW. OX2 will receive an initial payment of 610 MSEK. Following successful permitting of the project(s), and if both parties at that point in time agree to continue development of the project(s), OX2 will receive a pre-agreed price equivalent of up to 100k EUR per MW for 49 percent of the planned total capacity. The transaction is expected to impact operating income positively with 584 MSEK¹ in the second half of 2022. Following the completion of the transaction, OX2 expects operating income for the full year 2022 to be slightly above 1,000 MSEK.

The three projects are Galatea-Galene, located off the coast of Halland, Triton, located off the coast of Skåne and Aurora, located off the coast of Gotland and Öland. The projects have the potential to produce up to 38 TWh combined, once operational, corresponding to more than 25% of the electricity consumed in Sweden 2021. The projects are under development with the main wind farm permit applications submitted.

According to the agreement with Ingka Investments, OX2 will receive an initial payment of 610 MSEK. Following successful permitting of the project(s), and if both parties at that point in time agree to continue development of the project(s), OX2 will receive a pre-agreed price equivalent of up to 100k EUR per MW for 49 percent of the planned total capacity. The buyer, Ingka Investments, is the investment arm of Ingka Group. OX2 has previously sold nine wind farms and one solar farm to Ingka Group.

OX2 has spent approximately 200 MSEK in development costs for the three projects. The transaction allows OX2 to continue to ramp up its offshore organization and capabilities and following the completion of the transaction, the development costs will be shared according to the respective party's ownership. The transaction is subject to customary competition merger filing requirements and is expected to be completed within two months.

OX2 is currently holding a material offshore wind development portfolio. The partnering in the three Swedish offshore development wind projects is the first of its kind for OX2 and the first transaction within offshore wind. OX2 intends to continue applying a project specific partnership approach for the offshore wind development portfolio.

The sale of part of the ownership in three projects is expected to have a positive effect on operating income of 584 MSEK in the second half of 2022. Following the transaction OX2 expects operating income in 2022 to be slightly above 1,000 MSEK. OX2 sees considerable potential within offshore and intends to increase development costs over the coming years. The offshore business is expected to contribute positively to OX2's operating income over the 2023-2024 period and onwards.

“We have received great interest from the market to join us on the important mission of introducing large scale offshore wind production to the Swedish energy system. I am happy and proud that we have now concluded the agreement with Ingka Investments and based on our history of having realized 10 wind and solar projects together, we are confident that this partnership will be successful. Once established the wind farms will create long-term jobs and business opportunities both locally and regionally as the access to electricity increases,” says Paul Stormoen, CEO, OX2 AB.

“This cooperation is a bold move in expanding our investment activities to address climate footprint reduction well beyond our own consumption and into our value chain. We are increasing our global investments and commitments in renewable energy from over EUR 3 bn today to EUR 6.5 bn before 2030,” says Peter van der Poel, Managing Director of Ingka Investments.

The three projects have been included in OX2’s project development portfolio with a total capacity of 8,300 MW that was the initial estimated development capacity. The total capacity has now been revised up to a potential of 9,000 MW, in line with the submitted applications.

OX2 was advised by KPMG LLP, Orrick, Herrington & Sutcliffe (UK) LLP and Mannheimer Swartling Advokatbyrå AB.

EUR/SEK exchange rate 10.50

For further information, please contact:

Henrik Vikström
Investor Relations Director
+46 70 952 80 06
ir@ox2.com

Edvard Lind
Media Relations
+46 72 727 11 17
press@ox2.com

About OX2 AB (publ)

OX2 develops, constructs, and sells onshore and offshore windfarms and solar PV farms. OX2 also offer management of wind- and solar farms after completion. OX2’s project development portfolio consists of in-house developed as well as acquired wind and solar projects in various phases of development. The company is also active in developing projects based on other renewable energy technologies, such as hydrogen and energy storage. OX2 is operating on eleven markets in Europe: Sweden, Norway, Finland, Estonia, Lithuania, Poland, Romania, France, Spain, Italy and Greece. Sales in 2021 was about 5 billion SEK. The company has almost 300 employees and is headquartered in Stockholm, Sweden. OX2 is listed on Nasdaq Stockholm since 2022. www.ox2.com

This information is information that OX2 is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2022-08-29 07:45 CEST.

Attachments

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