Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten	
Organisasjonsnummer:	919 967 072
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	CLOUDBERRY CLEAN ENERGY ASA
Forretningsadresse:	Frøyas gate 15 0273 OSLO
Regnskapsår	
Årsregnskapets periode:	01.01.2023 - 31.12.2023
Konsern	
Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja
Regnskapsregler	
Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	Regnskapslovens alminnelige regler
Årsregnskapet fastsatt av kompetent organ	
Bekreftet av representant for selskapet:	Jon Gunnar Solli
Dato for fastsettelse av årsregnskapet:	16.04.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert

År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 12.08.2025

Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Other income		2 400 511	
Sum inntekter		**2 400 511**	
Kostnader			
Employee benefits expense	1	53 247 863	51 123 936
Depreciation and amortisation expenses	2	278 508	233 200
Other expenses	1	18 884 445	19 509 402
Sum kostnader		**72 410 816**	**70 866 538**
Driftsresultat		**-70 010 305**	**-70 866 538**
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		34 988 377	27 216 647
Income from subsidiaries		39 234 553	48 718 214
Other interest income		38 761 070	19 485 930
Other financial income		123 789 584	17 800 701
Sum finansinntekter		**236 773 584**	**113 221 492**
Write-down of long-term investments		66 708 211	
Rentekostnad til foretak i samme konsern		3 948 768	3 682 612
Other interest expenses		786 493	893 498
Other financial expenses		677 645	15 267 448
Sum finanskostnader		**72 121 117**	**19 843 558**
Netto finans		**164 652 467**	**93 377 934**
Ordinært resultat før skattekostnad		**94 642 162**	**22 511 396**
Ordinært resultat etter skattekostnad		**94 642 162**	**22 511 396**
Tax on extraordinary result	3		
Årsresultat	4	**94 642 162**	**22 511 396**
Årsresultat etter minoritetsinteresser		**94 642 163**	**22 511 396**

Resultatregnskap

Beløp i: NOK	Note	2023	2022
Overføringer og disponeringer			
Udekket tap		51 333 082	22 511 396
Other equity		43 309 080	
Sum overføringer og disponeringer		**94 642 162**	**22 511 396**

Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Buildings and land	2		
Machinery and equipment	2		
Ships	2		
Equipment and other movables	2	768 868	1 022 291
Sum varige driftsmidler	2	**768 868**	**1 022 291**
Finansielle anleggsmidler			
Investering i datterselskap	5	2 445 601 696	1 363 440 861
Investering i annet foretak i samme konsern	5		
Lån til foretak i samme konsern	6	609 714 924	508 906 995
Investeringer i tilknyttet selskap	5		
Other long-term receivables		2 495 874	2 478 151
Sum finansielle anleggsmidler		**3 057 812 494**	**1 874 826 007**
Sum anleggsmidler		**3 058 581 362**	**1 875 848 298**
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables	6	2 998 928	
Other short-term receivables		131 817	1 327 751
Konsernfordringer	6	189 610 986	348 112 757
Sum fordringer	6	**192 741 731**	**349 440 508**
Investeringer			
Aksjer og andeler i foretak i samme konsern	5		
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	7	403 587 397	1 404 637 547
Sum bankinnskudd, kontanter og lignende		**403 587 397**	**1 404 637 547**

Balanse

Beløp i: NOK	Note	2023	2022
Sum omløpsmidler		**596 329 128**	**1 754 078 055**
SUM EIENDELER		**3 654 910 490**	**3 629 926 353**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital		72 842 526	72 824 976
Beholdning av egne aksjer		-701 875	
Overkurs		3 495 921 855	3 495 269 559
Sum innskutt egenkapital		**3 568 062 506**	**3 568 094 535**
Opptjent egenkapital			
Other equity		70 008 656	31 412 041
Udekket tap			51 333 082
Sum opptjent egenkapital		**70 008 656**	**-19 921 041**
Sum egenkapital	4	**3 638 071 162**	**3 548 173 494**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	6		
Other non-current liabilities	6		56 931 868
Sum annen langsiktig gjeld			**56 931 868**
Sum langsiktig gjeld		**0**	**56 931 868**
Kortsiktig gjeld			
Leverandørgjeld	6	2 286 323	14 036 313
Public duties payable		1 694 542	1 251 029
Other current liabilities		12 858 464	9 533 648
Sum kortsiktig gjeld	6	**16 839 329**	**24 820 990**
Sum gjeld		**16 839 329**	**81 752 858**

Balanse

Beløp i: NOK	Note	2023	2022
SUM EGENKAPITAL OG GJELD		**3 654 910 491**	**3 629 926 352**

Konsernets resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Sales revenue	10	333 000 000	208 000 000
Other income	10	277 000 000	9 000 000
Sum inntekter		**610 000 000**	**217 000 000**
Kostnader			
Cost of goods sold		26 000 000	14 000 000
Salary and personnel expenses	11	120 000 000	91 000 000
Depreciation	15	109 000 000	27 000 000
Amortization	16	18 000 000	8 000 000
Impairment	18	99 000 000	0
Annen driftskostnad	12	130 000 000	81 000 000
Sum kostnader		**502 000 000**	**221 000 000**
Driftsresultat		**108 000 000**	**-4 000 000**
Finansinntekter og finanskostnader			
Net income/(loss) from associated companies and JV	4,19	-72 000 000	120 000 000
Financial income	8,13	306 000 000	67 000 000
Sum finansinntekter		**234 000 000**	**187 000 000**
Financial expenses	8,13	121 000 000	61 000 000
Sum finanskostnader		**121 000 000**	**61 000 000**
Netto finans		**113 000 000**	**126 000 000**
Ordinært resultat før skattekostnad		**221 000 000**	**122 000 000**
Skattekostnad på ordinært resultat	14	11 000 000	0
Ordinært resultat etter skattekostnad		**210 000 000**	**122 000 000**
Årsresultat		**210 000 000**	**122 000 000**

Konsernets balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	16	24 000 000	86 000 000
Goodwill	16	206 000 000	143 000 000
Sum immaterielle eiendeler		**230 000 000**	**229 000 000**
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	15	3 997 000 000	1 597 000 000
Sum varige driftsmidler		**3 997 000 000**	**1 597 000 000**
Finansielle anleggsmidler			
Investering i datterselskap	19	1 175 000 000	890 000 000
Andre fordringer	8	91 000 000	105 000 000
Sum finansielle anleggsmidler		**1 266 000 000**	**995 000 000**
Sum anleggsmidler		**5 493 000 000**	**2 821 000 000**
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	8	61 000 000	52 000 000
Andre fordringer	8	260 000 000	86 000 000
Sum fordringer		**321 000 000**	**138 000 000**
Investeringer			
Andre finansielle instrumenter	17	99 000 000	106 000 000
Sum investeringer		**99 000 000**	**106 000 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	20	779 000 000	1 538 000 000
Sum bankinnskudd, kontanter og lignende		**779 000 000**	**1 538 000 000**
Sum omløpsmidler		**1 199 000 000**	**1 782 000 000**

Konsernets balanse

Beløp i: NOK	Note	2023	2022
SUM EIENDELER		**6 692 000 000**	**4 603 000 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	21	73 000 000	73 000 000
Non-controlling interest		685 000 000	80 000 000
Overkurs	21	3 496 000 000	3 495 000 000
Annen innskutt egenkapital		362 000 000	146 000 000
Sum innskutt egenkapital		**4 616 000 000**	**3 794 000 000**
Sum egenkapital		**4 616 000 000**	**3 794 000 000**
Gjeld			
Langsiktig gjeld			
Utsatt skatt	14	59 000 000	127 000 000
leieforpliktelser		30 000 000	36 000 000
Kommisjon	23	115 000 000	36 000 000
Sum avsetninger for forpliktelser		**204 000 000**	**199 000 000**
Annen langsiktig gjeld			
rentebærende gjeld	9,22	1 507 000 000	327 000 000
Sum annen langsiktig gjeld		**1 507 000 000**	**327 000 000**
Sum langsiktig gjeld		**1 711 000 000**	**526 000 000**
Kortsiktig gjeld			
rentebærende lån	22	78 000 000	12 000 000
Annen finansiell gjeld		57 000 000	0
Leieforpliktelser		7 000 000	7 000 000
Leverandørgjeld	8	147 000 000	135 000 000
Kommisjon	23	76 000 000	129 000 000
Sum kortsiktig gjeld		**365 000 000**	**283 000 000**
Sum gjeld		**2 076 000 000**	**809 000 000**
SUM EGENKAPITAL OG GJELD		**6 692 000 000**	**4 603 000 000**

Konsernets balanse

Beløp i: NOK	Note	2023	2022

Skatteetaten

Vår dato 07.12.2020
Din/Deres dato 13.11.2020
Saksbehandler Vibeke Horne
800 80 000
Skatteetaten.no
Din/Deres referanse AR397677098
Telefon 90518192
Org.nr 974761076
Vår referanse 2020/6149790
Postadresse Postboks 9200 Grønland 0134 OSLO

CLOUDBERRY CLEAN ENERGY AS
Frøyas gate 15
0273 OSLO

Att. Erik Christoffersen

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Cloudberry Clean Energy AS, org.nr. 919 967 072

Vi viser til deres brev av 13. november 2020 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Cloudberry Clean Energy AS.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Cloudberry Clean Energy AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn
Cloudberry Clean Energi AS er et nordisk energiselskap og er notert på Oslo Børs, Merkur Marked. Dagens investorer er både nasjonale og internasjonale. Selskapet har som målsetting å bli notert på hovedbørs, og markedet vil da i enda større grad være rettet mot internasjonale aktører.

Selskapet er i et marked med internasjonale profesjonelle aktører og bransjespråket er engelsk. Selskapets arbeidsspråk er hovedsakelig engelsk.

Skattekontorets vurdering
Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

> "Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig

> prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet har profesjonelle eiere. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Vibeke Horne
rådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

Cloudberry

Annual report 2023

Cloudberry Clean Energy ASA

Content

Reporting

Cloudberry Clean Energy ASA ("the Company"), its subsidiaries (wholly and partly owned) and investments in associated companies and joint ventures ("the Group" or "Cloudberry") reports consolidated financial statements in accordance with IFRS and a supplementary proportionate[1] segment reporting. Proportionate financials represent Cloudberry's proportionate share of the financial results, assets, and liabilities of all entities and excluding any eliminations of transactions between segments. Cloudberry believes that proportionate reporting provides enhanced insight into the operation, financing and future prospects of the Group. Proportionate reporting is aligned with internal management reporting, analysis and decision making.

Cloudberry is preparing for the adoption of the European Sustainability Reporting Standards (ESRS) required by the Corporate Sustainability Reporting Directive (CSRD). The framework is based on the structure Environment, Social and Governance (ESG). For more information see our Sustainability report.

[1] See Alternative Performance Measure chapter for further definitions.

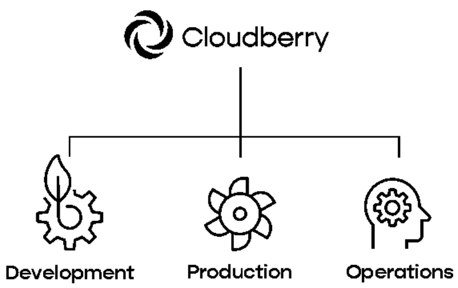
Cloudberry in brief

Cloudberry is a renewable energy company, born, bred, and operating in the Nordics. We own, develop, and operate hydropower plants, wind farms and solar plants in Norway, Sweden and Denmark. We are powering the transition to a sustainable future by providing new renewable energy today and for future generations. As the junction box between capital, projects and local stakeholders, we balance respect for nature, biodiversity, and community values with sustainable and profitable growth. We believe in a fundamental and increasing long-term demand for renewable energy in Europe. With this as a cornerstone, we have built a sustainable and scalable platform for creation of stakeholder value.

Cloudberry`s business model

Cloudberry has a develop, own and operate business model of renewable assets. In 2023 Cloudberry was organised in three revenue generating segments and one cost-efficient corporate segment. Development is a green-field developer for hydro, wind and solar projects. Development has a solid track record of organic, in-house developments of wind and hydropower assets in Norway, Sweden & Denmark, and has recently started developing solar projects in Denmark and Norway. Production is an active owner of renewable power assets in the Nordics. Operations is an asset manager and operator of renewable assets including a digital operating platform.

Our strong commitment to local communities and our integrated and responsible focus on the value chain ensures value creation and optimization of stakeholder interests.



Cloudberry`s growth strategy

Our current portfolio in production and under construction in Norway, Sweden and Denmark consists of 25 hydropower assets and 105 wind turbines (organized in six projects). We have a local and active ownership strategy and prefer majority ownership; however, in certain investments we have shared ownership alongside strong, strategic partners. The scalable Cloudberry platform is positioned for profitable growth, both in terms of energy production and our in-house development portfolio. We are backed by strong owners and an experienced management team. Our shares are traded on the Oslo Stock Exchange's main list, ticker: CLOUD.

Our Values Be Supportive • Be Committed • Be Bold • Be Exceptional

Letter from the CEO

Cloudberry – Leading the way in the Nordic energy transition

Cloudberry's purpose is to provide clean sustainable energy today and for future generations. With sustainability at the core and a strong culture, our team of exceptional people are all set on delivering on this sole purpose. We create local opportunities through our Nordic network and accretive project developments, while executing on our construction portfolio in a safe and sustainable way. This is our contribution locally and globally to the ongoing climate and energy crisis.

The transformative Odin transaction marked a strong start to 2023. In May, Cloudberry completed the acquisition of 80% of the Odin portfolio from Skovgaard Energy A/S ("Skovgaard"). The agreement secured Cloudberry a majority stake in a portfolio consisting of 51 high-quality wind turbines in production and a long-term development agreement for future projects in Denmark. The Odin portfolio substantially contributed to the cashflow and diversified Cloudberry's production profile with an estimated net production of 311 GWh. Entering into Denmark was a significant milestone in 2023, and we are very pleased to see how the relationship with Skovgaard is developing and how the Odin portfolio is performing. On the development side, we already observe a strong cooperation between Skovgaard and Cloudberry and anticipate that the Danish platform will add significant value to our development and production segments in the future. Together with Skovgaard we are partnering on a climate park project ("Nees Hede"), a highly interesting 175MW (140 MW proportionate) solar project. With falling prices on solar panels, Cloudberry sees opportunities integrating solar and wind assets. In a time with volatile power prices and capex costs, we continue to see how important it is to have a flexible and diversified portfolio of renewable projects throughout the Nordics to minimize risk.

> "2023 has truly been a transformative year for Cloudberry; capitalizing on our network and competence to scale our Nordic renewable platform."
>
> Anders Lenborg, CEO

Project execution remains a top priority for Cloudberry. In 2023 Cloudberry took an investment decision on the Munkhyttan project with first power already expected in 2024. We are very happy to see that the projects under construction are progressing according to plan and currently looking to meet time and cost targets with no safety issues. All turbines at Sundby are undergoing test-production, while the hydro project, Kvemma is complete and will soon be connected to the grid. In addition, we observe valuable developments in our pipeline and backlog projects throughout the Nordics. We believe local projects closely aligned with local stakeholders can add significant value to Cloudberry over time. We will continue to dedicate our time and resources to progress our backlog projects towards permitted projects.

In 2023, Norway saw a significant negative impact from the resource rent tax proposal with considerable resources devoted to assessing and lobbying for its outcome. The proposal has since been concluded, resulting in improvements for existing onshore wind projects compared to initial proposal, while new projects have achieved investment neutrality through cash compensation from the Norwegian state. Please see corporate segment for further assessment. As a result, we will continue to develop our Norwegian wind projects in our backlog. Moreover, Cloudberry will continue to focus on hydro projects in Norway, prioritizing wind in Sweden and pursuing both wind and solar projects in Denmark. Additionally, we are actively exploring storage opportunities in connection with our projects to future optimize selected projects.

We have also landed an ambitious “3 in 30” strategy in 2023 for Cloudberry towards 2030. Our ambition is to be involved in 3 TWh of producing assets, have 3 TWh of permitted projects and 3g CO_2 per kWh of emissions. Profitable growth and capital discipline remain key priorities in the short term. The successful sale of three hydropower plants in 2023 for record prices to a private infrastructure investor shows how Cloudberry can create value through the full life cycle of the assets. By keeping selected projects and farming down on others, we effectively recycle profits into new renewable projects. We have also started buying back own shares to take advantage of shares being traded well below our historical asset values. This is part of our value creation of maximizing shareholder value while financing new opportunities.

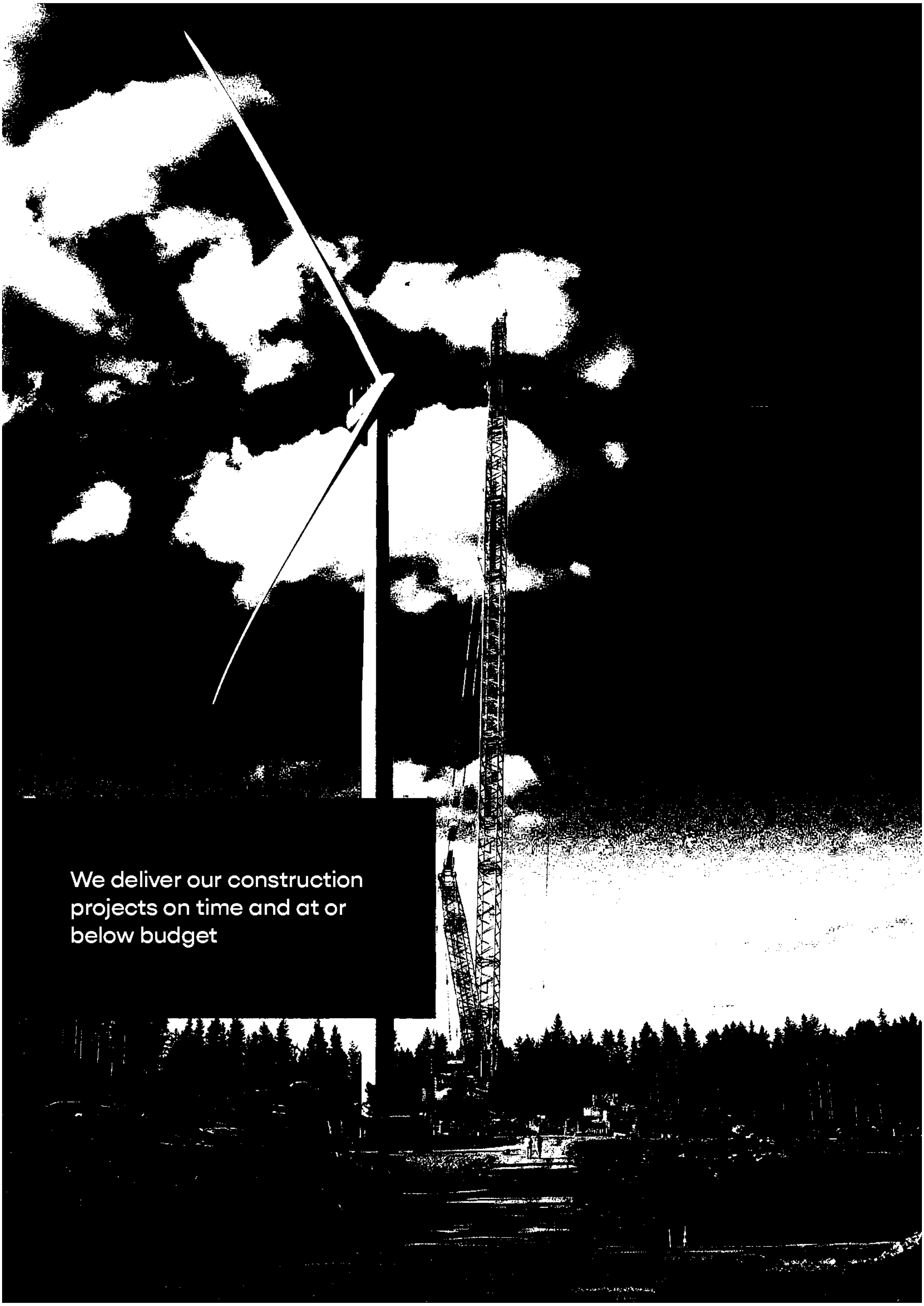
In Cloudberry we have placed sustainability at the core of everything we do and view it as essential to our long-term achievements and value-creation. We treasure our local community and business partnerships, and work closely with our employees, business partners, shareholders, neighbours, and other local community members to create this value and share the rewards fairly. Our stakeholders expect us to operate our business in line with the strongest environmental, social, and governance (ESG) principles and we have the same expectation of ourselves, as well as of our partners and suppliers. We strive to live the broad sense of sustainability in everything we do and hope our 2023 Sustainability Report will give you a deeper insight into Cloudberry’s ESG work in practice.

We have also throughout the year seen the benefit of having the competence that sits within the Captiva organization and were pleased to become a 100% owner. Since its initial acquisition, Captiva have added significant value to Cloudberry’s hydro and wind development, procurement & construction processes as well as being recognized as a renowned asset manager for power plants in the Nordics. With this acquisition, Cloudberry aims to further integrate key business areas within Captiva to optimize scalability and operational efficiency.

A transformative year for Cloudberry would not have been possible without the exceptional dedication and outstanding performance of all Cloudberry colleagues. I would like to thank my colleagues for their hard work and commitment in another year where Cloudberry continue to pioneer the industry. I would also like to thank the Board of Directors and our shareholders for their continued support for building The Leading Nordic Independent Power Producer.

Cloudberry is perfectly positioned for the future energy demand with a flexible Nordic platform, a large project portfolio, a dedicated and competent team with solid funding.

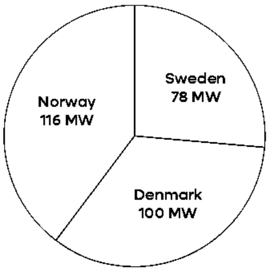
Anders J. Lenborg
Chief Executive Officer

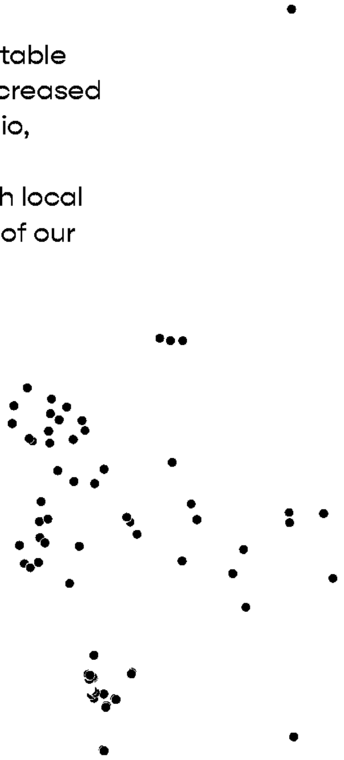

We deliver our construction
projects on time and at or
below budget

Overview and highlights

Cloudberry continues to deliver profitable growth. In 2023, the company has increased its production & development portfolio, strengthened its balance sheet and increased the facility agreement with local savings banks. Below is an overview of our portfolio per reporting date.

Production portfolio incl. under construction





Production

● **Production** incl. under construction[1]

In production
Capacity: 267 MW
Production: 825 GWh

Under construction
Capacity: 27 MW
Production: 80 GWh

Total
Capacity: 294 MW
Production: 905 GWh

Development

Capacity: 200 MW
Production: 333 GWh

● **Backlog**

Backlog (exclusive projects)
Projects: 20
Capacity: 625 MW

Pipeline (non-exclusive projects)
Projects: >20
Capacity: >2 500 MW

[1] Asset portfolio per reporting date with proportionate ownership to Cloudberry i.e. excluding sold assets. Production figures represent normalised annual production.

Main developments in 2023

Financials

(per 31.12.2023, consolidated figures unless otherwise stated)

- Revenue increased almost three times, from NOK 217m to NOK 610m
- EBITDA significantly improved from NOK 151m to NOK 263m
- Proportionate EBITDA improved from NOK 381 to NOK 401m
- Strong balance sheet and low debt. Cash position of NOK 779m
- Booked equity increased from NOK 3 794m to 4 617m

Operational

- Cloudberry acquired 80% of the Odin portfolio from Skovgaard Energy A/S ("Skovgaard") including land and a long-term exclusive development agreement of new projects. The production portfolio consisting of 51 Vestas and Siemens turbines in total 106 MW (net to Cloudberry). A game changing step into the attractive Danish market, creating a strong and diversified position for Cloudberry
- Cloudberry shows significant value creation through the sale of three hydropower plants for a transaction value of NOK 703 million, yielding an internal rate of return (IRR) of above 55% p.a. to Cloudberry or 2.0x the booked equity
- Increased debt facility with NOK 800m to a total of NOK 2 200m
- Final investment decision on Munkhyttan I. An 18.6 MW project in the attractive SE-3 region. Revenue generation is expected by end of 2024
- All projects under construction are progressing according to time and cost with no safety issues. Sundby is expected to be delivered below budget
- Acquired the remaining 40% of Captiva to become a 100% owner. Asset management, procurement and development in Captiva will be fully integrated, while the digital platform will undergo a strategic review
- Signed a three-year power purchase agreement ("PPA") for 31.5 GWh annual proportionate production in DK-1 with a fixed power price of DKK 0.77 per kWh (NOK 1.18 per kWh)
- Realised power price of NOK 0.75 per kWh in 2023
- Proportionate production increased 94% from 268 GWh to 520 GWh
- Cloudberry is preparing for the Corporate Sustainability Reporting Directive (CSRD) and has conducted a double materiality assessment following CSRD guidelines. A gap assessment and limited assurance of the greenhouse gas (GHG) emission reporting have been performed and approved by a third-party auditor. Furthermore, Cloudberry has committed to both near-term and long-term emission reductions, aligning with the Science Based Target Initiative (SBTi).
- Received an environmental certification from "Bra Miljöval" (Good Environmental Choice). The certificate demonstrates that the electricity production from the Sundby wind farm meets a set of environmental criteria, including biodiversity. This allows Cloudberry to increase the value of the Guarantees of Origin (GOs), leading to increased revenues from the production of renewable energy. Cloudberry aims to obtain Bra Miljöval certification for additional power plants in our portfolio

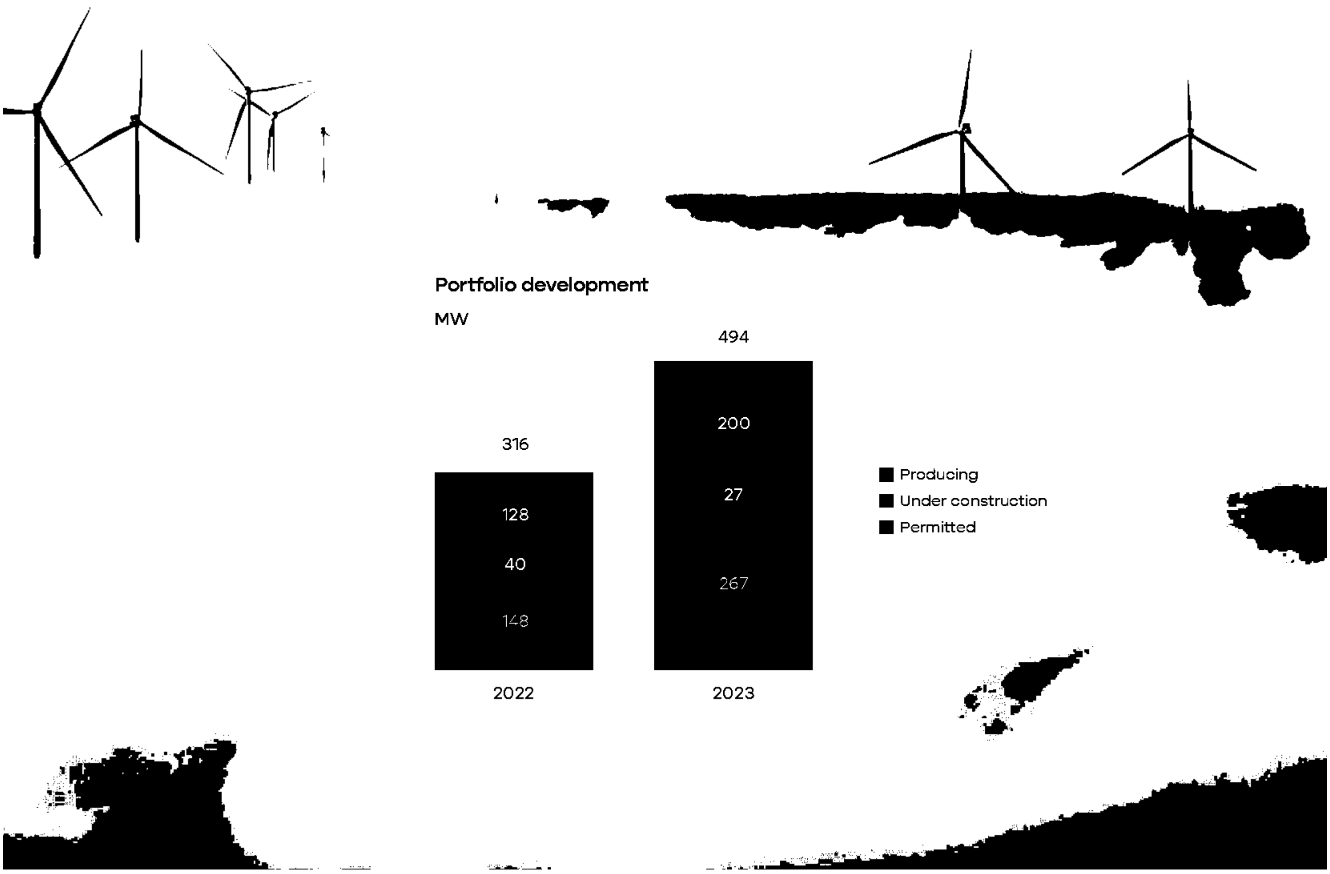
Subsequent events

- Nees Hede (140 MW proportionate Solar). Acquired the Nees Hede project in February 2024. Ready to construct 140 MW solar in the attractive DK-1 region. Cloudberry is prioritizing Nees Hede due to the project's strategic fit and attractive business case (sharp fall in solar panel prices) as the first project from the development agreement in Odin
- In February 2024 Odin Energy Holding received a payment of EUR 6m (EUR 4.8m proportionate to Cloudberry) under the previously reported power purchase agreement with Skovgaard, entered into in combination with the Odin transaction

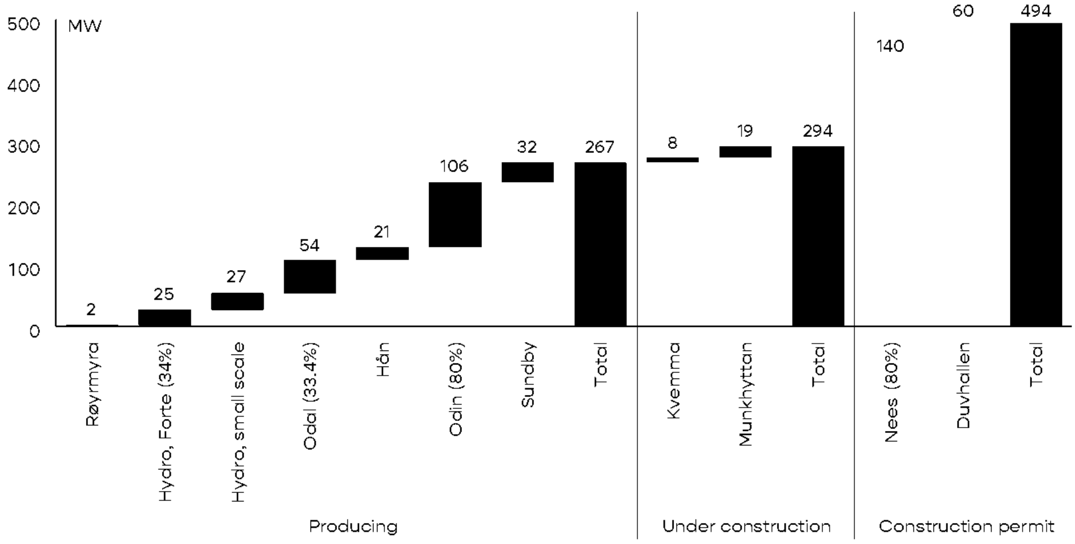
Project overview[1]

Cloudberry became a public company in 2020 with 3 MW of hydro and wind assets under production and 12 MW under construction. Cloudberry listed as a unique exposure to an attractive market through a scalable and efficient platform for growth within Nordic renewable assets. Since then, Cloudberry's focus has been to grow the producing platform while also continuously increasing the development platform. This to create a robust running cashflow through increased power sales supported by a strong balance sheet. Per the reporting date the portfolio has grown to 267 MW under production, and a total of 494 MW when permitted projects and projects under construction are included.

[1] Per reporting date



The figures below summarize the status of our projects



Project	Technology	Location	Price area	Total capacity (MW)	Ownership	Cloudberry's proporionate capacity (MW)	Cloudberry's estimated production (GWh)	Status
Røyrmyra	Wind	Norway	NO-2	2	100%	2	8	Producing
Forte (5 assets, NO-2)	Hydro	Norway	NO-2	26	34%	8	29	Producing
Forte (4 assets, NO-3)	Hydro	Norway	NO-3	19	34%	6	21	Producing
Forte (6 assets, NO-5)	Hydro	Norway	NO-5	33	34%	11	37	Producing
Finnesetbekken	Hydro	Norway	NO-5	1	100%	1	3	Producing
Bjørgelva	Hydro	Norway	NO-4	3	100%	3	7	Producing
Usma	Hydro	Norway	NO-3	9	100%	9	26	Producing
Tinnkraft	Hydro	Norway	NO-2	2	100%	2	6	Producing
Bøen I & II	Hydro	Norway	NO-2	6	100%	6	18	Producing
Ramsliåna	Hydro	Norway	NO-2	2	100%	2	6	Producing
Skåråna (2 assets)	Hydro	Norway	NO-2	4	100%	4	14	Producing
Odal Vind	Wind	Norway	NO-1	163	33.4 %	54	176	Producing
Hån	Wind	Sweden	NO-1	21	100%	21	74	Producing
Odin[1]	Wind	Denmark	DK-1[1]	133	80%	106	311	Producing
Sundby	Wind	Sweden	SE-3	32	100%	32	89	Test Production
Total 1 (Producing)				**454**		**267**	**825**	
Kvemma	Hydro	Norway	NO-5	8	100%	8	20	Const/Prod. H1 2024
Munkhyttan	Wind	Sweden	SE-3	19	100%	19	60	Const/Prod. H2 2024
Total 2 (Producing + under constr.)				**481**		**294**	**905**	
Duvhalllen	Wind	Sweden	SE-3	60	100%	60	165	Constr. permit
Nees Hede	Solar	Denmark	DK-1	175	80%	140	168	Constr. permit
Total 3 (Prod. + const. + permit)				**716**		**494**	**1 238**	

[1] Odin portfolio. 288 GWh in DK-1. 18 GWH in SE-3. 6 GWh in DK-2 price region

Development portfolio

Cloudberry has since listing in 2020 focused on building a robust backlog and pipeline of new development opportunities across the Nordics. Through the acquisition of Odin (Skovgaard partner) and Captiva, the development competence and access to greenfield opportunities have been strengthened significantly and put into a greater industrial framework.

As of today, Cloudberry has an onshore pipeline of 7 TWh (> 2 000 MW) across the Nordics and an exclusive backlog of 625 MW.

Focus has been on projects where we can see favorable economic returns and relatively low impact. We believe several of these projects will add significant value to Cloudberry over time as available renewable projects in the southern parts of the Nordics are getting more and more restricted (i.e. regulations, nature impact, local stakeholder interests) while the need for green power is increasing.

Cloudberry is also working with several large and undisclosed forest owners (land access) and established industrial companies (off-taker of green power) across the Nordics in order to create favorable projects for both parties.

Cloudberry has organized its development activities into three regional focus areas

Norway	Primarily hydro development, including industrial wind projects (Cloudberry & Captiva)
Sweden	Primarily wind development, including storage (Cloudberry)
Denmark	Wind and solar development (Cloudberry & Odin/Skovgaard)

The backlog consists of 20 exclusive projects (625 MW) across the Nordics

- 7 Hydro projects
- 10 Onshore wind projects
- 2 Solar projects
- 1 Storage project

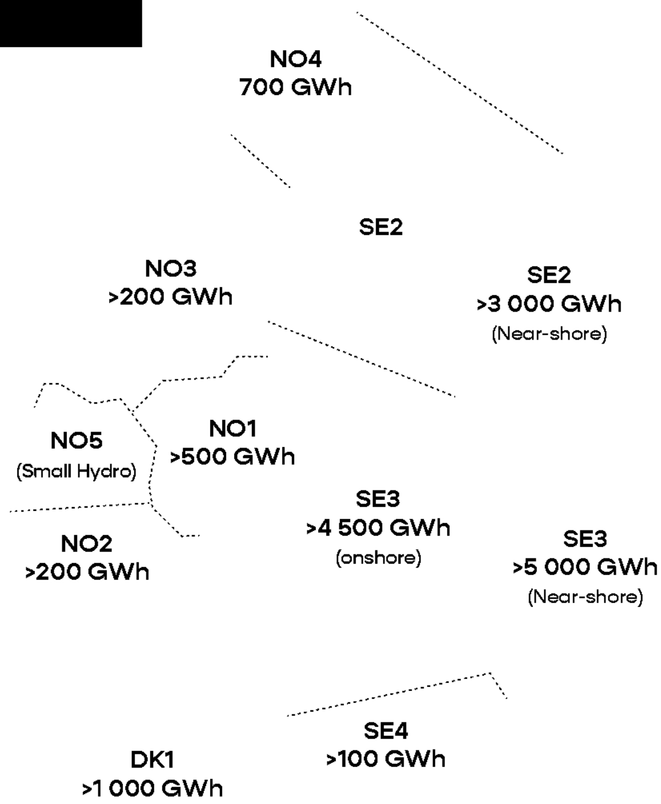
Overview of our non-exclusive pipeline

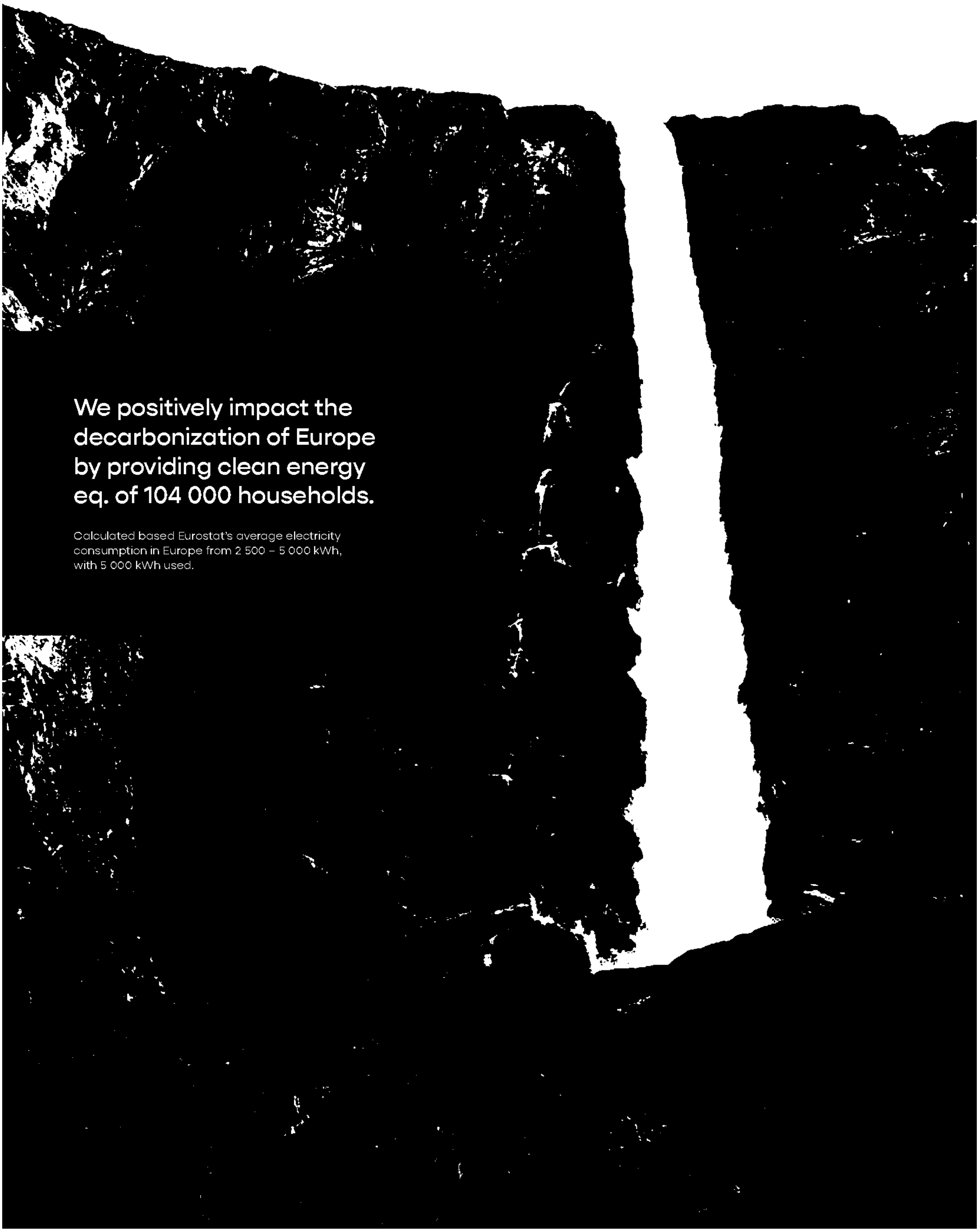
Nordic pipeline
> 7 000 GWh onshore

The pipeline consist of hydro, onshore & near-shore wind, solar and storage projects

Local development teams in Norway, Sweden & Denmark with long-lasting networks and strong track records.

These are projects where there are ongoing local dialogues, where land lease agreements are being negotiated and where we see potential




We positively impact the
decarbonization of Europe
by providing clean energy
eq. of 104 000 households.
Calculated based Eurostat's average electricity
consumption in Europe from 2 500 – 5 000 kWh,
with 5 000 kWh used.

Key Performance Measures

			2023	2022
Consolidated FY		Revenue	610m	217m
		EBITDA	263m	151m
		Cash	789m	1 538m
		Interest-bearing debt	1 585m	339m
		Total equity	4 617m	3 794m
Proportionate FY		Revenue	711m	646m
		EBITDA	401m	381m
Sustainability[1]	Proportionate	CO_2 reduction EU-27 electricity mix	121 836 tons CO_2 eq.	59 496 tons CO_2 eq.
		Direct and indirect emissions	12 891 tons CO_2 eq.	10 529 tons CO_2 eq.
Development	Proportionate	Construction permits year-end[2]	200 MW	128 MW
		Backlog year-end	625 MW	420 MW
Production	Proportionate	Production	520 GWh	268 GWh
		In operation year-end	267 MW	148 MW
Operations	Proportionate	Asset Management & Advisory year-end	2 300 MW	1 100 MW[3]

1 CO_2 reduction and the direct and indirect GHG emissions have been adjusted for previous years. Go to the Sustainability section for details.
2 Construction permit includes the 140MW proportionate Nees Hede solar project which was closed subsequent to the balance sheet date.
3 Cloudberry 100% owner of Operations year end 2023 (60% ownership year end 2022.

Market and power prices

For the year 2023, the Nordic system price averaged at EUR 59/MWh, a significant increase compared to historical price-levels of EUR 30 to 40/MWh[1], but a decline from EUR 136/MWh in 2022. The shortfall of Russian gas on the back of the war in Ukraine created a highly volatile power market in 2022 with peaking power prices. Throughout 2023 the European power markets have rebalanced with lower gas prices and a mild winter.

Looking towards 2030, Volue expects that the Nordic system price will increase (real 2023 terms) with increased consumption and declining power balances. New interconnectors and high level of power exchanges with the continental Europe will most likely continue to influence Nordic prices in a positive way for Cloudberry. This effect will be further increased with the opening of the Viking Link from Denmark to the UK.

The internal price differences in the Nordics were also evident in 2023, with a difference of above EUR 50/MWh from the northern parts of Norway and the favourable DK1 price region in the south. This price differences from the northern price regions and the higher southern regions are expected to continue due to significant grid bottlenecks from north to south in the Nordic countries.

The demand for more power in Europe is expected to increase going forward, and there is a clear push towards renewables following EU initiatives. Overall, the outlook caused by the energy transition and the market conditions is expected to serve as a foundation for sustained high power prices going forward, stabilizing at a level higher than before the European energy crisis in 2022.

We remain positive to elevated Nordic power prices especially in the southern price areas which are connected to continental Europe through interconnectors (Sweden: SE3&4, Norway: NO1&2&5, Denmark: DK1&2). In Norway, growth in new demand is expected to be driven primarily by emerging electrification projects and power-intensive industries. This, along with limited growth in power production capabilities is anticipated to shift the country's expected power balance towards negative territory. Lower power surpluses will add pressure on Norwegian, and thus Nordic power prices. Please see chart on the next page for the projected power balance in Norway from Statnett.

Power purchase agreements (fixed price contracts) are continuously evaluated as Cloudberry is reaching more stable production across several price regions in the Nordics. The overall ambition for Cloudberry is to achieve a hedge amount covering all interest expenses and overhead costs (approx. 30% hedging). This will be phased in over time. Per year end 2023, Cloudberry had the following hedges in place which represents approx. 10% compared to total estimated annual production for producing assets including under construction.

Asset	Contract (Annual GWh)	Expiry	Type
NO-2	8	2024	Baseload
NO-2	4	2027	Baseload
DK-1	37	2027	Pay as produced
DK-1	13	2023	Pay as produced
DK-1	32	2026	Baseload (starting 01.01.2024)
Total	94		

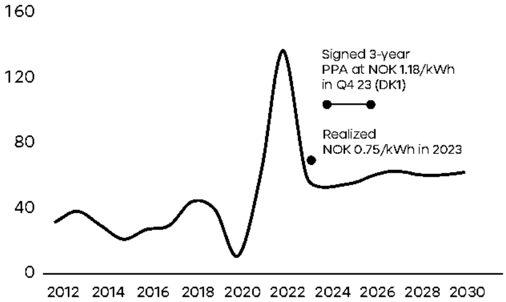
Volumes are proportionate to Cloudberry

Another important revenue stream for Cloudberry is Guarantee of Origin certificates (GOs). GOs is a recognized method of proving that a unit of electricity was generated by a renewables source. One MWh of power production from a renewable power source grants one certificate. GOs are usually sold directly through bilateral process. Throughout 2023 GOs has proven to be an important source of income providing prices of above EUR 5/MWh for all renewable energy production in the Nordics.

[1] See chart on the next page for data from Volue.

Historic and forward estimates of the Nordic system price average 2012-2030

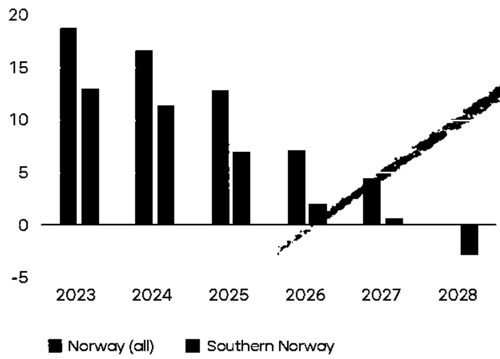
EUR/MWh (real 2023)



Source: Volue Q4 2023 report (EUR/MWh, not inflation adj.)

Norway's power balance soon in negative territory

TWh



Source: https://www.statnett.no/globalassets/for-aktorer-i-kraftsystemet/planer-og-analyser/kma/kortsiktig-markedsanalyse-kma-2023-2028.pdf

Executive Management [1]

Anders J. Lenborg Chief Executive Officer

Anders is the founder of Cloudberry. He is responsible for managing the company's overall operations, the development and execution of the long-term strategies. Anders is an experienced lawyer within the infrastructure and renewable energy section in the Nordics. Anders was previously Partner and Head of the Energy Sector Group at DLA Piper Norway. He holds a law degree from the University of Oslo and a postgraduate diploma from King's College in London.

Christian A. Helland Chief Value Officer

As CVO, Christian is responsible for the finances of the company. Since 2008, he has been a lead investor for renewable projects in the Nordics and Germany. He has 13 years of experience in the investment and finance industries. He was previously Partner and Portfolio Manager at Pareto Asset Management. Christian holds a Master's degree in Systems Engineering from Cornell University, a Master's degree in Business Economics from University of California and a Bachelor of Science degree in Mechanical Engineering from University of California.

Ingrid Bjørdal

Chief Compliance and Organization Officer

Ingrid started in Cloudberry in 2022 and is responsible for compliance, ESG, organisation and communication in the Group. Ingrid has 20 years of experience from sustainability, HSE, compliance, HR and organisational development from the recycling and circular economy industry. She was SVP of Sustainability and Compliance in the Norsk Gjenvinning Group and has held the position as General Manager of two subsidiaries in the Group. She holds a Master of Science from King's College in London and an Executive MBA from BI Norwegian Business School.

[1] There will be adjustments to the Executive Management team i 1H 2024. Among the changes are a new CFO, Ole-Kristofer Bragnes, with effect from 1 July 2024 (see notification to the stock exchange 8 Feb. 2024) and a new roll for Christian Helland as Cheif Commercial Officer has been established.

Charlotte Bergquist Chief Development Officer

Charlotte is from 2022 responsible for the Development segment with a special emphasis on Cloudberry's shallow-water and offshore portfolio. She is a former developer for wpd Offshore, Vice Chair of the Board at the Swedish TSO, Svenska Kraftnet, Chairperson of Power Circle and the Founder of Kraftkvinnorna. Charlotte has a Master of Business Admin. from Gothenburg School of Economics and Commercial Law.

Jon Gunnar Solli Chief Operating Officer

Jon Gunnar is responsible for day-to-day operations of the Cloudberry portfolio. He is a former CFO and investment manager with more than 20 years of experience in the asset management industry. Jon Gunnar was previously a CFO/CIO at OVF, Nordea Asset Management, SpareBank 1 Livsforsikring and Storebrand. He holds a Master's degree in Accounting & Auditing from Norwegian School of Economics (NHH) and is a state authorized Public Accountant.

Stig J. Østebrøt Chief Technology Officer

Stig has been the CEO of the Captiva Group for the last 10 years and responsible for Cloudberry's operations segment from 2022. He is the Chairperson of Kraftanmelding, Chairperson of Fjord Energi and a former analyst from EY. Stig has an Executive MBA from Norwegian School of Economics and a Master's degree from BI Norwegian Business School.

Board of Directors

Tove Feld Chair of the Board

Tove Feld has 30 years' experience from the Energy and Infrastructure sector with a focus on Renewables. In executive positions in leading global players such as Ørsted, Siemens Gamesa, Dong Energy and DNV, she has worked with international business development and strategy. She has over 10 years of vast board experience from private and listed companies in the Nordic and the UK, incl. the current posts in TRIG, YARA, Venterra Group, Force Technology and NEXEL all supporting the green energy transition. Tove is head of the Compensation Committee and member of the Audit Committee in Cloudberry. She is a UF Engineering Graduate with a Ph.D from Aalborg University and Executive MBA from IMD. Tove Feld is a Danish citizen.

Petter W. Borg Board member

Petter W. Borg has more than 35 years of experience in investment banking and asset management. He is the former CEO of Pareto Asset Management, a position he held for 18 years. Petter is the chairperson of House of Maverix. In addition, he is a member of the board of directors of Ferd Holding, Grieg Investor, Attivo Eiendom, Langfonn, Solfonn, Storstein and Nordic Aquafarms. Petter is member of the Compensation Committee and the ESG Committee in Cloudberry. He holds a degree in Economics from Handelsakademiet. Petter W. Borg is a Norwegian citizen.

Benedicte H. Fossum Board member

Benedicte H. Fossum currently chairs the board of Smartfish AS and is a board member of Alliero AS, Salmo Trace AS and family offices. As one of the founders of Pharmaq AS, she has managerial experience in R&D, M&A, and regulatory affairs from the Norwegian Medicines Agency. She maintains a special interest in sustainability, combining biological and economic perspectives. Benedicte is head of the ESG Committee in Cloudberry. Benedicte is a veterinarian from the Norwegian University of Life Sciences. Benedicte H. Fossum is a Norwegian citizen.

Nicolai Nordstrand Board member

Nicolai Nordstrand is the CEO of Havfonn AS, the family office at the Bergesen family. He has worked at Havfonn for nine years as Analyst, Investment Director and now CEO. Before joining Havfonn, he worked more than 10 years with corporate finance in PwC in Oslo and London and Sparebank 1 Markets. Nicolai is head of the Audit Committee in Cloudberry. He holds a Master of Science in Financial Economics from BI Norwegian Business School. Nicolai Nordstrand is a Norwegian citizen.

Stefanie Witte Board member

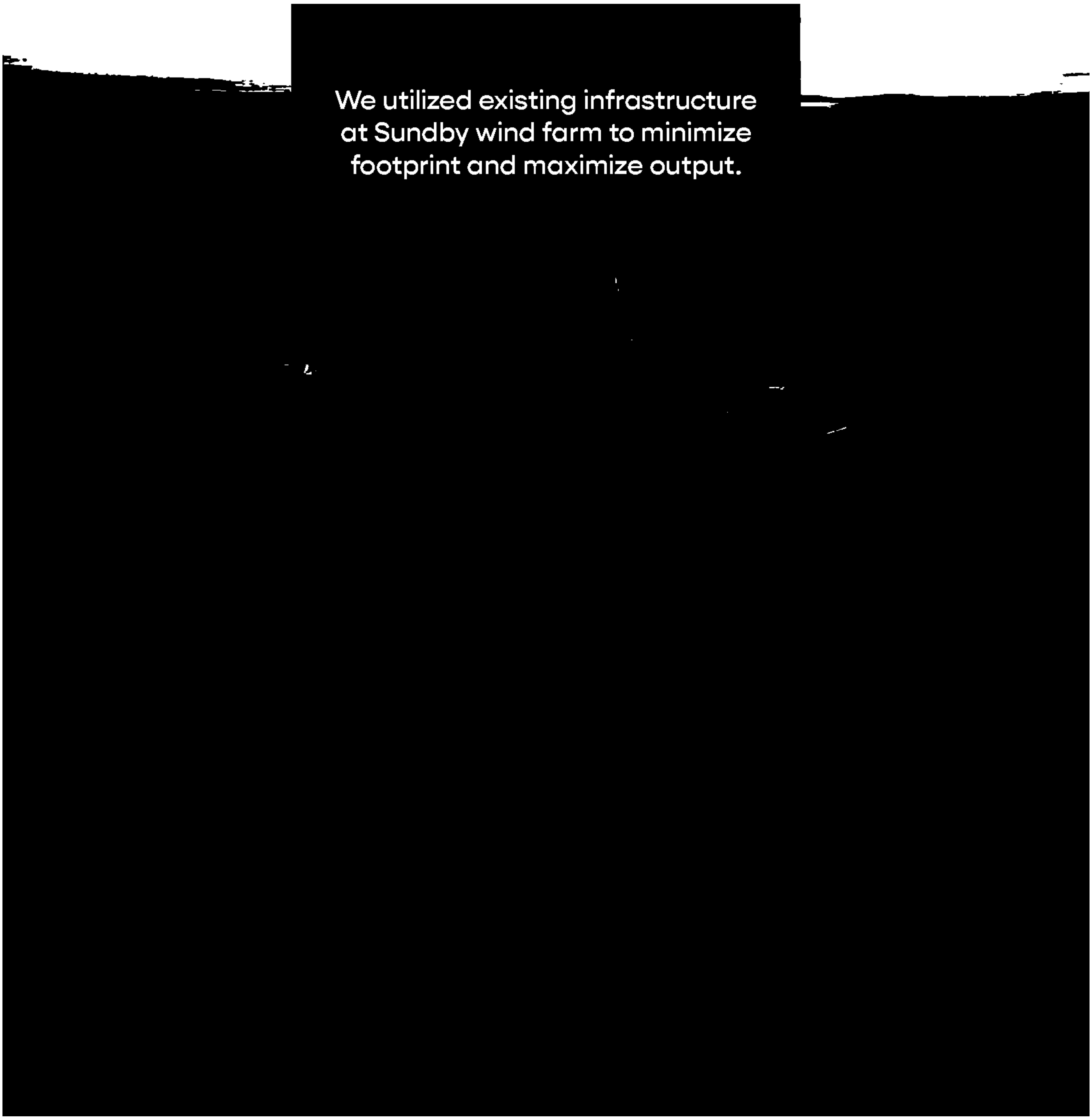
Stefanie Witte is a Director with responsibility for Google's operating system in the German speaking countries, the Nordics and Poland. Over the last eleven years she has had leading positions in Google, like Head of Marketing for Android, Google's own hardware and advertising products. Stefanie worked previously six years in leading positions at Novartis after three years as a consultant in McKinsey. She is represented at the board of several tech companies in Norway and Germany. At Cloudberry, she is a member of the Compensation Committee. Stefanie holds a M.A HSG Finance, Accounting and Controlling from the University of St. Gallen. Stefanie Witte is a German citizen.

Henrik Joelsson Board member

Henrik Joelsson heads his own consultancy firm and has formerly worked 13 years as an Investment Director at the listed investment firm Ratos AB. Furthermore, Henrik has 9 years of experience as a strategic consultant at Bain & Company. Henrik has broad board experience and has been an active investor, board member and consultant within the energy sector, with a specific focus on renewables. He is currently a board member of Teqnion AB and Goava Sales Intelligence AB. Henrik is member of the Audit Committee in Cloudberry. He holds a Master of Science in Business Administration and Economics from Stockholm School of Economics and a MBA from INSEAD in France. Henrik Joelsson is a Swedish citizen.

Alexandra Koefoed Board member

Alexandra Koefoed starts a new position as Vice President Offshore Wind Solution in Kongsberg Renewable Technologies AS in April 2024. She held the position as CEO of Fred. Olsen Windcarrier ASA from 2018-2024 and worked in various positions within renewables in the Fred. Olsen group of companies since 2010. Prior to her work for Fred. Olsen, she worked in several technical roles in Aker Marine Contractors. Alexandra's operational, technological and commercial experience, combined with her deep knowledge of the renewable supplier industry is particularly valuable as a board member of Cloudberry. Alexandrais a member of the ESG Committee in Cloudberry. She holds MSc Ocean Engineering, Hydrodynamics, from the Norwegian University of Science and Technology (NTNU) and UC Berkeley. Alexandra Koefoed is a Norwegian citizen.


We utilized existing infrastructure
at Sundby wind farm to minimize
footprint and maximize output.

Board of Directors report

Cloudberry owns, develops, and operates hydropower plants, wind farms and solar plants in the Nordics. Over the recent years, Cloudberry has built a scalable listed Nordic renewable platform. The platform was strengthened and diversified by the transformative entry into Denmark through the Odin acquisition in 2023. Cloudberry is perfectly positioned for the energy transition with a fully financed industrial platform supported by the team and capability to executed on the projects. Cloudberry is backed by strong owners and an experienced management team, powering the transition towards a sustainable future by providing clean and renewable energy.

Cloudberry`s business model and strategy

The Company has an integrated business model to develop, own and operate renewable assets in the Nordics. The organisation consists of three revenue generating segments: Development, Production and Operations, alongside a cost efficient Corporate segment. A sustainable and local approach is key to Cloudberry's overall strategy, underscored by a commitment to long-term value creation for all stakeholders.

Cloudberry focuses on proven and uncorrelated technologies across the Nordic countries. The following table details the strategic focus areas for both Development and Production going forward as well

Where to play – Proven and uncorrelated technologies

	Regions	Hydro	Wind	Solar	Storage
Denmark	DK1 & DK2		✓	✓	
Norway	NO1, NO2 & NO5	✓	IRR driven	IRR driven	✓
Sweden	SE3 & SE4		✓	IRR driven	Exploring
Finland	FI		Exploring		

as the ongoing exploration efforts. IRR driven illustrates that Cloudberry is evaluating these projects but have higher return requirements, particularly when compared to the same technology in other regions.

The Development segment consists of green-field projects both onshore and off-shore with a solid track record of organic, in-house development of wind and hydropower assets. Cloudberry has also started process of developing solar plants in 2023. The Production segment is the owner of the operating assets, with power sold in the spot market (NordPool) and under fixed price Power Purchase Agreements (PPAs). Cloudberry cultivates the portfolio to ensure a diversification and balance of risk, returns, assets and geographical areas. The Operations segment delivers services such as asset management of hydro and wind assets, including digital solutions. The services are created on a scalable operational platform, delivered to both Cloudberry and third parties.

Cloudberry considers material financial, legal, market, political, ESG, and technical related factors when making strategic decisions. The company has a robust balance sheet and competitive financing in order to deliver sustainable and profitable long-term growth.

Cloudberry operates in a market with unique characteristics when it comes to renewables; with hydro and wind resources in the Nordics being among the best in the world. The company uses its local presence and the optimization of stakeholder alignment to grow through greenfield developments and acquisitions.

In 2023, Cloudberry landed an ambitious “3 in 30” strategy for 2030. Our ambition is to be involved in 3 TWh in production, 3 TWh of permitted projects, and 3g CO_2 per kWh of emissions. However, while pursuing this ambition, Cloudberry remains committed to capital discipline, prioritizing profitability over growth. Cloudberry believes in being local, focused, and agile. The long-term growth strategy rests upon our ability to create value for our stakeholders, using the best possible technology, ensuring cost-effective operations, and promoting sustainability.

Sustainability at Cloudberry

Cloudberry follows closely the developments in demands and requirements for operating in a sustainable way and reporting according to new and upcoming ESG standards. The Company is currently preparing to comply with the requirements of the EU`s Corporate Sustainability Reporting Directive (CSRD) based on the European Sustainability Reporting Standards (ESRS). During 2023, the company improved its double materiality assessment (DMA) to comply with the criteria in CSRD. The assessment discloses the material sustainability topics in Cloudberry, including our impact on the environment, people, and society, along with the financial risks and opportunities that we are exposed to. Our preparations for alignment with the CSRD will continue in 2024.

At Cloudberry, we greatly value our stakeholders. Providing them with a transparent insight into how we identify and address the most material impacts of our activities, as well as the areas we need to improve, is fundamental. The following sections are a summary of Cloudberry`s key performance during 2023. More detailed information describing our work with sustainability, the conducted DMA, and our ongoing efforts to enhance our practices can be found in the Sustainability report 2023.

Environment

Environmental concern and climate change mitigation are at the core of everything we do at Cloudberry. Our main ambition is to power the transition to renewable energy aiming to be climate and nature positive.

During 2023, Cloudberry has worked to improve the monitoring and reporting procedures for our greenhouse gas (GHG) emissions. A gap assessment and limited assurance of the GHG emission reporting have been performed and approved by a third-party auditor.

In addition to improving the completeness and transparency of Cloudberry`s GHG accounting, the company has committed to near-term and long-term targets to reduce emissions in line with the Science Based Target Initiative (SBTi). The net-zero target has been approved by the SBTi and sets the foundation for Cloudberry to establish a roadmap for reducing our emissions. 2022 is set as the base year for both short-term and long-term targets, and KPIs and measures for a decarbonization plan towards the net-zero target will be integrated into all business units and reviewed by the management and the Board of Directors annually.

In 2023, Cloudberry's GHG emissions from Scopes 1, 2, and 3 were 12 891 tons CO_2e (10 529 tCO_2e in 2022). Additional information regarding the reporting principles, methodology, factors, and a breakdown of the GHG emissions from all business units, can be found in the Sustainability report.

Cloudberry contributes positively to the energy mix by reducing GHG emissions through the production of renewable energy. The positive renewable contribution (also referred to as "avoided emissions" or "scope 4") relative to baseline emissions from the European electricity mix (EU-27 electricity mix, IEA 2023)[1], is equivalent to a reduction of 121 836 tCO_2e (59 496 tCO_2e in 2022) in the electricity grid. For more information regarding Cloudberry`s positive contribution to the decarbonization of the energy mix, please refer to the Sustainability report.

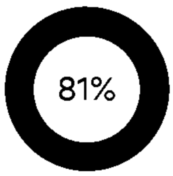
Cloudberry has conducted an assessment of all its renewable assets against the criteria in the EU Taxonomy and all assets met the requirements for alignment with the categories for 'climate mitigation' and 'climate adaptation'. This achievement underscores our commitment to the principles of substantial contribution, doing no significant harm, and adherence to minimum safeguards, ensuring that our assets are operated sustainably and with a minimal environmental footprint. Furthermore, the Group's key performance indicators as outlined in the Taxonomy for eligible and aligned Turnover, Capex (capital expenditure) and Opex (operating expenses) grew in absolute and proportional terms from that reported in 2022. These results highlight the Group's dedication to sustainability and environmental responsibility. Please refer to the chart on the right hand side for the full year 2023 results.

Cloudberry has published a stand-alone EU Taxonomy Report for 2023 on the company's website.

In 2023 Cloudberry incorporated the newly acquired wind farm portfolio Odin in Denmark in the climate risk assessment adhering to the guidelines set forth by the Task Force on Climate-related Financial Disclosures (TCFD). A summary including the scenario-based climate risk assessment is described in the Sustainability report, and a more detailed TCFD report is published on our website.

In organizing our efforts around biodiversity, we will use the framework from the Taskforce on Nature-related Financial Disclosures (TNFD). During 2023, Cloudberry assessed strategies and implemented measures to minimize our natural impact, enhance biodiversity, and support the local ecosystem, tailored to the unique conditions of the area and the provisions outlined in the concession and development plan. Cloudberry`s biodiversity and nature policy is being integrated into all of Cloudberry`s projects.

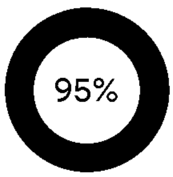
Cloudberry has recently received an environmental certification from "Bra Miljöval" (Good Environmental Choice) which demonstrates that the electricity production from the Sundby wind farm meets a set of environmental criteria, including biodiversity. This allows Cloudberry to increase the value of the Guarantees of Origin (GOs), leading to increased revenues from the production of renewable energy. In addition, Cloudberry invests in initiatives through Bra Miljöval funds aimed at improving biodiversity and reducing the environmental footprint of electricity production. Cloudberry continues to certify more power plants in our portfolio through Bra Miljöval.



Aligned Turnover NOK 333m

2022: NOK 208m

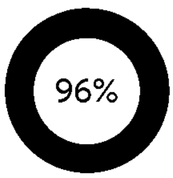
- Eligible - Taxonomy aligned 81%
- Non- Eligible 19%



Aligned Capex NOK 550m

2022: NOK 324m

- Eligible - Taxonomy aligned 95%
- Non- Eligible 5%



Aligned Opex NOK 20m

2022: NOK 12m

- Eligible - Taxonomy aligned 96%
- Non- Eligible 4%

[1] Adjusted according to the new factor EU-27 electricity mix 2023

Social

Cloudberry shall always act responsibly towards our employees and society at large, including all groups impacted by our operations, to be a preferred employer and partner in the renewable energy industry.

In 2023, no incidents causing harm to people`s health or serious material damage were recorded in Cloudberry`s projects. At Cloudberry`s headquarters, an employee had a minor injury which implied lost time injury. The organization's rate of absence due to illness was 3.12% (1.66%). The increase in sick leave was mainly due to one long-term sick leave which was not work related. Among the documented work-related injuries, none were categorized as severe injuries. However, at a construction site, a tree fell and landed on a parked car due to strong winds. No individuals were in the immediate vicinity and no personal injuries occurred.

Our Supplier Code of Conduct (SCoC) encompasses health and safety measures to foster a shared commitment between Cloudberry and our suppliers and contractors and is implemented in all relevant procurement processes. Additionally, health and safety are outlined in our Code of Conduct, Guidelines for Responsible and Sustainable Investments, ESG due diligence guidelines, Whistleblower Policy, Suppliers declarations form, and in the Health and Safety Plan for the Work Environment.

In 2023, Cloudberry facilitated two workshops for all employees centred around company behaviour, culture, values, and strategy. Cloudberry also conducted the annual engagement survey focusing on HMS, compliance, work-life balance, and diversity, equity, and inclusion (DEI) in the workplace. The result from the survey gave a DEI index of 5.3 and an engagement index of 5.3, where 6 is the maximum possible score. Both are improvements from 5.2 in 2022. Cloudberry is committed to fostering the development and welfare of its workforce, with the goal of not only sustaining a robust and enthusiastic team but also driving engagement and sustainability within the organization. Cloudberry`s own workforce is outlined in more detail in the Sustainability report.

At Cloudberry, 28% of employees are female, which is below the target of 35% in 2023. The company intends to improve the ratio to a minimum of 40% by 2025. The number of female managers is on target with 33%. The number of female board of directors is above the target and legal requirement of > 40% with 57%. Cloudberry acknowledges the importance of creating a balanced workforce and will continue to promote DEI internally and externally to improve the diversity and inclusion of all employees in Cloudberry and the renewable industry in general.

Additionally, Cloudberry needs to ensure that our initiatives on the local projects not only contribute to value creation within the communities where we operate but also encompass economic contributions, as well as biodiversity restoration, and environmental improvement. Our efforts include generating employment opportunities, collaborating with local businesses such as contractors, offering educational programs, contributing to community projects, and beyond. We strive to evaluate how local stakeholders perceive and benefit from our efforts to create value in their communities. Moving forward, a key priority will be to develop suitable key performance indicators for tracking and reporting the value we deliver to local communities, as well as the wider impact we make on them.

Governance

Cloudberry believes that responsible governance is essential for building a strong business foundation. It is our ambition to consistently uphold strong governance practices both within our organization and throughout our value chain.

Commitment to sustainability begins with the company's Board of Directors and management team. The ESG Committee serves as a preparatory and advisory body for the Board. The committee is responsible for overseeing the administration's execution of the sustainability strategy across all business units, and to discuss and assess the company`s sustainability topics. In 2023, the committee held nine meetings, marking an increase of one meeting from 2022.

Cloudberry's commitment to governance and sustainability topics remains the same, with business conduct at its core. In 2023, the intensifying discussions regarding tax regulations on renewable assets led to the emergence of a new material topic: "favourable framework for renewables". The primary governance priorities focused on fostering favourable future conditions of renewable energy development and maintaining a responsible business conduct and supply chain.

There were no incidents of corruption or fraud reported in 2023. Furthermore, our renewable hydro and wind power plants experienced no incidents of concession breaches. Preventing breaches, corruption and bribery incidents is crucial for legal compliance, environmental protection, and the preservation of trust among stakeholders.

Cloudberry received its first whistleblowing notification in 2023, concerning a possible discrimination case in a recruitment process. Following an investigation, it was determined that the recruitment process did not involve any misconduct. Cloudberry encourages both internal and external stakeholders to report misconduct through the whistleblowing channel accessible on our website.

The company`s Code of Conduct is reviewed and updated regularly. The annual Code of Conduct training session for the entire workforce was conducted during 2023, where subjects like governance and compliance, encompassing anti-corruption initiatives and whistleblowing, were highlighted.

In 2023, Cloudberry continued the important work on risk management in the supply chain. Internal routines and procedures for material procurement are being revised to include essential policies and procedures. Additionally, Cloudberry conducted the annual due diligence assessment following the OECD and UNGP Guidelines, specifically focusing on human rights and decent working conditions in the supply chain. The Transparency Act 2023 report will be published by 30 June 2024.

The Supplier Code of Conduct (SCoC) outlines Cloudberry's ethical expectations for our suppliers. All relevant suppliers must comply with the SCoC, and adherence must be implemented in the procurement process. Furthermore, commitments are applied within the suppliers' operations and extended to their sub-suppliers. The SCoC undergoes periodic updates by the organization.

We believe that securing responsible business conduct, internally and in our value chain, contributes to a long-term positive reputation making Cloudberry a desirable employer and business partner.

Cloudberry`s key performance summary for 2023 is summarized in the table below.

The company adheres to recognized governance standards and shall comply with the Norwegian Code of Practice for Corporate Governance of October 2021, issued by the Norwegian Corporate Governance Board (NUES). This includes having principles for disclosure and transparency in Cloudberry`s business to provide shareholders and stakeholders with precise and accurate information concerning all aspects regarding Cloudberry.

Cloudberry provides details of its sustainability work in The Annual Report and specifically in the sustainability and corporate governance sections. Cloudberry's reporting requirements under section 3-3 a and c of the Norwegian Accounting Act are as such addressed in this section.

		Actual 2023	Actual 2022
Environment [1]	GHG emissions avoided tCO2e	121 836	59 496
	GHG emissions tCO2e	12 891	10 529
Social [2]	Work injuries (incl. Sub-contractors)	1	0
	Employee engagement index	5.3	5.2
	Equal opportunities index	5.3	5.2
	Female employees % of total	28%	24%
	Female BoD % in total BoD	57%	43%
	Sick leave own workforce	3.12%	1.66%
Governance	Whistle-blowing incidents	1	0
	Corruption and bribery incidents	0	0
	Compliance training	100%	36%
	Breach of concession	0	0

[1] The CO2 reduction and the direct and indirect GHG emissions have been adjusted for 2023. See the Key performance summary and the Environment section for details.

[2] Work injuries defined as lost time injury. See Key performance summary and the Social section for details.

The results from the Employee engagement index and the Equal opportunities index originate from the latest survey in 2023. The maximum possible score is 6. See Key performance summary and the Social section for details.

From 2023 the reporting covers all subsidiaries in the Group. Female employees % of total has been adjusted for 2022.

Financial Performance

Financial summary

Cloudberry witnessed significant growth in 2023, with revenues nearly tripled on the back of increased production and sustained high power prices. The group reports a robust balance sheet with low debt and a cash position of NOK 779m. Additionally, available bank facilities increased with NOK 800m in 2023 to a total of NOK 2 200m where approximately NOK 950m remains undrawn.

The Production portfolio grew during 2023 primarily driven by the acquisition of the Odin portfolio in the second quarter of 2023. The acquisition more than offset the sale of three hydropower plants, which were sold at historical high prices in the Nordics. By year end, our current portfolio in production and under construction in Norway, Sweden and Denmark consists of 25 hydropower assets and 105 wind turbines (organized into six projects), wholly and partially owned.

The Development segment achieved several strategic milestones throughout the fiscal year. Key developments include the final investment decision on Munkhyttan I (SE-3) taken in June 2023, increasing Cloudberry's wind power production in the attractive SE-3 area of Sweden. Project execution remains top priority, with all projects under construction progressing according to time and cost targets without any safety incidents. Additionally, both the backlog and permitted projects have increased.

The corporate segment had an active year in 2023. Among other activities, Cloudberry increased its credit facility by NOK 800m, acquired the remaining shares in Captiva and executed on a share buy-back program. Throughout the year, the segment maintained a responsible approach to value creation by actively managing debt level and costs, ensuring financial flexibility for Group's future growth.

Key figures

The information below describes the operations of the consolidated Group in 2023, with the corresponding figures for 2022 in brackets. Figures are presented in NOK million.

Profit and loss

Profit before tax was NOK 222m (NOK 122m). This comprises reported total revenues of NOK 610m (NOK 217m) from sale of power related products, asset management, digital- and consultancy services and other income. Operating expenses were NOK -276m (NOK -186m), share of profit from associated companies were NOK -72 (NOK 120m), depreciations, amortization and write downs were NOK -225m (NOK -35m) and net finance items were NOK 185m (NOK -6m).

EBITDA was NOK 263m (NOK 151m), and EBIT was NOK 37m (NOK 116m). Profit after tax for the year was NOK 233m (NOK 122m).

Other comprehensive income consists mainly of items that may subsequently be reclassified to profit

Financial summary		2023	2022
Operating revenues	NOK million	610	217
EBITDA	NOK million	263	151
Profit for the year	NOK million	233	122
Total assets	NOK million	6 691	4 603
Cash	NOK million	779	1 538
Net interest bearing debt	NOK million	806	(1 176)
Total equity	NOK million	4 617	3 794
Equity share	%	69%	82%
Producing during the year[1]	GWh	520	268
Secured portfolio (Producing and under construction)	MW	294	188
Secured portfolio (construction permit)	MW	60	128
Secured portfolio (Backlog)	MW	625	420

[1] Including proportionate share of production from associated companies.

and loss and amounts to NOK -99m (NOK 101m). This relates to movements of cash flow hedges with tax effects and foreign currency translation differences.

Total comprehensive income was NOK 134m (NOK 223m), of which NOK 220m was attributable to Cloudberry shareholders, while NOK -86m was attributable to non-controlling interests.

The total income of NOK 134m is expected to be allocated to retained earnings.

Cashflow
Cash flow from operating activities for the year was NOK 224m (NOK 43m).

Cash flow from investing activities was NOK -1 810m (NOK -379m).

Cash flow from financing activities amounted to NOK 830m (NOK 760m).

At year-end, cash and cash equivalents were NOK 779m (NOK 1 538m).

For details, please see the consolidated statement of cash flows in the Group consolidated financial statements.

Financial position
Total assets at year-end were NOK 6 691m (NOK 4 603m). The increase from last year primarily reflects acquisitions, business combinations and debt drawdowns. Non-current assets totalled NOK 5 492m (NOK 2 821m) consisting of investments in producing assets and associated companies, while current assets were NOK 1 199m (NOK 1 782m), mainly cash, cash equivalents and other current assets.

Total equity was NOK 4 617m (NOK 3 794m) at year end, corresponding to an equity ratio of 69% (82%).

Total liabilities were NOK 2 075m (NOK 809m), with NOK 364m (NOK 283m) due within 12 months.

Segments
Cloudberry reports its operations in four segments: Development, Production, Operations and Corporate. The segment reporting is based on proportionate financials. See APM chapter for definitions.

Development
Cloudberry Development has a significant development portfolio with renewable assets in the Nordics. Since inception, eleven projects have been fully developed and sold to infrastructure investors and European insurance companies. Going forward Cloudberry has the option to either sell, farm-down or maintain in-house projects for long-term cash flow.

Key figures

Development, segment		2023	2022
Total revenue	NOK million	15	207
EBITDA	NOK million	(16)	177
Construction permits	MW	60	128
Backlog	MW	625	420

Key events over the year:
- The final investment decision for Munkhyttan I (SE-3) was taken in June 2023, increasing Cloudberry's wind power production in the attractive SE3 area of Sweden. Cloudberry plans to install 18.6 MW based on three Vestas V162 turbines of 6.2 MW each with a long-term service contract with ~97% uptime guarantee from Vestas. The expected annual production is 60 GWh. The project is on time and budget, with all foundations casted and all roads constructed. Internal cable laying is well under way and transformer and station is expected to be delivered according to plan.
- The construction of the Sundby Vindpark (SE-3) is on time and expected to be below budget once complete. All turbines are energized with test production having commenced. The test production was taking place under a 50/50 profit split with Vestas until the end of January 2024. Sundby has produced and sold 6 GWh of electricity in 2023. The financials are included in the Development segment and not included in the production numbers.

- Construction of Øvre Kvemma (NO-5) hydro power plant continued according to plan and the power plant is now completed. The powerplant will be connected to the grid before the plant can enter the commissioning period. Financial close will follow after the commissioning period, expected in 1H 2024.
- Stenkalles (Vänern project, SE-3): The Stenkalles wind farm on Sweden's largest lake, Vänern (SE-3), is a 100 MW (50 MW proportionate), 18-turbine project owned 50/50 by Hafslund and Cloudberry. In light of the increased capex for offshore wind projects, the project has evaluated the opportunity to increase the turbine size in order to improve project economics. The county (SE: Länsstyrelse) has recently rejected this possibility. Cloudberry is not compromising on return requirements and capital discipline and has decided not to move forward with the Stenkalles project in its current form. Instead, the project group is evaluating how to use the strategically positioned grid connection for a potential battery/solar project, where the associated capex has decreased. Cloudberry expects minimal development costs to capitalize on this potential opportunity. The Stenkalles project (offshore) has thus been removed as a permitted project in the project overview and included in the backlog. Based on the decision not to go forward with the current offshore wind project, Stenkalles has written down the project on its balance sheet. Cloudberry's net P&L effect (non-cash) related to the write down of Stenkalles is a negative NOK 57 million. After the impairment there are no offshore wind assets on Cloudberry's balance sheet.
- Subsequent to the quarter, Cloudberry has through Odin Energy Holding P/S acquired the Nees Hede hybrid project comprising of 175 MW permitted solar (140 MW proportionate). Nees Hede is a climate park with a favorable ESG footprint and local acceptance, situated on the western part of Jutland in the attractive DK 1 price area. Through the acquisition of the Odin portfolio earlier in 2023, Cloudberry is well positioned to take part in further development opportunities in Denmark as shown by this project. The Nees Hede project represents an important milestone as the first project from the development agreement with Skovgaard.
- Cloudberry has per year end an exclusive backlog of 625 MW (including the wind project of Nees Hede). Cloudberry is fully focused on continuing to work in close dialogue with local communities, public and private landowners to ensure efficient permitting processes, limit nature impact and gain access to additional sites.

Production

Cloudberry Production owns long-term yielding hydro and wind assets in Norway, Sweden and Denmark. Electricity is primarily sold through the spot market Nordpool, but also through bilateral agreements. Producing assets are entitled to electricity certificates and guarantees of origin ("GOs") which again will be sold through primarily bilateral agreements.

Key figures

Production, segment		2023	2022
Total revenue	NOK million	655	402
EBITDA	NOK million	487	262
Production (proportionate)	GWh	520	268
Production capacity year-end	MW	267	148
Secured portfolio (Producing & under construction)	MW	294	188

Key events over the year:

- Cloudberry's proportionate power production grew 94% from 268 GWh to 520GWh during the year. The current portfolio, including projects under construction has an estimated annualized production of 905 GWh.
- In May 2023, Cloudberry acquired 80% of the Odin portfolio from Skovgaard Energy A/S including land and a long-term development agreement. The portfolio consists of 51 high-quality wind turbines in production, with 47 turbines located in Denmark and additional 4 turbines in southern Sweden. The Odin portfolio adds 311 GWh of estimated annual production net to Cloudberry, and significantly diversifies the producing portfolio while increasing cashflow.
- In June 2023 Cloudberry completed a sale of the three hydropower plants Åmotsfoss, Selselva and Nessakraft to Norsk Vannkraft, representing a total estimated annual production of 77 GWh. The transaction shows significant value creation

throughout Cloudberry's value chain, yielding an internal rate of return (IRR) of above 55% p.a. or approximately two times the booked equity. The transaction is part of the strategy to utilise accretive capital recycling as the backbone for growth.
- The production in Odal for 2023 was affected by production stops due to primarily faults in the turbine blades. Planned production stops will continue going forward in the coming quarters as the faulty blades are repaired or exchanged under a Siemens Gamesa warranty. Lost production from the blade issues will also be covered by the availability warranty with Siemens Gamesa with the first availability period ending at the end of June 2024, one year after the takeover of the last turbine. Settlement under the availability warranty is expected to be completed in 2H 2024, once the calculation is final in accordance with market practice. There are no provisions or other financials included in the 2023 figures from Odal to reflect the lost production covered under the availability guarantees.
- During the fourth quarter of 2023, Cloudberry entered into a power purchase agreement ("PPA") in Denmark in relation to the Odin portfolio securing DKK 73 million in proportionate revenue over a three-year period. The PPA is a three-year baseload contract for a fixed annual volume of 31.5 GWh in DK-1 with a fixed power price of DKK 0.77/kWh (NOK 1.18 per kWh); a power price above the currently seen power curves
- Cloudberry realized an net power price of NOK 0.75 per kWh during 2023, compared to the Nordic system price of EUR 59/MWh (~NOK 0.65/kWh)

Power production

Cloudberry's proportionate power production grew from 268 GWh to 520GWh during the year. The current portfolio, including projects under construction has an estimated annualized production of 905 GWh.

Operations

The Operations segment represents the activities organized in the Captiva Group under the business areas: management services and digital solutions. Cloudberry initially acquired 60% of Captiva in January 2022. In December 2023 Cloudberry acquired the remaining 40%, making Captiva a fully integrated part of the Cloudberry group. The organizational integration and realization of synergies will be implemented during 1H 2024. Please see the Corporate segment for more information about the transaction.

Key figures

Operations, segment		2023	2022
Total revenue	NOK million	38	38
EBITDA	NOK million	(6)	4
Asset Management & Advisory year-end	MW	2 300	1 100

Key events over the year:
- Alignment and integration of Captiva's organisation with Cloudberry's Development and Production segment
- The digital segment will undergo a strategic review in order to best scale the business
- Engaged in development and construction work on the Munkhyttan and Sundby projects
- Supporting the Production segment on Odal wind farm with a task force related to the Siemens Gamesa turbines and blades. Cloudberry leverages on the Captiva team's experience from other wind projects with similar issues
- Increased its asset management portfolio. Amongst others, signed the Norsk Vannkraft portfolio, making it one of the largest asset management clients
- Involved in signing close to 40 GWh of hydro land lease agreements during 2023, adding value to Cloudberry's pipeline of promising hydro projects
- Kraftanmelding increased its trading portfolio to 3.5 TWh across more than 300 hydro plants in Norway. Cloudberry is a 51% owner of Kraftanmelding.

Corporate

The Corporate segments represents corporate centralised functions, operated out of the Oslo office. The corporate management aims to remain a cost-effective, agile and dynamic team that the other segments can build on. By year end, there were six employees in the corporate segment.

Key figures

Cloudberry Corporate, segment		2023	2022
Total revenue	NOK million	2	-
EBITDA	NOK million	(64)	(63)

[1] Included in Corporate operating cost is NOK 23m of warrants costs which are non-cash (NOK 26m in FY2022)

Key events over the year:

- Cloudberry has continuous focus on optimizing liquidity in order to enhance profitability. With a strong balance sheet and a current cash position close to NOK 800m, the ongoing construction projects Sundby and Munkhyttan have both been equity financed to date, where debt will be drawn on the two projects during 1H 2024. Cloudberry further has the flexibility to utilize the available facility to draw additional debt on existing projects.
- The credit facility was increased with NOK 800m over the year to a total of NOK 2 200 million with local savings banks. The agreement also includes an option for an accordion of NOK 300 million. The facility gives Cloudberry flexibility to finance and grow its renewable asset base in the Nordics at an interest margin below 2%, and further strengthens the partnership with our local savings bank syndicate. Approximately NOK 1 250 million was drawn at the end of the year. At present all debt drawn, except the debt in relation to the Odin transaction, is fixed at long term contracts at attractive levels over the last years (10 – 20y fixed rates). The total Odin debt exposure is ~60% secured with 5–10-year interest rate swap agreements.
- Commenced a share buy-back programme based on an authorisation granted by the annual general meeting in September. In 2023 Cloudberry acquired 2 807 500 shares, equalling 0.96% of the shares in Cloudberry at an average price of NOK 10.3197. The purpose of the program has been to reduce the share capital of the company. Cloudberry will continuously evaluate buy-back of shares as a tool for creating shareholder value.
- In December 2023, Cloudberry acquired the remaining 40% of the shares in Captiva Digital Services AS ("Captiva") from CCP AS. This is according to Cloudberry's strategic plan and will continue to strengthen the synergies between the two companies enabling further growth and development. Captiva's external customers will remain top priority for the group, serving them with the same integrity, competence and focus as always. Since first acquiring Captiva, Captiva have added significant value to Cloudberry's hydro and wind development, procurement & construction as well as being recognized as a high-quality asset manager for power plants in the Nordics.

The Norwegian tax proposal on onshore wind:

Cloudberry has spent significant time and resources to lobby and affect the proposal for resource tax for onshore wind in Norway which was introduced in 2022. In December 2023, the Norwegian government published a statement that they had reached a broad consensus on the resource rent tax on Norwegian onshore wind. The agreement between the parties has in 2024 been implemented by law. Overall, the resource rent tax (NO: Grunnrenteskatt) for Norwegian onshore wind is lowered from an effective tax rate of 40% in the original proposal to 25%. Further, the high price contribution tax (NO: høyprisbidrag) of 23% of prices above 70 øre/kWh, introduced together with the initial resource tax proposal, was terminated from 1 October 2023. For existing wind farms, the government has also proposed changes to the transition rules which is better than their initial proposal, although not achieving full investment neutrality. The resource rent tax primarily affects the Odal Vind farm (54 MW net to Cloudberry) where the effect of the taxation is estimated to be ~NOK 1 per Cloudberry share, compared to the asset values without the taxations and the initial assessment of ~NOK 2-3 per share when the proposal was first announced in September 2022. For new wind farms the resource tax will be structured with cash payments of negative resource tax, as is already implemented on large scale hydro. This represents a positive development, which makes the resource tax investment neutral for new projects.

Risk Management

The Group is exposed to various risks through its value chain, including strategic, operational, climate, financial and market/external risks. Cloudberry has extensive routines and policies in place to actively manage risks. Cloudberry has implemented a standardized process for risk assessment and risk mitigation in the Group with a risk management policy. The process included conducting risk work shops in all segments, training the management team and key personnel in risk management, and aligning and calibrating risks across the Group. The key risks are discussed, and policies are reviewed and approved by the Audit committee and Board of Directors on a regular basis.

Operational risk

All processes throughout the value chain are exposed to operational risk. A key operational risk is related to the operating performance of the producing assets, another risk relates to the process of transitioning development projects from the backlog and pipeline stage to finalization. Even though the Group has a solid project pipeline, finalizing the projects depends on a number of factors such as project availability, local authority approvals, environmental impact, suppliers, financing, power prices and the regulatory framework in the relevant market.

Operational risks also include health and safety hazards especially in our construction processes, and risks related to climate, nature and environment.

Cloudberry manages the risk through close follow-up and monitoring of operating assets and developing projects. Procedures and guidelines for the segments are implemented and reviewed regularly and include the whole value chain we are part of.

Market/External/Political risk

The Group is engaged in the production and sale of renewable electrical power. The power industry is highly regulated, and regulations may change over time. Further, the Group`s activities are subject to the laws and regulations applied by the governmental authorities in connection with obtaining concessions and permits, government guarantees, and other obligations regulated by law in each country. The changes to the taxation of Norwegian renewables implemented in 2023 has further heightened the political risk in Norway.

A number of broader regulatory changes to the electricity market, such as changes to integration of transmission allocation, changes in the tax regulation, changes to energy trading, potential caps on energy prices and transmission charging, are being implemented or evaluated across Europe. These changes have an impact on the electricity prices and the costs of selling electrical power, which may reduce the Group's profitability. The ongoing war in Ukraine also represents a market risk that may continue to have effects in the future, potentially impacting the groups profitability. The power price spiked in 2022, together with gas prices, but have now come down. Cloudberry emphasises the uncertainty these factors have when making investment decisions and continuously monitors changes in the political landscape and includes this in the relevant discussions.

The Group also has several projects under development, which require support from local and/or national authorities. Changes in the political landscape may imply that certain of the Group's projects under development must be abandoned due to lack of political support or regulatory changes which result in the projects no longer being expected to meet the Group's minimum profitability requirements.

Financial risk

Through its business activities, Cloudberry is mainly exposed to market risks including power prices, interest rate risk, currency risk, credit risk and liquidity risk. Financial risk management is based on the objective of reducing negative cash flow effects and, to a lesser extent, negative accounting effects of these risks. Currency and interest rate risks are regulated by means of mandates and managed by using hedging instruments. During 2023 Cloudberry has started to introduce PPA's. The overall ambition for Cloudberry is to achieve a hedge amount covering all interest expenses and overhead costs. This will be phased in over time.

Cloudberry's interest rate exposure is related to its debt portfolio and managed based on a balance between keeping interest cost low over time and contributing to stabilise the group's cash flows. The construction of the Group's projects will normally be financed with a combination of equity and debt. As a result, any increase of interest rates will lead to higher financing costs, which in turn reduces the Group's profitability. The Group is dependent on external financing. If the Group is not able to obtain required financing on a timely basis and on attractive terms, the result could be lost business opportunities, shortened lifetime of current assets and/or that the Group is forced to realise its interest in certain projects.

Fluctuations in exchange rates could affect the Group's cash flow and financial position. The Group presents its financial statements in NOK. However, power is traded at Nord Pool, where EUR is the trading currency. The Group is also exposed to DKK, SEK and EUR through its operations in Denmark, Sweden and investments in associated companies, hence the Group is exposed to currency risk through fluctuations in exchange rates between NOK, DKK, SEK and EUR.

Climate risk

Cloudberry faces exposure to climate change effects, including more extreme weather conditions, largely attributed to rising temperatures, extreme winds, and heavy rainfall, as well as shifting weather patterns in specific local regions.

Extreme climate changes pose climate risks that could potentially damage production assets, interrupt the development of energy projects, escalate maintenance and other expenses, diminish production deliveries due to alterations in water flows or lack of wind, and cause other disruptions to essential operations.

Cloudberry has assessed its potential climate-related risks and opportunities following the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD). The company regularly reviews and evaluates its strategy for climate-related risks to identify additional risks and opportunities, ensuring that it makes informed decisions and evaluations regarding the impact of climate risks on Cloudberry. Climate-related risks are incorporated into Cloudberry's overall risk management framework. Further details on the climate risks can be found in the TCFD report published on our website.

Outlook

Entering into Denmark was an important milestone for Cloudberry, and we are pleased to see how the relationship with Skovgaard is developing and how the Odin portfolio is performing. The Nees Hede project further represents an important milestone as the first project from the Development Agreement with Skovgaard, showing the potential of our Danish entry.

We have also throughout the year seen the benefit of having the competence available that sits within Captiva, and is satisfied having acquired the remaining 40% in order to continue to fully integrate the business areas that are core for Cloudberry.

In a time with volatile power prices and capex costs, we continue to see how important it is to have a flexible platform and diversified portfolio of renewable technologies and development projects throughout the Nordics. As we have seen capex prices increasing for offshore wind, we have the ability to look towards solar where capex has decreased dramatically over the last quarters. This shows the effectiveness of our platform by shifting focus and capital between technologies and geographies. Profitable growth and capital discipline will remain key priorities going forward.

Project execution is top priority for Cloudberry, and we are pleased to see that the current projects under construction are progressing according to time and cost with no safety issues. Within the backlog we have filed applications for Björnetjärnsberget with more permit filings to come. We will continue to devote time and resources in order to continue to progress the backlog projects towards permitted projects. As the resource rent tax proposal for onshore wind in Norway is now concluded, we will also continue to develop our Norwegian wind projects, although while acknowledging the heightened political risk in Norway requiring higher returns. Cloudberry will further continue to focus on the proven uncorrelated renewable technologies hydro, wind and solar in the Nordic countries as we strongly believe that development is a local game.

Going forward we see positive market developments, with falling capex prices and sustained higher power prices in the current forecasts on the back of what looks like interest rates having peaked. We are certain that the future is electric, and that the energy transition needs to be accelerated to reach our targets for 2030 and beyond. We believe that local focus and insight, with a portfolio of both existing production and new projects across the

Nordics and across technologies will become highly attractive over the years to come. Cloudberry will continue with its uncompromised focus on value creation and local stakeholder management in the Nordics.

Corporate Governance

The Board of Directors has a strong commitment to maintain a high standard of corporate governance. This ensures trust, and effectively and continuously improve the communication between management, the Board of Directors, shareholders, and other stakeholders. Cloudberry complies with the Norwegian Code of Practice (NUES).

The Annual Report includes a statement on Cloudberry`s corporate governance principles and practices, including corporate audit, internal control of financial reporting and the work of the Board of Directors.

Going concern

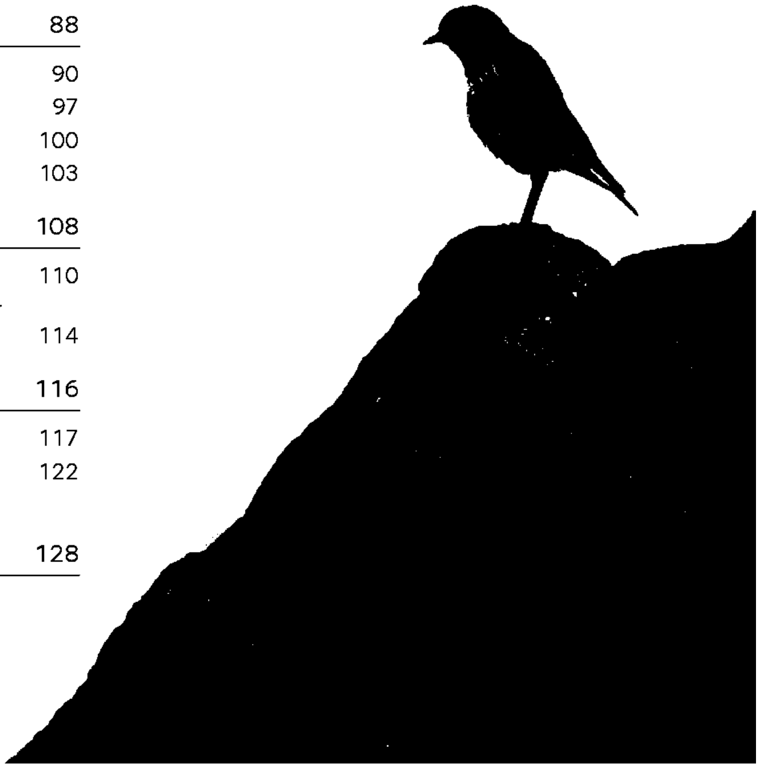
According to Section 3-3 of the Norwegian Accounting Act, the Board of Directors confirms that the Financial Statements have been prepared under the assumption that the Cloudberry Group is a going concern, and that this assumption was appropriate at the date of approval of the Financial Statements. The consolidated Financial Statements for the Group include the operations of Cloudberry Clean Energy ASA, its subsidiaries fully consolidated and associated companies, which are equity accounted. The Group reports its Consolidated Financial Statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and the interpretations issued by the IFRS Interpretation Committee (IFRSIC) applicable to companies reporting under IFRS and also complies with IFRS as issued by the International Accounting Standards Board (IASB). The consolidated accounts are prepared with Norwegian Kroner (NOK) as the reporting currency.

Oslo, 19 March 2024

The Board of Directors of Cloudberry Clean Energy ASA

Tove Feld Chair of the Board	**Petter W. Borg** Board member	**Benedicte Fossum** Board member	**Henrik Joelsson** Board member
Nicolai Nordstrand Board member	**Stefanie Witte** Board member	**Alexandra Koefoed** Board member	**Anders J. Lenborg** CEO

Sustainability report



What we do and why we do it

Climate change is widely recognized as one of the most pressing global crises facing humanity today. The world is already experiencing an increase in extreme weather events such as heatwaves, hurricanes, droughts, floods, and wildfires. On a more long-term basis climate change disrupts ecosystems and biodiversity, causing shifts in species distribution, habitat loss, and increased risk of extinction. Changes in temperature and precipitation patterns lead to nature degradation and direct impact on human health, affecting vulnerable communities, and posing risks to global stability and security.

Developing and operating renewable energy is a central aspect of addressing climate change, promoting sustainable development, enhancing energy security, creating economic opportunities, and improving the environment and public health. By developing and producing renewable energy today and for future generations, Cloudberry is powering the transition to a sustainable future.

Cloudberry has high ambitions to increase our development and production of renewable energy in the years to come and thus contribute to the much-needed global decarbonization. As a renewable energy company, we aim to capitalize on the opportunities presented by the transition to a low-carbon economy while addressing environmental concerns, enhancing energy security, and meeting market demand for clean energy solutions.

At Cloudberry, we strive to balance respect for nature, biodiversity, and the well-being of our communities with sustainable growth. The value we generate is future-proof. We acknowledge and address our local footprint, taking responsibility for the impact of our physical presence. We aim for transparency regarding all our impacts, whether positive or negative. In this sustainability report, we outline Cloudberry's contributions to the transition toward renewable energy, our impact on the environment, people, and society, as well as the financial implications. Furthermore, Cloudberry describes how we address and mitigate the material impacts, risks, and opportunities where we operate. Commitment to a sustainable impact on the environment, society, and all of our stakeholders is at the core of everything we do.

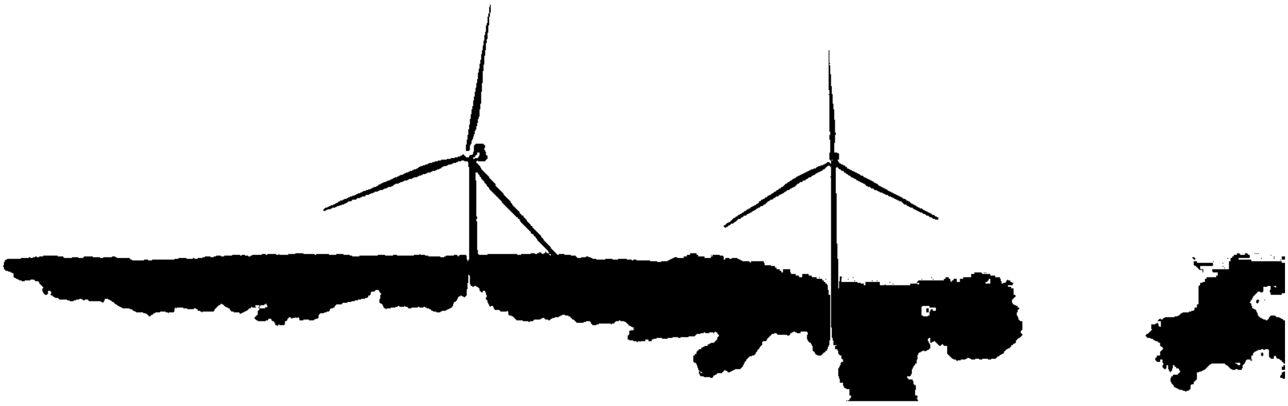
Highlights

How we create sustainable value

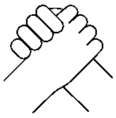
- Achieved more than 120 000 tons of avoided CO2e emissions from our production, a doubling from 2022
- Recieved the eco-label certificate "Bra Miljöval" (Good Environmental Choice) for the Sundby wind farm. The certificate positively impacts the value of Guarantees of Orgin (GOs), leading to increased revenues from the renewable energy production
- Invested in "Bra Miljöval" funds that contribute to improve biodiversity and reducing the environmental footprint of electricity production
- In 2023, Cloudberry's biodiversity assessment at the Sundby wind farm in Sweden led to prioritized conservation measures, such as insect and bumblebee habitats, setting a standard for future projects
- The foundations at the Munkhyttan wind farm were built with 25% lower GHG emissions due to environmental measures
- Reutilized the existing infrastructure including foundations at Sundby windfarm - the GHG emissions reduction is estimated to be 1 900 tCO2e, totaling a reduction of approx. 15% for the project

Performance and reporting structure

- Cloudberry is preparing for the Corporate Sustainability Reporting Directive (CSRD) and has conducted a double materiality assessment based on CSRD guidelines
- Identified a new entity specific material topic "Favourable Framework for Renewables"
- A gap assessment and limited assurance of the greenhouse gas (GHG) emission reporting have been performed and approved by a third-party auditor
- Cloudberry has committed to both near-term and long-term emission reductions, aligning with the Science Based Target Initiative (SBTi)
- Published stand-alone Taxonomy report. All hydro and wind power plants are in alignment with the EU Taxonomy
- The biodiversity and nature policy is being integrated into all of Cloudberry`s projects
- Enhanced procedures and policies on risk management in the supply chain, associated with human rights and decent working conditions
- Introduced new thematic key performance indicators for social and governance to ensure alignment towards our sustainability ambitions



Our Values



Be Supportive

We accept everyone's worth and dignity, respect and help each other. We encourage supportiveness and value diversity. We welcome different opinions, but always pull in the same direction towards Cloudberry's common goals.

Be Committed

We work together with passion and dedication to reach our purpose and goals today and for the next generation. We engage in our work and emphasize the value of collaboration and teamwork. We operate with a long-term perspective, and sustainability is integrated in everything we do.

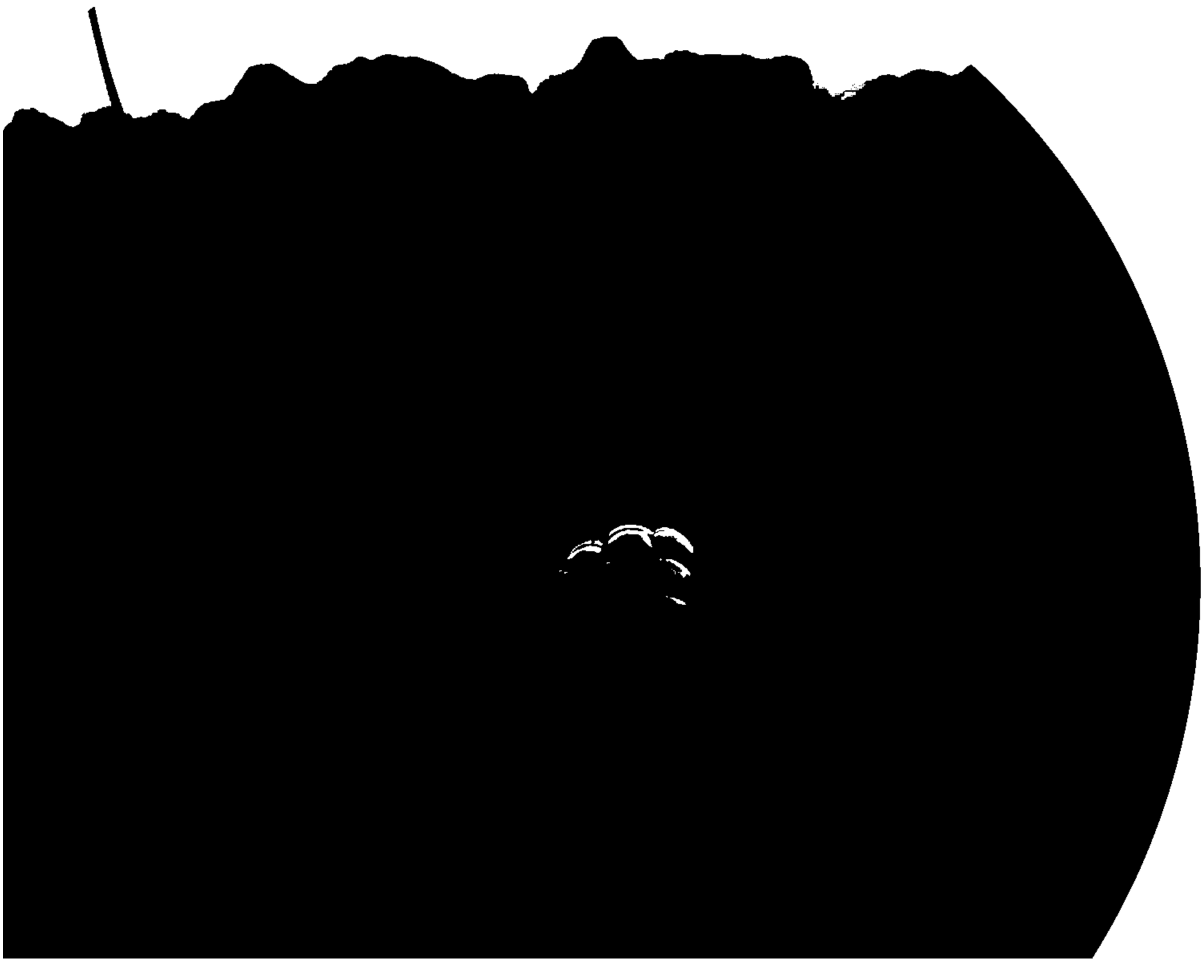
Be Bold

We believe that our mission to accelerate the transition to renewable energy requires us to be bold, go in new directions, think innovatively and differently, and think big – but always act responsibly.

Be Exceptional

We know that to succeed we must always perform our best. Being exceptional means valuing diversity to strengthen our ability for problem solving and value creation. We set our standards high and ensure industry-leading competence and foster a culture that values the synergies of cooperation.

General



Sustainability at Cloudberry – Executive Summary

Cloudberry`s overarching purpose is to provide renewable energy today and for future generations. Everything we do is based on our desire to make a positive impact on all our stakeholders while contributing to society`s transition to renewable energy.

Our long-term success is linked to operating our business sustainably and profitably. To fulfill our purpose, Cloudberry believes in identifying, understanding, and systematically managing material sustainability topics internally and in our value chain. This is of utmost importance for future long-term value creation. At the same time, we need to meet regulatory and stakeholder reporting expectations. As a result of this, we are preparing to comply with the requirements of the EU`s Corporate Sustainability Reporting Directive (CSRD), and this sustainability report is a step in that direction. CSRD reporting is based on the European Sustainability Reporting Standards (ESRS), which are divided into twelve standards. Detailed descriptions regarding our work with the ESRS can be found in the section on preparing for CSRD. Going forward, we will further refine and develop this report on our journey to align with the CSRD requirements.

Our ambitions and material topics

We strive to be a driver for positive change and aim to promote a favorable framework for renewable energy, to have net-zero climate emissions, and a net positive nature impact.

	Environment	Social	Governance
Sustainability ambitions	**To power the transition to renewable energy aiming ot be climate and nature positive**	**To act responsibly towards our employees and society, being a preferred employer and partner**	**To ensure solid governance internally and in our value chain at all times**
Material topics	Climate change Pollution Biodiversity and ecosystems Circular economy	Own workforce Workers in the value chain Affected communities Local society	Business conduct Favorable framework for renewables
Targets	Net zero by 2040 Minimize and repair adverse nature impact	Zero injuries Attract and retain a diverse and competent workforce	Zero compliance breach internally and in the value chain
Contribution to SDG targets	12 13 15	5 11	16

Key performance summary

Cloudberry reports on the targets and KPIs quarterly and the key performance in 2023 is summarized in the table below.

		Actual 2023	Actual 2022	Target 2023	Target 2025
Environment [1]	GHG emissions avoided tCO2e	121 836	59 496	124 500	212 000
	GHG emissions tCO2e	12 891	10 529	13 500	N/A
Social [2]	Work injuries (incl. Sub-contractors)	1	0	0	0
	Employee engagement index	5.3	5.2	≥ 5.2	≥ 5.3
	Equal opportunities index	5.3	5.2	≥ 5.2	≥ 5.3
	Female employees % of total	28%	24%	35%	> 40%
	Female managers % in mgmt. positions	33%	33%	33%	> 40%
	Female BoD % in total BoD	57%	43%	> 40%	> 40%
	Sick leave own workforce	3.12%	1.66%	< 2%	< 2%
Governance	Whistle-blowing incidents	1	0	N/A	N/A
	Corruption and bribery incidents	0	0	0	0
	Compliance training	100%	36%	100%	100%
	Breach of concession	0	0	0	0

[1] The CO2 reduction and the direct and indirect GHG emissions have been adjusted for 2023. See the Key performance summary and the Environment section for details.

[2] Work injuries defined as lost time injury. See Key performance summary and the Social section for details.
The results from the Employee engagement index and the Equal opportunities index originate from the latest survey in 2023. The maximum possible score is 6. See Key performance summary and the Social section for details.
From 2023 the reporting covers all subsidiaries in the Group. Female employees % of total has been adjusted for 2022.

Cloudberry's 2023 proportionate power production totaled 520 GWh (268 GWh in 2022). The company contributes positively to the energy mix by reducing greenhouse gas emissions through our production of renewable energy. The avoided emissions relative to baseline emissions from the European electricity mix (EU-27 electricity mix, IEA 2023) are equivalent to 121 836 tCO_2 e (59 496 tCO_2 e in 2022). The avoided emissions previously reported during 2023 are adjusted in this annual report according to the updated factor EU-27 electricity mix in 2023. The minor gap between the target and actual avoided emissions in 2023 is explained by the difference between the estimated and the actual production in 2023 caused by the changes in the operating portfolio. Please see the annual report 2023 for further information. The 2025 target is based on the expected proportionate production of renewable energy from our operating assets as well as from the assets currently under construction. Our decarbonization of the energy mix is described in more detail in the E1 Climate change section.

In 2023 Cloudberry's total direct and indirect greenhouse gas (GHG) emissions from Scope 1, Scope 2, and Scope 3 were 12 891 tons CO_2e (10 529 tCO_2e). The previously reported GHG emissions for 2023 and 2022 have been adjusted in the 2023 report. The adjustments are minor and a result of the gap analysis on the GHG emissions reporting in 2022 to improve the 2022 and 2023 reporting. With the improvements, the 2022 GHG emissions reporting was selected as the base year for the commitment to the Science Based Target initiatives (SBTi). The GHG emissions in 2022 and 2023 now include Scope 1 emissions related to SF6 gas leakage. It also includes updated figures on Scope 3 GHG emissions related to turbine foundations at Hån wind farm. Details and adjustments are further described in the E1 Climate change section. Emission targets are calculated based on Cloudberry`s activities, encompassing projects for which the final investment decision has already been made. Targets are set post final investment decision on development projects, which implies that we have not set emissions targets for 2025. However, we expect emissions from construction according to the communicated pipeline outlined in our annual report.

All of Cloudberry's hydropower and wind power plants are aligned to the criteria of the EU Taxonomy. Cloudberry released a full-year 2023 Taxonomy report outlining how our activities contribute substantially to the EU Taxonomy objectives without doing any significant harm and complying with the minimum safeguards. The Environment section gives more information on the reporting according to the EU Taxonomy. The detailed report is accessible on the company's website.

In 2023 no incidents causing harm to people`s health or serious material damages were recorded in Cloudberry`s projects. At Cloudberry`s headquarters, an employee had a minor injury which lead to lost time. Cloudberry prioritizes health and safety above all.

Cloudberry conducted the annual engagement survey focusing on HMS, compliance, work-life balance, and diversity, equity, and inclusion (DEI) in the workplace. The result from the survey gave a DEI index of 5.3 and an engagement index of 5.3, where 6 is the maximum possible score. The results are an improvement compared to 2022 (up from 5.2 on both indexes). Cloudberry is committed to fostering the development and welfare of its workforce, with the goal of not only sustaining a robust and enthusiastic team but also driving innovation and sustainability within the organization. Cloudberry`s own workforce is outlined in more detail under Section S1.

Gender equality and freedom from discrimination on any account is a basic human right, a legal requirement, and a source for workplace engagement and well-being. In addition, it enables Cloudberry to attract and retain the most competent and attractive employees. The 57 % female Directors of the Board is above target and above the legal requirement of > 40 %. The number of female managers is on target at 33 %, while the total number of female employees at 28 % is below the target of 35 % for 2023. Cloudberry will continue to promote DEI internally and externally to improve the rate of female employees in the Group and the renewable industry in general.

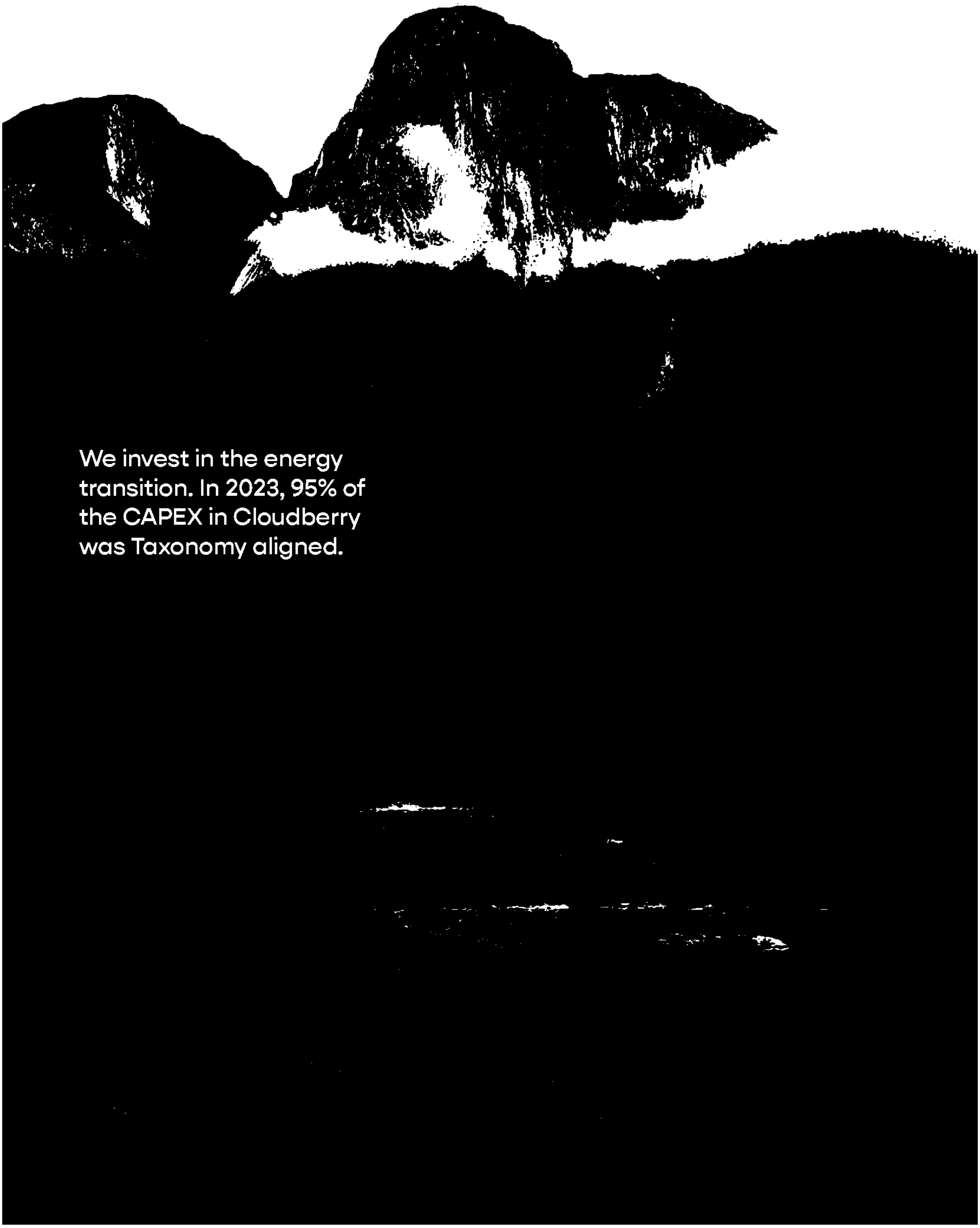
The organization's rate of absence due to illness was 3.12% (1.66%). The increase in sick leave was mainly due to one long-term sick leave which was not work related.

Cloudberry received its first whistleblowing notification during the first quarter of 2023, concerning a possible discrimination case in a recruitment process. Following an investigation, it was determined that the recruitment process did not involve any misconduct. Cloudberry aims to be informed about any irregularities or concerns related to our organization and business operations. Details regarding Cloudberry`s governance and compliance can be found in section G1 Business conduct.

No incidents of corruption or fraud were reported during 2023. Furthermore, our renewable hydro and wind power plants experienced no incidents of concession breaches. Preventing such breaches is crucial for legal compliance, environmental protection, and the preservation of trust among stakeholders.

During 2023 Cloudberry has organized Code of Conduct training for its entire workforce emphasizing governance and compliance matters, including anti-corruption measures and whistleblowing reporting. The Code of Conduct and anti-corruption training is mandatory for all employees and is embedded annually. Employees were also updated on the organization's policies and fundamental principles regarding managing crises and emergencies, as well as other aspects related to the contingency of the company`s operations. Ensuring responsible business conduct is paramount for Cloudberry and enhances credibility and trustworthiness among stakeholders.

In 2023 Cloudberry continued the important work on risk management in the supply chain. The procedures related to prequalifying suppliers during tender and procurement processes have been incorporated into the majority of material suppliers in Cloudberry´s new projects. We are still in the process of collecting data and will implement routines to evaluate all our current material suppliers, in addition to carrying out risk-based audits within the supply chain. The KPI for screening of suppliers is under further development and will be reported by the end of 2024.


We invest in the energy transition. In 2023, 95% of the CAPEX in Cloudberry was Taxonomy aligned.

SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals

The development of renewable energy contributes to the energy transition required to reach the net-zero targets on a national, European, and global level. We consider the following UN Sustainable Development Goals as particularly important to Cloudberry's business and how we operate:

Gender equality

Cloudberry contributes to improving gender balance and ensuring equal opportunities for all genders in own workforce and operations and brings the attention to recruitment agencies and contractors. Progress is measured through our social KPIs for share of female employees, -management, and -the Board of Directors.

Affordable and clean energy

Cloudberry ensures access to affordable, reliable and sustainable renewable energy for all. This opens opportunities for new economic opportunities, jobs and local value creation, and contribution to climate change.

Sustainable cities and communities

Cloudberry contributes to the development of sustainable cities and communities by developing and operating renewable energy infrastructure. In addition, Cloudberry seeks to protect cultural and natural heritage as well as using sustainable materials and solutions, e.g., reuse materials and engage local suppliers where possible.

Responsible consumption and production

Cloudberry aims to act responsibly in all development projects, focusing on environmentally sound management of chemicals and all waste throughout the life cycle, recycled and reuse of material as well as efficient use of natural resources. Secondhand furniture in own offices and improving circularity where we have an impact.

Climate action

Cloudberry contributes to mitigating climate change by developing and operating renewable energy with a focus on reducing our GHG emissions and minimizing our nature impact, and we have a goal of being net-zero before 2040. The effect of climate change has consequences for our operating assets therefore we consider our business planning and have assessed our climate related risks and opportunities to ensure that our assets are climate-resilient.

Life on Land

Cloudberry protects life on land through the company's contributions to climate change mitigation. Additionally, Cloudberry integrates ecosystem protection and biodiversity values into our development processes, and promotes sustainable forest and biodiversity management, including protection of threatened flora and fauna.

Peace, justice and strong institutions

Cloudberry contributes to ensuring ethical value-chain, transparency, and includes various stakeholders in our decision making and project planning processes. We track our work through our compliance and anti-corruption KPIs, as well as supplier screening.

ESRS 2

Governance framework

Cloudberry's commitment to sustainability begins at the highest levels of the organization, with the company's Board of Directors and management team. The Board of Directors is responsible for Cloudberry`s strategy where ESG is incorporated and the ESG ambitions, material topics, and targets. Further, the Board of Directors reviews regularly the company's risk profile and ESG performance. Any updated ESG ambitions and material topics are anchored, and targets and KPIs for the upcoming year are approved by the Board of Directors. The targets and KPIs are then cascaded into the KPIs and action plans of the business segments.

Cloudberry has a remuneration policy and relevant guidelines disclosing, among other measures, the remuneration that promotes long-term value creation and sustainability ambitions. The incorporation of sustainability-related performance is reflected in the company`s performance-based bonus and incentive schemes.

At the management level, the Chief Executive Officer (CEO) and the Chief Compliance and Organization Officer (CCOO) monitor the implementation of the sustainability strategy and ensure that environmental, social, and governance risks, including climate-related risks and opportunities, are integrated into Cloudberry's business strategy. The CEO also oversees and reports to the Board of Directors on the management's progress concerning Cloudberry's key strategic sustainability and climate-related topics.

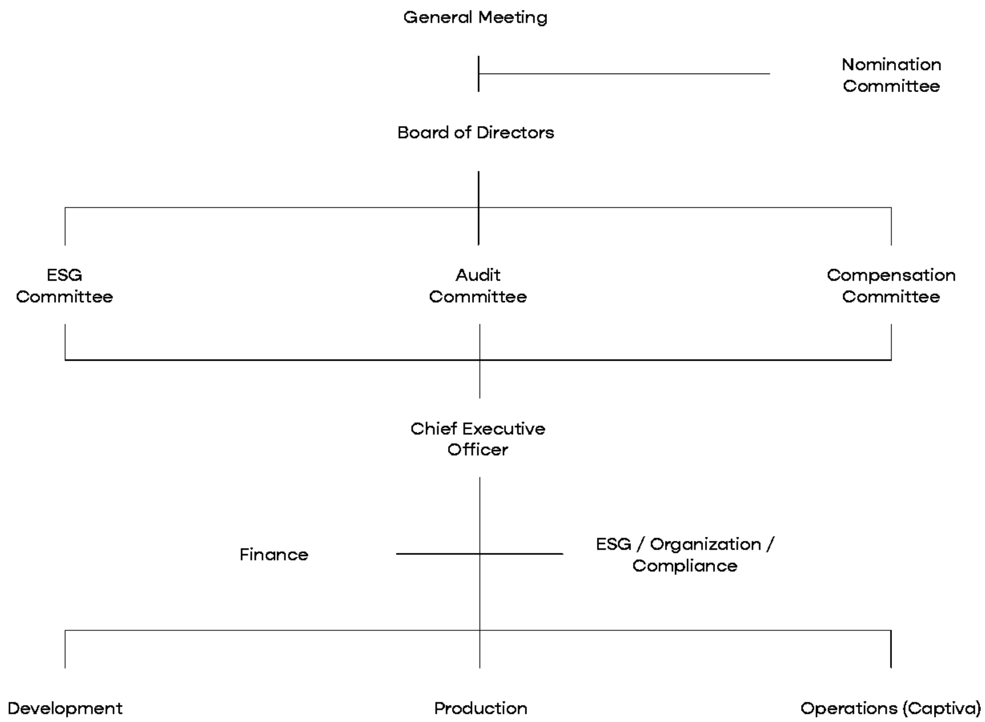
At the operational level, Cloudberry has weekly meetings to oversee sustainability topics and monitor ESG targets and performance. These meetings allow the Head of Sustainability and the CCOO to ensure the implementation of the ESG strategy in the day-to-day operations across all business units. Additionally, ESG topics are prepared for the management and the Board of Directors, to ensure the promotion of ESG initiatives and externally through the quarterly and annual financial reports.

The ESG Committee, a sub-committee of the Board of Directors, serves as a preparatory and advisory body for the Board. The committee consists of three Board members, the CCOO, and the Head of Sustainability. In 2023, the committee had nine meetings, marking an increase of one meeting from 2022. The objective of the meetings is to ensure alignment with the company's sustainability strategy and to discuss and assess the company`s ESG topics. The committee is responsible for overseeing the administration's execution of the ESG strategy across all business units. The committee conducts at least four meetings annually, in line with the quarterly reporting structure. Nevertheless in 2023, as in previous years, additional meetings were held to review relevant ESG initiatives, topics, and KPIs in line with Cloudberry's sustainability ambitions and targets and the double materiality assessment. Incorporating sustainability in the day-to-day business and throughout the value chain is an ongoing process with a constant focus from the Committee.

Cloudberry`s "ESG project group" is a team of employees from various divisions in the Group who work together to create and improve ESG compliance methods and internal procedures across all business units. Their efforts include establishing and integrating ESG routines, in addition to organizing workshops and events centered around strategically important ESG topics. In 2023, the group met bi-weekly.

To promote employee engagement and ensure the integration of ESG, we have developed an ESG handbook. This handbook outlines Cloudberry's ESG strategy and provides direction on where to find ESG policies and guidelines. Starting in 2024, we have improved the accessibility of ESG-related information within the whole group through the newly established intranet.

Cloudberry emphasizes responsible business conduct throughout the group and its value chain. We are continually working to enhance policies and ensure governance compliance. Cloudberry conducts annual Code of Conduct and anti-corruption training with the goal that 100 percent of our employees participate in training sessions each year. For additional information on Cloudberry's business conduct, refer to section G1 in this report.


General Meeting
Nomination Committee
Board of Directors
ESG Committee
Audit Committee
Compensation Committee
Chief Executive Officer
Finance
ESG / Organization / Compliance
Development
Production
Operations (Captiva)

ESRS 2

Preparing for the Corporate Sustainability Reporting Directive (CSRD)

The CSRD is a part of the European Green Deal – an ambitious legislative package to guide the European economy through a just transition and towards the EU's goal of being climate-neutral in 2050. The CSRD is an integral part of this strategy, aimed at improving sustainability reporting and transparency so that investors can make responsible, informed decisions which include consideration of the sustainability-related impacts their investments may have as well as the sustainability risks and opportunities they will be exposed to. To ensure transparency the European Sustainability Reporting Standards (ESRS) have been published, detailing what companies must report on to comply with CSRD. The ESRSs are a complex set of requirements and include requirements for integrated reporting with the annual financial report and external assurance. ESRS is divided into sections, covering topics related to sustainability and compliance. ESRS 2 covers general information about how sustainability topics are governed by the company, including how the double materiality assessment has been conducted. ESRS E1 to ESRS E5 cover environmental topics, ESRS S1 to S4 cover social topics, and ESRS G1 covers business conduct. This sustainability report is structured based on the ESRS as a preparation for CSRD compliance, and the section headings include references to the relevant ESRS to provide context.

The adoption of the CSRD has initiated the journey to put sustainability reporting on the same level as financial reporting to increase transparency and accountability of companies' sustainability performance. CSRD compliant reporting is dependent on a significant amount of work being done by a company on beforehand to understand its impacts, risks, and opportunities and to develop a strategy to manage those that are material.

Reporting standards and regulations

This report is inspired by the ESRS standards and intends to be a step towards eventual CSRD compliance. The report addresses the material CSRD disclosures Cloudberry currently can report on. We are working to be able to meet more disclosure requirements going forward. We have chosen to report general information regarding our management of each of the ESRS topics (for example E1 climate change) where we have at least one material impact, risk, or opportunity. This general information includes the information we have regarding policies, strategies, and actions. We have also included the metrics and targets that cover the specific impacts, risks, and opportunities we identified in the double materiality assessment.

In the appendix, an index of ESRS disclosure requirements relevant to Cloudberry is enclosed. The index is meant as a guidance for the specific topics that are covered in the report. At this stage, Cloudberry is not compliant with all disclosures covered by the ESRSs, but as mentioned earlier, it's a step towards becoming compliant.

This report also includes greenhouse gas emissions reported in accordance with the Greenhouse Gas (GHG) Protocol`s Corporate Standard.

Additionally, Cloudberry has published independent EU Taxonomy, Norwegian Transparency Act Report, and Taskforce for Climate-Related Financial Disclosures (TCFD) reports. The contents of these reports will be summarized in the relevant sections of this sustainability report.

Third-party verification

Cloudberry has engaged Ernst & Young AS ("EY") to perform a limited assurance on Cloudberry`s 2023 GHG emission reporting based on the GHG Protocol's Corporate Standard, specifically scopes 1, 2, and 3. Assurance is performed following the International Standard on Assurance Engagements ISAE 3410. The auditor's scope of work and verification are presented in the Auditor`s report.

Commitment to the Science Based Targets initiative

In 2023 Cloudberry has committed to set near-term and long-term company-wide emission reductions in line with the Science Based Target Initiative (SBTi). Our net-zero target has been approved by the SBTi. The development of a roadmap for reducing Scope 1, Scope 2, and Scope 3 emissions, in both the near-term and the long-term is a crucial aspect of

creating a climate transition plan. Additional detailed information can be found within the Climate Change chapter.

Improving our GHG emissions accounting

To ensure full adherence to the Greenhouse Gas Protocol's Corporate Standard, Cloudberry has undertaken a gap assessment of its GHG emission reporting. This assessment led to various adjustments, including a description of the organizational boundaries, detailing Scope 1, Scope 2, and Scope 3 emissions and methodologies, and developing comprehensive in-house policies and guidelines for GHG emission reporting. Enhancing Cloudberry's GHG emissions accounting is a crucial step in ensuring complete oversight of the company's GHG emissions accounting and is a vital part of our preparation to establish the climate transition plan. Further details on the gap assessment and its outcomes can be found in the E1 Climate Change chapter.

Transparency Act

The Transparency Act (Åpenhetsloven) requires larger companies to report on the work conducted to comply with fundamental human rights and decent working conditions in the organization and the supply chain. The law gives the public the right to obtain information about a company's handling of these matters and entered into force on 1 July 2022. Cloudberry has carried out its annual due diligence following the OECD and UNGP Guidelines for Multinational Enterprises, as well as in adherence to the International Labor Organization "ILO's" core conventions on Fundamental Principles and Rights at Work and the International Bill of Rights, including the Norwegian Transparency Act, and identified the risks related to human rights and decent working conditions in its own business as well as in the supply chain. Following the assessment, measures have been taken to prevent, mitigate or halt adverse effects. Cloudberry has also updated and implemented guidelines and procedures for handling any actual and potential adverse impacts on fundamental human rights and decent working conditions. In the second quarter of 2023, Cloudberry published its statement following the requirements of the Transparency Act. Section S2 Workers in the value-chain describes the company`s work with human and labour rights.

ESRS 2

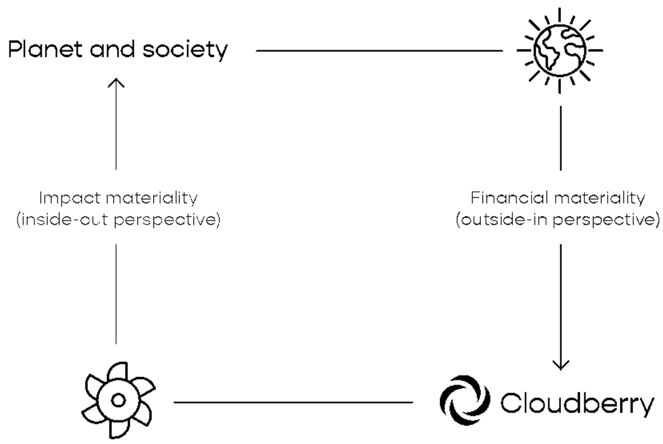
Double materiality assessment

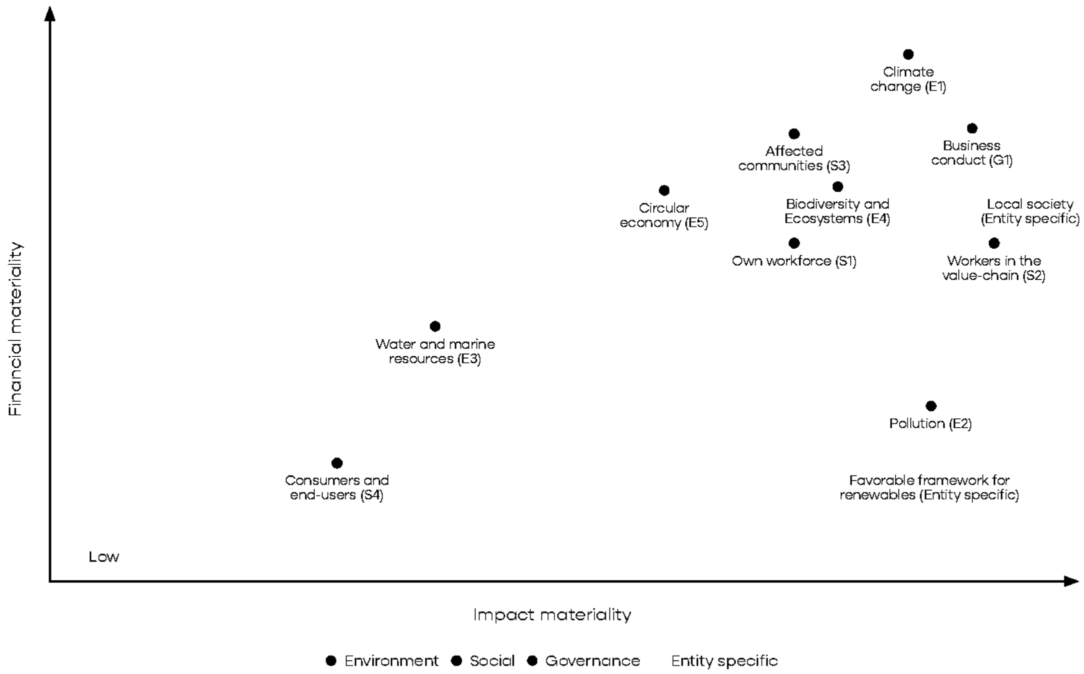
CSRD and the double materiality assessment

The CSRD requires that Public Interest Entities and large companies publish annual reports on social and environmental topics related to their business, including their impacts as well as the risks and opportunities they are exposed to. The CSRD's reporting requirements are detailed in the ESRS and are based on the requirement that companies conduct a double materiality assessment (DMA) to determine which topics are "material", or relevant, for them. This is different from the previously standard materiality assessments – which were used to identify topics where companies had a material impact on the environment or society – in that it also requires the consideration of where the external environment or society have an impact on the company through risks and opportunities. The DMA process is described in the ESRS and includes evaluating impacts, risks, and opportunities related to a company's business relationships and value chain, as well as in its own operations. After conducting the DMA, companies must report what the resulting material topics are and how they deal with the material impacts, risks, and opportunities from both strategic and operational perspectives.

In 2022 Cloudberry revised the company`s material topics and set our sustainability ambitions, targets, and key performance indicators, in addition to structuring the reporting related to Environment, Social, and Governance (ESG) sections. During 2023 we focused on preparing to eventually report in compliance with the Corporate Sustainability Reporting Directive (CSRD). Cloudberry conducted a new DMA following the newly finalized guidance from the European Financial Reporting Group (EFRAG), which was set up to develop the ESRS. Stakeholder dialogue is an essential part of this process, and Cloudberry made use of a mix of interviews conducted explicitly connected to the DMA, but also interviews that were conducted as a part of the 2022 strategy update – which was based on the materiality assessment guidance that was available at the time. Through the double materiality assessment, Cloudberry has identified material sustainability topics across two key dimensions:

- From an Environmental and Social Materiality (inside-out) perspective, considering impact materiality on ESG-related topics where Cloudberry has significant external influence in the short, medium, and long-term, either directly or within the value chain
- From a Financial Materiality (outside-in) perspective, taking into account financial materiality on ESG-related risks and opportunities that may impact the value of Cloudberry in the short, medium, and long-term





The ESRS sustainability topics and two entity-specific topics are shown on the materiality matrix above. The impact materiality visualizes how significant our impact is on the world, while the financial materiality relates to the company`s risks and opportunities. All topics that are material from an impact perspective, from a financial perspective, or from both perspectives, are considered material. Our material ESRS sustainability topics are E1 Climate Change, E2 Pollution, E4 Biodiversity and Ecosystems, E5 Circular Economy, S1 Own Workforce, S2 Value Chain workers, S3 Affected Communities, and G1 Business Conduct. In addition, we identified two material entity-specific topics, Local Society and Favorable Frameworks for Renewables. The results of our DMA, detailing the impacts, risks, and opportunities for each material sustainability topic, are described in the following sections of this report.

Material impacts risk and opportunities

The double materiality assessment was conducted on Cloudberry`s group level, including Captiva, where Cloudberry became a 100% owner at the end of 2023. The DMA was conducted using a top-down approach that began by identifying and describing all of Cloudberry's actual and potential impacts, risks, and opportunities (IROs) related to the sub-topics listed in the ten topical ESRS standards covering Environment, Social, and Governance topics. Additionally, we assessed some IROs that were not connected to the ESRS topical standards, but were relevant to Cloudberry. These Entity-specific topics are Local society and Favorable framework for renewables. At this point, key stakeholders were interviewed to ensure that the identified IROs were accurate and to gain insight into their severities.

We then conducted a preliminary screening and rating to determine which IROs (and sub-topics) that were immaterial and removed these from the list. Thereafter, rating workshops with key Cloudberry employees with subject matter expertise were conducted. Each IRO was rated on a scale of 1 to 5 for each of the aspects suggested in the ESRS.

For impacts, this included scale (seriousness) and scope (size of area or number of beings affected). Negative impacts were also rated for remediability, and potential impacts were rated for likelihood. Risks and opportunities were rated based on their potential financial impact on Cloudberry and their likelihood. The rating workshop for impacts included Cloudberry's Chief Compliance and Organization Officer, Head of Sustainability, Project Manager, a Captiva Asset Manager, and two external sustainability experts. The rating workshop for risks and opportunities included the Head of Sustainability and Chief Financial Officer and one external expert. After the ratings were complete, the threshold for materiality was set at 3.33.

The double materiality assessment in 2023 largely confirmed the material ESG topics identified in Cloudberry's 2022 assessment, with the addition of E2 – Pollution.

The double materiality assessment resulted in the following ESRS topics being identified as material: E1 Climate Change, E2 Pollution, E4 Biodiversity and Ecosystems, E5 Circular Economy, S1 Own Workforce, S2 Value Chain Workers, S3 Affected Communities, and G1 Business Conduct, including the two entity-specific topics Local Society and Favorable Frameworks for Renewables reflecting our contribution.

Topics related to E3 Water and Marine Resources were considered throughout the DMA, but no material IROs were identified. This is because the hydropower plants Cloudberry develops and operates are small and do not involve damming rivers. Additionally, they tend to be located along steep parts of the river and therefore do not disturb migrating fish or change the flow of the river. Cloudberry's dependence on water is covered under the section E1 Climate change and is not relevant to the disclosures and subtopics related to the use of water and marine resources.

The ESRS topic of S4 Consumers and End-Users, along with all the related potential IROs, was found not to be material to Cloudberry, as Cloudberry does not sell physical products to consumers or end users.

Under the ESRS topics, the following impacts, risks, and opportunities were found to be material.

E1 Climate change

	Material impact, risk, or opportunity	Description
Climate change adaptation		
Positive impact	Development of diverse power sources	A diverse energy system supported by energy generation in many locations will be more resilient in the face of the coming increase in extreme weather events and increasingly unpredictable weather patterns. We contribute to this by developing and operating independent power plants. We also contribute to adaptation through Captiva's monitoring services, which allow power producers to respond in real-time to changing weather conditions.
Risk	Physical climate-related risks	Financial risk because of more frequent and stronger extreme weather incidents can lead to shutdowns, damage, work delays, and repair needs. There is also the risk of prolonged drought leading to reduced production, and long-term damage to hydro plants because of sediment erosion caused by increased precipitation. Wind patterns may lead to uncertainty in production estimates.
Opportunity	Increased energy production	Increased precipitation and snowmelt will likely allow us to produce more hydropower.

	Material impact, risk, or opportunity	Description
Climate change mitigation		
Positive impact	Development and production of renewable energy	Increased renewable energy production contributes to climate change mitigation through the decarbonization of society and environment.
Negative impact	Greenhouse gas emissions, especially in the supply chain and in Scope 3	We consume energy in our daily operations, some of which come from fossil fuels. We are also responsible for a large amount of supply chain emissions, the Scope 3 emissions.
Risk	Transition risk that governments will not prioritize renewable energy development and production	Politicians and governments may not prioritize renewable energy build-out in the coming green transition, which would lead to less growth than expected for Cloudberry and may lead to uncertainty in investment conditions for future projects.
Opportunity	Increased prioritization of renewable energy development	An increasing focus on the development of renewable energy will create opportunities for Cloudberry and secure funding and development permits.
Energy		
Positive impact	Decarbonization of the energy system	We have a positive impact by developing and producing renewable energy.
Positive impact	Matching energy production with demand	The digital monitoring services make it easier to match electricity production with demand.
Negative impact	Energy consumption	Our own operations energy consumption.
Risk	Increased power price volatility	Increased power price volatility will make it harder for Cloudberry to forecast revenues.
Risk	Changing weather patterns	Changing weather patterns will make it harder to predict the weather and will increase production volatility.
Opportunity	Increased demand for renewable energy	Increasing demand for renewable energy will lead to increased development and production, and potentially to increased electricity prices.

E2 Pollution

	Material impact, risk, or opportunity	Description
Pollution to air		
Positive impact	Reducing fossil fuel use	The renewable energy we develop and produce reduces the need for fossil fuel-based energy, which is highly polluting to the air.

In the DMA we also considered our negative impacts related to the pollution to air, water, soil, and living organisms. These impacts were found to be immaterial due to the small amount of pollution we generate. Our impacts in these areas through the value chain were also found to be immaterial, although more relevant, due to the highly limited nature of our influence over the major suppliers we rely on. We also assessed our risks and opportunities related to pollution, and these were also found to be immaterial.

E4 Biodiversity and ecosystems

	Material impact, risk, or opportunity	Description
Direct impact drivers of biodiversity loss		
Positive impact	Mitigation of climate change	Our development of renewable energy contributes to the mitigation of climate change, which is a direct impact driver of biodiversity loss
Risk	Public opinion turns against wind/hydropower	Public opinion could turn against wind and hydropower development due to the industry's negative impacts on nature and biodiversity.
Opportunity	Increased interest in renewables due to climate change driving biodiversity loss	Increased societal focus on climate change as a driver of biodiversity loss may create financial opportunities in the renewable energy industry.
Impact on the extent and condition of ecosystems		
Potential positive impact	Ecosystem improvement projects	We have a potential positive impact when we conduct nature rehabilitation or improvement projects we have taken over from other developers or producers.
Opportunity	Become the preferred partner by being an industry leader in nature impact	If we become an industry leader when it comes to nature impact and biodiversity we can become an attractive partner organizations and communities that are focused on reducing nature impact and biodiversity loss.
Impacts and dependencies on ecosystem services		
Negative impact	Raw material mining	We have a negative impact on the supply chain, because of the mining of the materials used in the production of equipment for constructing our power plants.
Risk	Changing precipitation/weather patterns	Changes in precipitation patterns could make hydropower less profitable.

In our DMA process, we also considered the sub-topics of impact on the state of species, impact on the extent and condition of ecosystems, and impacts and dependencies on ecosystem services, but no material impacts, risks, or opportunities were identified.

E5 Resource use and circular economy

	Material impact, risk, or opportunity	Description
Resource inflows		
Potential positive impact	Use of residual and recycled materials	Our use of residual materials in concrete and of a higher than average share of recycled materials may set a higher industry standard.
Negative impact	Use of resource-intensive, non-recycled materials	We have a high material footprint because concrete is very resource-intensive, and wind turbines are not generally made of recycled materials.
Risk	Logistical challenges due to increased regulation	Logistical challenges caused by increasing regulation of resources we are dependent on may increase our costs.
Risk	Taxes or fees on specific materials	Taxes or fees on specific materials we are dependent on may increase our costs.

The sub-topics of outflows and waste were determined in the DMA to be not material because Cloudberry does not sell physical products, and currently has very little waste since wind and hydropower plants have long lifetimes.

S1 Own workforce

	Material impact, risk, or opportunity	Description
Working conditions		
Positive impact	Secure, year-round employment	We provide our workers with stable, secure, year-round employment, social protections, and adequate wages.
Equal treatment and opportunities for all		
Opportunity	Become a preferred partner by being an industry leader	Becoming an industry leader in terms of diversity, equity, and inclusion would make us an attractive partner for future projects and investors.

S2 Workers in the value chain

	Material impact, risk, or opportunity	Description
Working conditions		
Positive impact	Extensive working condition requirements	We have extensive condition requirements for our contractors and follow-up physically on site.
Opportunity	Become a preferred partner by being an industry leader	Being known for good working conditions would give us a competitive advantage
Equal treatment and opportunities for all		
Positive impact	Extensive requirements for contractors	We have strict contractor requirements regarding equal treatment and equal opportunities, and follow up regularly

S3 Affected communities

	Material impact, risk, or opportunity	Description
Communities' economic, social and cultural rights		
Positive impact	Contribution to the local economy	We contribute to local economies by using local suppliers and employing residents whenever this is possible.
Risk	Failing to create value or maintain a professional reputation	If we do not manage to create enough local value or maintain our professional reputation, we may lose our license to operate.
Opportunity	Become a preferred developer by being an industry leader	We may have more opportunities in the future by improving our position as an industry leader on creating local value where we operate.
Particular rights of indigenous communities		
Risk	Lose opportunities due to bad industry reputation	We may lose our license to operate due to the negative impact hydro and wind power has as industries has on human rights defenders.

In our DMA process, we considered many different potential IROs related to affected communities. In particular, those related to indigenous communities were determined to be immaterial because Cloudberry does not operate in areas inhabited by indigenous communities. Additionally, much like with value-chain workers, it is difficult for Cloudberry to influence our suppliers' impact on affected communities since we are a small entity, and our business is dependent on a limited pool of suppliers for essential components. Value-chain impacts on affected communities have therefore been determined to be immaterial.

Entity specific – local society

	Material impact, risk, or opportunity	Description
Local society		
Positive impact	Stable income for landowners	We provide stable income through our payments to local landowners.
Positive impact	Improvement of local environment	We conduct improvement projects when we take over projects from other developers.
Positive impact	Supporting local causes	We have created foundations and donated money to support local initiatives.
Positive impact	Providing educational opportunities	We host site visits to teach people about our projects and give lectures at local schools.
Opportunity	Win future projects by creating local value	If we cultivate a reputation for creating local value, we will be able to win more projects in the future.

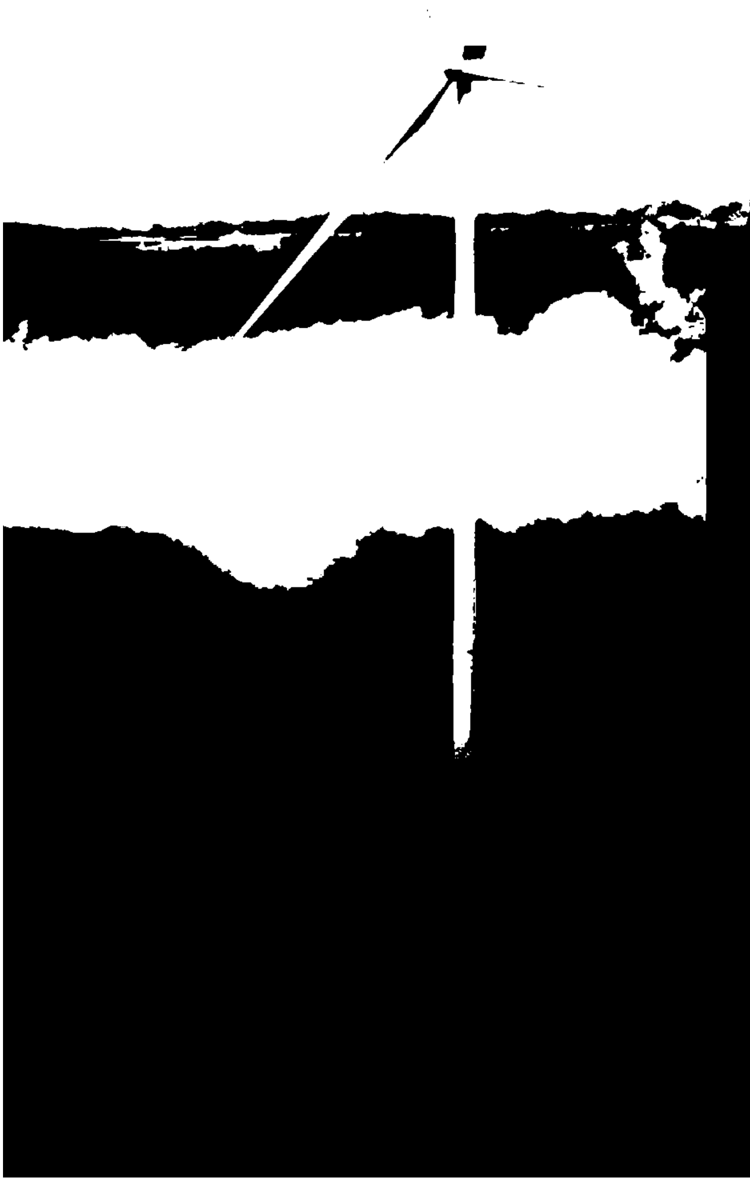
Cloudberry also acknowledges that our activities have some potential negative impacts on local society, although these were determined to be immaterial. Examples of negative impacts are increased traffic caused by our operations, especially in the development phase, concerns about garbage related to site development, and internal conflict. These impacts have been evaluated as immaterial because we have been able to successfully mediate them relatively easily through local engagement.

G1 Business conduct

	Material impact, risk, or opportunity	Description
Corporate culture		
Positive impact	Promoting responsible value chains	We are committed to and emphasize responsible behavior throughout the value chain, internally and externally.
Opportunity	Maintaining a reputation for a good corporate culture	We will be a more attractive business partner if we can maintain our reputation as a responsible actor throughout the supply chain.
Protection of whistleblowers		
Positive impact	Using standard whistleblowing practices, also in the supply chain	We use standard third-party whistleblowing practices and have extended these to supply chain workers, making sure the channel is easily accessible at sites where our contractors work.
Management of relationships		
Positive impact	Emphasis on responsible business conduct and long-standing relationships	We place a strong emphasis on responsible behavior and establish long-standing supplier relationships, giving us more leverage to make an impact.
Risk	Production delays	Our dependence on specific suppliers may lead to production and work delays if there are supply chain issues.
Opportunity	Maintaining a good reputation	Having good relationships with our suppliers may give us a competitive advantage in the future.

Entity specific – Favorable Framework for Renewables

	Material impact, risk, or opportunity	Description
Favorable Framework for Renewables		
Positive impact	Promoting renewable energy development	We have a positive impact through our lobbying activity and engagement to promote favorable conditions for future renewable energy development.
Opportunity	Creating better conditions for future renewable energy development	Improving the future conditions for renewable energy development will make it easier for us to develop more projects over time.



We actively involve and engage in the local communities where we operate, generating renewable energy, while fostering local value creation.

Engaging with Stakeholders

An essential part of Cloudberry's business model is to have a positive impact on all of our stakeholders. We have important stakeholder groups, and our success is reliant on our ability to foster trust and transparency with them. It is therefore important that we maintain timely and transparent engagement with all our stakeholders.

All stakeholder groups have emphasized that it is important that Cloudberry behaves responsibly regarding both environmental impact and social issues such as working conditions, impact on local communities, and supply chain responsibility.

Our main focus areas for the stakeholder groups and how we manage our relationships with them are listed below:

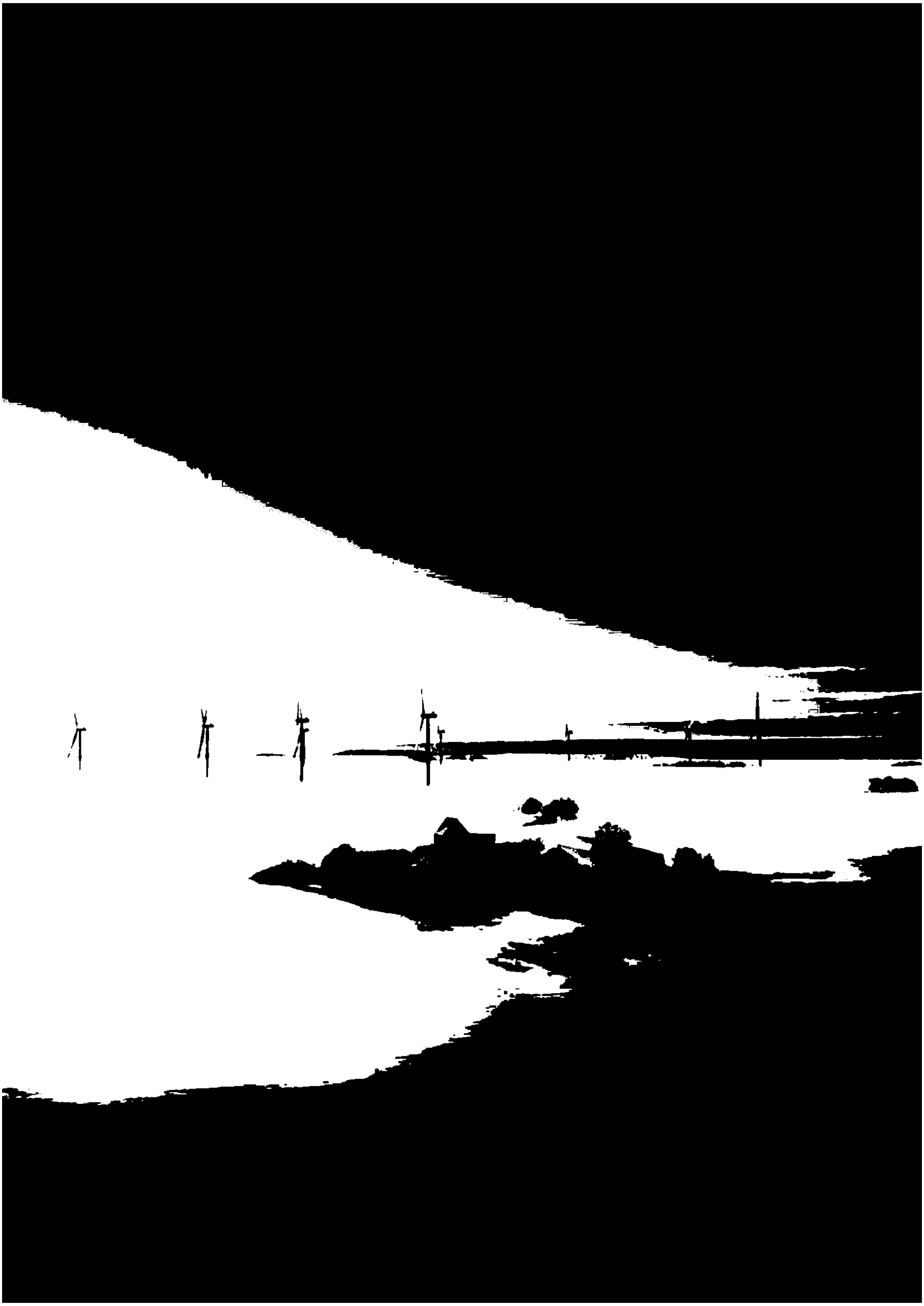
Stakeholder Group	Purpose of engagement	Methods of engagement	Examples of engagement outcomes
Landowners and residents	• Determining the local community's sentiment toward renewable energy and willingness to host • Addressing concerns • Answering questions • Building confidence • Promoting cooperation	• Regular engagement when assessing potential new projects • Public meetings in the development phase • Continually available communication channels throughout the development and operation phases	• Decision on whether or not to build • Local informational meetings • Site-specific measures (ex. traffic reduction, hiking, and biking trails, building benches) • Establishment or support of local initiatives
Municipalities and politicians	• Ensure value is added to local communities • Maintain professional, cooperative relationships	• Dialogue and meetings with officials and politicians	• Measures to address concerns • Cloudberry's presence at local events
Suppliers and consultants	• Establish professional, collaborative relationships • Have transparent communication	• Regular meetings • Questionnaires and declaration forms covering quality, health, safety, and environmental sustainability • Clear communication of Supplier Code of Conduct, HMS, and DEI policies	• Implementation of supplier declaration • Safety walks and frequent interaction on-site • Regular on-site health and safety meetings • Project-based GHG emissions reporting
NGOs	• Ensure a full understanding of Cloudberry's impact • Increase consciousness about energy issues • Find solutions for negative impacts	• Meetings • Membership in associations	• Biodiversity protection measures • Reuse of materials and infrastructure
Investors	• Ensure we meet reporting requirements • Understand expectations • Maintain good relationships to promote future projects	• Regular meetings • Company presentations in investor forums • Analyst presentations	• Targets and key performance indicators • Analysis of climate risks and opportunities • Quarterly GHG reporting • EU taxonomy assessment • Science Based Targets initiative • Diversifying the production portfolio

Stakeholder Group	Purpose of engagement	Methods of engagement	Examples of engagement outcomes
Financial institutions	• Maintain good relationships • Identify opportunities	• Regular meetings • Company presentations	• Integration of ESG in overall governance • Local value creation
Employees	• Create a safe and inclusive workplace • Become an attractive employer • Gather employee input on our business and operations • Maintain high retention rates	• Annual employee engagement survey • Quarterly townhall meetings • Teambuilding and workshops	• Motivating to work with renewable energy and the energy transition, contributing to a sustainable society • Innovation and knowledge sharing
Value-chain workers (close to us in the value-chain)	• Ensuring a good, safe workplace for value-chain workers • Minimizing negative impacts	• Physical presence at sites • Whistleblowing reporting channel	• Building trust with contractors and workers • Better working environment
Workers further out in the value-chain	• Ensuring an overall positive impact • Avoiding human rights abuses	• Meetings, questionnaires, and declaration forms for our suppliers addressing ethical standards	• Interaction on-site with sub sub suppliers • To be addressed further

Local presence is important to maintain stakeholder dialogue and it allows Cloudberry to build trust and understanding of the context in which we operate. We have had ongoing dialogue with our stakeholders throughout 2023 as part of both the ESG strategy enhancement project we began in 2022 and our preparation for meeting the Corporate Sustainability Reporting Directive (CSRD) requirements and the double materiality assessment. Stakeholder feedback played an important role in the 2022 strategy update. Their insight coupled with our community-oriented approach, forms the cornerstone of our business management practices. The commitment to long-term value creation for all stakeholders underscores our approach to business management.

The Board of Directors places significant importance on sustainability-related topics when considering business decisions. They carefully identify and assess the sustainability aspects relevant to both the company and our stakeholders. The incorporation of stakeholder management and input is fully integrated into Cloudberry's overarching business strategy and embedded within our operational principles. Stakeholder input is especially important during the greenfield phase, as Cloudberry is committed to never initiating new renewable energy projects in communities that express significant opposition. Transparency and early stakeholder engagement are key principles that guide Cloudberry's decisions regarding advancing potential projects in specific areas. The insights gained and the results from engaging with stakeholders are incorporated into all procedures that inform the management and the Board of Directors.

Stakeholder input was also a part of our double materiality assessment (DMA), in which we considered the stakeholder input we have been gathering since 2022. During the DMA, internal stakeholders including project managers and other key employees actively identified Cloudberry's impacts, risks, and opportunities related to ESG topics. Many impacts, risks, and opportunities were also identified from the results of the interviews we conducted



with external stakeholders in connection with our 2022 ESG strategy project. Once the impacts, risks, and opportunities had been identified and rated, the assessment was validated by selected external stakeholders including a financial institution, an investor, and an environmental NGO. At the end of the DMA, a description of the process, including the stakeholder dialogue, was presented to the ESG Committee and then presented to the Board of Directors, who voted to adopt the results.

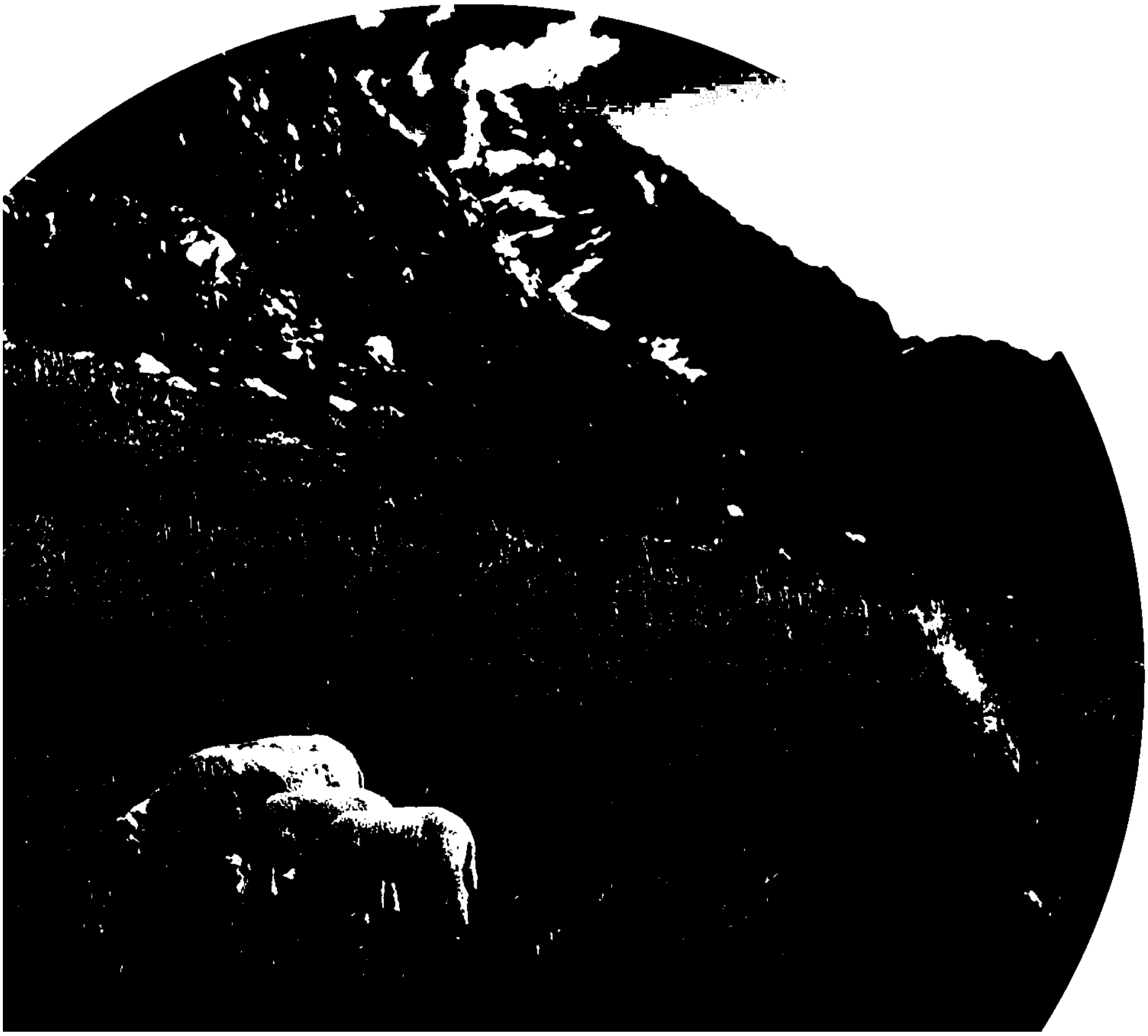
One of Cloudberry's major investors, the Norwegian family-owned and value-driven investment company Ferd, participated in the stakeholder dialogue around our DMA. In the dialogue, Ferd acknowledged the results of our assessment as relevant for a renewable energy company such as Cloudberry but emphasized the importance of continuing to work to minimize our environmental and nature impact. Ferd underscored the need to establish climate targets and develop a roadmap for achieving them in both the short term and the long term.

For many years, the Södermanland Energy Association, a non-profit organization in Sweden, has been dedicated to enhancing understanding of renewable energy among its members and throughout society. During the stakeholder discussion, the association highlighted the significant value of organizing field trips to facilities like Sundby Vindpark for its members, providing them with insights into the challenges and opportunities associated with renewable energy. Additionally, they highlighted the importance of engaging with the local community members and associations as a crucial component of Cloudberry's stakeholder management strategy. It enables the stakeholders to gain knowledge and ask questions, leading to interesting discussions like during the visit to the wind power plant.

Local hearing (SE: samråd) Simpevarp Havsvindpark

The offshore wind project, Simpevarp Havsvindpark, was in 2023 undergoing local consultations. The Cloudberry team arranged a four-day local hearing (SE: samråd), an integral part of the mandatory process. Throughout the hearing, Cloudberry engaged with over 500 individuals representing local interest groups and industry stakeholders. The stakeholders received information about the project and the permit process and were encouraged to submit statements regarding the project. Fostering local knowledge and trust through transparency is a key objective for such hearings. The sessions included an exhibition showcasing various aspects of the project and wind power production, along with a presentation and an opportunity for attendees to ask questions. Additionally, a digital meeting was conducted following the local hearing. Cloudberry's active involvement in and arrangement of this hearing underscores the company's commitment to community engagement and local stakeholder management.

Environment



Sustainability ambitions

To power the transition to renewable energy aiming to be climate and nature positive

Concern for the environment is at the center of everything Cloudberry does. We strive to have a positive impact on the environment through our development and production of renewable energy. At the same time, we acknowledge that our activities also have a negative impact on the environment. We aim to minimize this and is committed to never exceed any legal limits on environmental impacts.

We set our environmental sustainability focus areas based on the results of our 2022 strategy update and confirmed the results with our 2023 double materiality assessment – with the addition of pollution. Our material environmental topics include climate change, pollution, biodiversity and ecosystems, and circular economy. Our main priorities in this area have been our greenhouse gas emissions, nature impact, and biodiversity.

To monitor our overall progress related to environmental sustainability, we have identified KPIs which we actively monitor.

Key Performance Measures

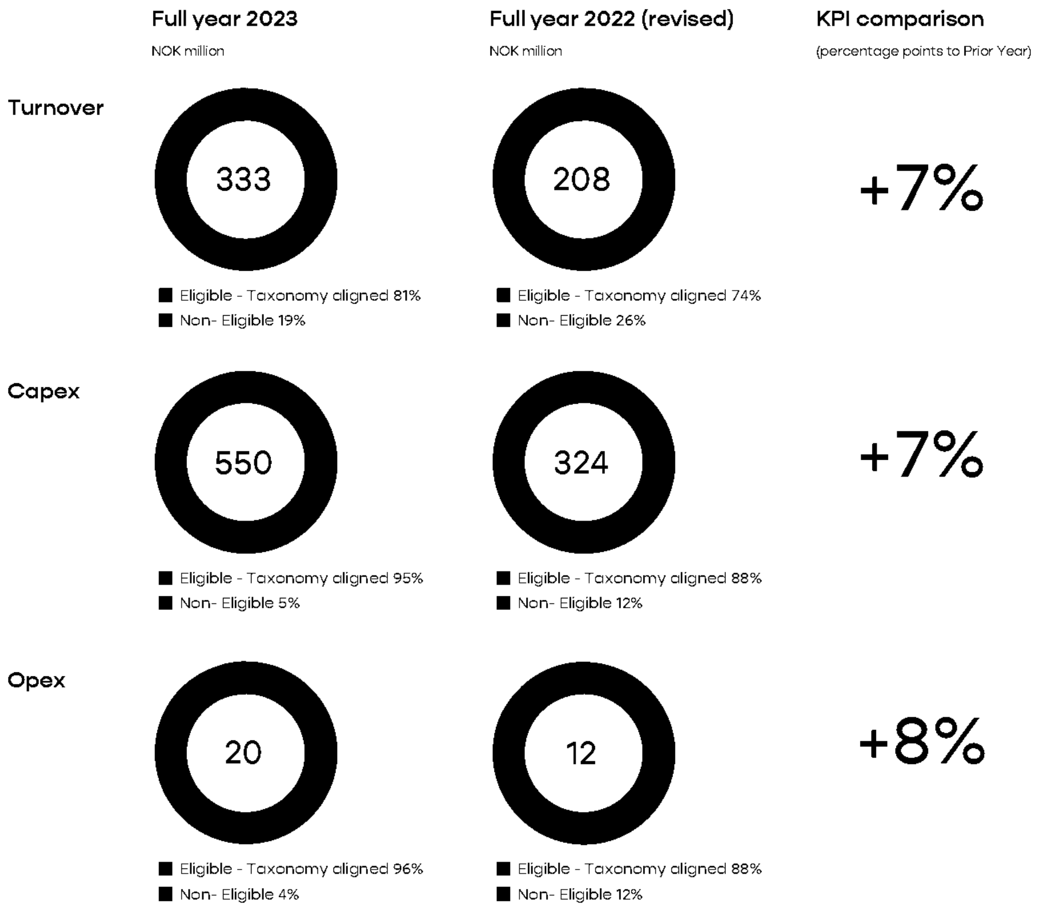
		Actual 2023	Actual 2022	Target 2023	Target 2025
Environment [1]	GHG emissions avoided tCO2e	121 836	59 496	124 500	212 000
	GHG emissions tCO2e	12 891	10 529	13 500	N/A

[1] The CO2 reduction and the direct and indirect GHG emissions have been adjusted for 2023. See the Key performance summary and the Environment section for details.

EU Taxonomy aligned KPIs

Cloudberry is fully committed to operating as a renewable energy company, and sustainability is at the core of our business. It is imperative for us to demonstrate our dedication to sustainability, enhance investor confidence, adhere to regulatory standards, access markets, and manage environmental and climate-related risks effectively. We balance respect for nature and biodiversity, with healthy community values, social safeguards, and sustainable growth.

Cloudberry has conducted an alignment assessment of all our renewable assets with an ownership share above 50% under the EU Taxonomy for 'Electricity Generation from Hydropower' and 'Electricity Generation from Wind Power'. This comprehensive, bottom-up, and asset-specific assessment included detailed circularity and climate risk evaluations for each asset. All evaluated assets met the stringent requirements for alignment with the EU Taxonomy categories for 'climate mitigation' and 'climate adaptation'. This achievement underscores our commitment to the principles of substantial contribution, doing no significant harm, and adherence to minimum safeguards, ensuring that our assets are operated sustainably and with a minimal environmental footprint.



Detailed summary of results: Turnover, Capex and Opex 2023 vs. 2022

Results and KPIs

Full Year 2023

NOK million	Turnover		Capex		Opex	
	Amount	% total turnover	Amount	% total Capex	Amount	% total Opex
A: Eligible- Taxonomy aligned	269	81%	524	95%	20	96%
B: Non-eligible	64	19%	26	5%	1	4%
Total A and B	**333**	**100%**	**550**	**100%**	**20**	**100%**

Full Year 2022 (revised)

NOK million	Turnover		Capex		Opex	
	Amount	% total turnover	Amount	% total Capex	Amount	% total Opex
A: Eligible- Taxonomy aligned	154	74%	285	88%	11	88%
B: Non-eligible	55	26%	39	12%	2	12%
Total A and B	**208**	**100%**	**324**	**100%**	**12**	**100%**

Analysis
The analysis serves as a foundation for calculating the Group's key performance indicators as outlined in the EU taxonomy: Turnover, Capex (capital expenditure), and Opex (operating expenses) determined in accordance with the group's consolidated financial results. The results of the EU Taxonomy for the assessed KPIs highlight the Group's commitment to sustainability and environmental responsibility.

The majority of Cloudberry's activities are eligible and aligned in accordance with the EU Taxonomy. In 2023, the Group's turnover amounted to NOK 333m, with 81% derived from Taxonomy eligible and aligned activities, marking a 7% increase in percentage points from the assessed turnover for the year 2022. This growth can be attributed to the expansion of the Group's production portfolio, primarily the acquisition of the Odin portfolio, which added 51 wind turbines meeting the eligibility criteria. Currently, non-eligible turnover represents the revenue generated by asset management and consultancy services, as these activities are not yet directly covered by the Taxonomy.

Total Capex for the Group has increased in absolute and proportional terms, totalling NOK 550m, with 95% representing eligible capital investment. This 7% increase in percentage points from 2022 is primarily due to ongoing construction projects of the two wind farms Sundby and Munkhyttan during 2023. In 2022, the majority had been related to the construction of Hån wind farm. The non-eligible Capex is mainly related to investments in intangible assets which are IT systems developed for renewable assets.

The aligned Opex has increased in absolute (NOK 20m) and proportional terms (96%). This 8% increase in percentage points is mainly due to increased greenfield development of renewable projects, particularly off-shore and early-phase development, leading to higher direct non-capitalized costs.

Turnover

NOK milllion

Economic Activities	NACE Codes	Amount	Turnover proportion (%)
Eligible- Taxonomy aligned			
Electricity generation from wind power- production of electricity from renewable sources	D35.12	192	58%
Electricity generation from wind power- Construction of utility projects for electricity and telecommunications	F42.22	2	1%
Electricity generation from hydropower- production of electricity from renewable sources	D35.12	75	22%
Electricity generation from hydropower- Construction of water projects	F42.91	0	0%
Total Eligible Activities		269	81%
Non-Eligible Activities		64	19%
Total		**333**	**100%**

Capex

NOK milllion

Economic Activities	NACE Codes	Amount	Capex proportion (%)
Eligible- Taxonomy aligned			
Electricity generation from wind power- production of electricity from renewable sources	D35.12	6	1%
Electricity generation from wind power- Construction of utility projects for electricity and telecommunications	F42.22	517	94%
Electricity generation from hydropower- production of electricity from renewable sources	D35.12	1	0%
Electricity generation from hydropower- Construction of water projects	F42.91	0	0%
Total Eligible Activities		524	95%
Non-Eligible Activities		26	5%
Total		**550**	**100%**

Opex

NOK milllion

Economic Activities	NACE Codes	Amount	Opex proportion (%)
Eligible- Taxonomy aligned			
Electricity generation from wind power- production of electricity from renewable sources	D35.12	2	11%
Electricity generation from wind power- Construction of utility projects for electricity and telecommunications	F42.22	15	74%
Electricity generation from hydropower- production of electricity from renewable sources	D35.12	2	11%
Electricity generation from hydropower- Construction of water projects	F42.91	0	0%
Total Eligible Activities		20	96%
Non-Eligible Activities		1	4%
Total		**20**	**100%**

All of Cloudberry's activities are linked to developing and operating sustainable renewable energy. We are committed to regularly reviewing our economic activities to align with the criteria set by the EU Taxonomy, and to reach the utmost standards of transparency and reporting, emphasizing our firm commitment to sustainability and ethical business operations.

Cloudberry has released a stand-alone EU Taxonomy Report for 2023 which is accessible on the company's website.

Climate risk

In the Nordic regions, climate change is expected to lead to warmer winters, increasingly extreme winds and rainfall, and sea level rise. These shifts are likely to cause flooding and other damage. In the face of escalating climate change impacts, Cloudberry recognizes that it is imperative to continually assess and disclose climate-related risks and opportunities and integrate them into the company's strategic planning, risk management, and investment decisions. With our commitment to sustainability and the understanding that climate change poses both a significant risk and a substantial opportunity for Cloudberry, we have completed a scenario-based climate risk assessment adhering to the guidelines set forth by the Task Force on Climate-related Financial Disclosures (TCFD).

The climate risk assessment process involved a thorough analysis of potential physical risks, such as extreme weather events and long-term climate shifts, as well as transition risks associated with the global move towards a low-carbon economy. This dual perspective ensures that Cloudberry not only mitigates risks but also capitalizes on the opportunities arising from the transition, reinforcing its leadership position in the renewable energy market.

By integrating the TCFD recommendations into our corporate governance, Cloudberry not only enhances our transparency and accountability but also strengthens our competitive edge in attracting investment and fostering trust among stakeholders. Findings from the risk assessment and strategic actions following the TCFD framework demonstrate Cloudberry`s proactive approach to navigating the challenges and opportunities presented by climate change.

In 2022 Cloudberry, facilitated by a third party, conducted a detailed, TCFD-aligned assessment of the climate risks facing Cloudberry's operations. In 2023 another assessment was conducted to incorporate the newly acquired wind farm portfolio Odin in Denmark. Every risk and opportunity has been evaluated based on its likelihood, financial impact, and time horizon. The process was further used to identify Cloudberry's most significant financial risks, which serve as the foundation for the scenario analysis.

Cloudberry assesses its risks and opportunities from short-, medium-, and long-term strategic and financial perspectives, and has set threshold values for financial impact. The financial impact is defined by assessing both the actual cost of the impact as well as a consideration of frequency, with the intervals structured as below.

Financial Impact

	Low	Medium	High
MNOK	<25	25–100	>100
Frequency	<0-1 years	1-5 years	>5 years

The thresholds for the cost of impact and frequency of impact were then converted to a 3x3 risk matrix, ultimately leading to a single classification based on the two input variables.

Cloudberry conducts an annual assessment of the climate-related risks and opportunities associated with its business operations. More detailed information including the scenario analysis is enclosed in our TCFD report.

ESRS E1

Climate change

Sustainability is at the core of everything we do and is well-integrated into our long-term strategy. To improve our climate footprint, we must reduce our environmental impact and avoid GHG emissions wherever possible.

Our material impacts, risks and opportunities

Positive impacts

- Development of diverse power sources
- Development and production of renewable energy
- Decarbonization of the energy system
- Matching energy production with demand

Negative impacts

- Greenhouse gas emissions, especially in supply chain and in Scope 3
- Energy consumption

Risks

- Physical climate related risks
- Transition risk that governments will not prioritize renewable energy development and production
- Increased power price volatility
- Changing weather patterns

Opportunities

- Increased energy production
- Increased prioritization of renewable energy development
- Increased demand for renewable energy

Climate change and environmental degradation are among the most critical issues facing the global community today, with many countries already experiencing their impacts. Cloudberry contributes positively to the climate by developing and producing renewable energy, yet also has a negative impact due to the environmental impact and greenhouse gas emissions during construction. Furthermore, we are aware of the risks climate change poses to our assets and overall business, and we consistently evaluate these risks to make strategic business decisions.

Managing Climate Change impacts, risks and opportunities

Cloudberry has always placed climate considerations at the center of everything we do, and we constantly address our impacts on the climate as well as our adaptation needs. Because we have always considered climate change to be a central consideration, we began reporting on our GHG emissions and energy consumption early on. To ensure consistent greenhouse gas reporting being up to standard, we have developed and implemented internal Greenhouse Gas Accounting Guidelines and reports on emissions quarterly, including energy consumption. We have also committed to the Science Based Targets initiative`s target setting and aim to have net zero carbon emissions by 2040. To mitigate GHG emissions and meet our targets, we will implement a policy focused on addressing our greenhouse gas emissions. Currently, we do not see the necessity to develop a policy focusing on energy efficiency, as the potential for energy savings related to consumption at our operating power plants is limited. Furthermore, as Cloudberry has selected the location-based Scope 2 emissions for our targets, a policy for renewable energy use has not been emphasized. This is because the Nordic grid has a high share of renewable energy, resulting in relatively low emissions from electricity use. At the same time, our main impact on the energy grid and overall greenhouse gas emissions is our production of renewable energy, which replaces fossil fuels. This consideration is a central part of our business strategy.

Although the renewable energy transition creates financial opportunities for the company, climate change is also a risk for Cloudberry. Changing precipitation patterns make wind and hydropower less reliable and predictable, and increasingly frequent and severe extreme weather events threaten our assets. Cloudberry has conducted thorough climate-related risk assessments and incorporated the results into our decision-making procedures. As a part of our 2022 strategy update, we strengthened our risk strategy by including climate change and the energy transition. To reflect the analysis of the Odin wind power portfolio after its acquisition in 2023, we updated our risk strategy related to extreme rainfall and changing weather patterns. Further details are published in our TCFD and EU Taxonomy reports. Additionally, we manage climate risks within our supply chain through our Supplier Code of Conduct, integrating them into our tendering processes and supplier questionnaires.

Our activities

Cloudberry is actively involved in investing in the development, construction, and operation of renewable energy assets. While our focus on expanding renewable energy sources results in an environmental impact through greenhouse gas (GHG) emissions during the development and construction stages, our operational power plants play a vital role in reducing overall emissions by producing renewable energy. Therefore, once operational, our power plants make a positive contribution to the energy mix by mitigating greenhouse gas emissions through the generation of renewable energy.

Throughout 2023, Cloudberry has been working to address all the relevant climate change-related impacts, risks, and opportunities. A major part of this effort has been working to improve our greenhouse gas emissions accounting in preparation for submitting emissions reduction targets to the Science Based Targets initiative, which we did at the end of 2023. The setting of these targets and the improvement of our greenhouse gas emissions accounting were both done as part of the groundwork for our forthcoming climate transition plan, currently in development.

Improvements to the GHG accounting

Since 2023, Cloudberry has been publishing quarterly reports on its greenhouse gas emissions. Throughout the year, the company has worked to improve the monitoring and reporting procedures for its greenhouse gas emissions. In 2023, Cloudberry conducted a gap assessment on the 2022 GHG emissions accounting. The gap assessment and screening were based on the GHG Protocol's Corporate Standard. The assessment includes a description of the organizational boundaries, Scopes 1, 2, and 3 emissions and methodology, and routines for data acquisition. The insights and evaluations from the gap assessment were used to enhance the reporting level for the 2023 greenhouse gas emissions reporting. The gap assessment also served as preparation for the limited assurance of the company`s greenhouse gas emissions reporting. Additionally, the improvements were integrated into the revised 2022 emissions accounting, which was utilized in Cloudberry's commitment to SBTi, with the base year set as 2022. More details regarding the base year and SBTi are provided in the next section. Cloudberry's auditor conducts a limited assurance of the company`s greenhouse gas emission accounting and reporting against the GHG Protocol, specifically Scopes 1, 2, and 3. Assurance is performed following the International Standard on Assurance Engagements ISAE 3410. The auditor's scope of work and verification are presented in the Auditor`s report.

After conducting the gap assessment, comprehensive in-house policies and guidelines for greenhouse gas emission reporting are developed. These guidelines encompass all aspects of Cloudberry's activities and the associated GHG emissions, aimed at ensuring consistency and transparency on reporting procedures throughout the organization.

Additionally, the reporting routines are updated, leading to modifications in the 2022 greenhouse gas accounting. Emissions reported under Scope 3, specifically in the Capital Goods category, have been split into three categories. This enhancement allows for more refined reporting. Emissions related to transport are categorized into category 4, while emissions associated with end-of-life treatment of wind turbines are included in category 12. The adjustment is done to align with the GHG protocol standard.

Furthermore, Cloudberry has enhanced its accounting practices by incorporating SF6 gas leakage from operational power plants into Scope 1 emissions. Even though these newly included Scope 1 emissions represent only 0.05% of the overall greenhouse gas emissions, it remains imperative for Cloudberry to showcase transparency and establish reporting routines also for these emissions.

Finally, to further address the gaps identified during the gap assessment, Cloudberry has provided supplementary information concerning reporting principles, input data, methodology, and emission factors utilized in its greenhouse gas reporting. This approach ensures adherence to the GHG protocol standard while enhancing transparency in our reporting practices. For more specific information, please refer to the Appendix.

Our work on GHG accounting and reporting for 2023 serves as a preparation for the forthcoming regulatory requirements outlined in the ESRS framework.

SCIENCE BASED TARGETS

Commitment to SBTi

In addition to improving the completeness and transparency of our greenhouse gas accounting, Cloudberry has committed to set near-term and long-term company-wide emission reductions in line with the Science Based Target Initiative (SBTi). Our net-zero target has been approved by the SBTi. The approved target sets the foundation for Cloudberry to establish a roadmap for reducing Scope 1, Scope 2, and Scope 3 emissions, aligning with both short-term and long-term objectives and actions. These targets are compatible with limiting global warming to 1.5C and cover the greenhouse gases covered by the Kyoto Protocol: CO_2, CH4, N2O, CFCs, HFCs, and SF6. Cloudberry is planning measures for a decarbonization plan toward the net-zero target and the targets are as follows:

- **Short-term commitment:** Reducing absolute Scope 1 and Scope 2 GHG emissions with 42% by 2030
- **Long-term commitment:** Reducing absolute Scope 1, 2, and 3 GHG emissions with 90% by 2040

KPIs concerning the net-zero target will be integrated into all business units and will be reviewed by the management and the Board of Directors annually. The selection of the 2022 base year is based on the outcomes of the gap assessment of greenhouse gas emissions reporting for 2022, together with the subsequent improvements made to the greenhouse gas emissions accounting for 2023. Given the comprehensive reporting of Scope 1, 2, and 3 greenhouse gas emissions in 2022, it emerged as a logical selection for the base year.

Cloudberry's GHG emissions

In 2023 Cloudberry's greenhouse gas emissions from Scope 1, Scope 2, and Scope 3 were 12 891 tons CO_2e (10 529 tCO_2e). Additional information regarding the reporting principles, methodology, and emission factors for each of the three scopes, along with categories within Scope 3, alongside a breakdown of greenhouse gas emissions from Cloudberry`s business units, can be found in the Appendix.

GHG emissions in tons for Scope 1, Scope 2 and Scope 3

Carbon Accounting	Unit	2022 (Base year)	2023
Scope 1 Total	tCO_2e	2.1[1]	6.5
Scope 2 Total Location-Based	tCO_2e	5	45.4
Scope 3 Total	tCO_2e	10 529[2]	12 839
Total	**tCO_2e**	**10 529[3]**	**12 891[4]**

1 Adjusted from 0 as reported in the Annual Report 2022 due to the inclusion of SF6 gas leakage in the GHG accounting.

2 Adjusted from 10 723 as reported in the Annual Report 2022 due to updated figures for the emissions from the wind turbine foundations at Hån.

3 Adjusted from 10 727 as reported in the Annual Report 2022 due to the reasons mentioned above.

4 Adjusted from 12 889 in the 2023 Q4 report due to a minor correction in Scope 3 Category 3

Scope 1 covers all direct emissions sources, and Cloudberry's Scope 1 emissions are attributed to the leakage of SF6 gas from the switchgear within Cloudberry's wind turbines. In 2023, the total Scope 1 emissions were 6.5 tCO_2e, which increased from 2022 due to the completion of Hån wind farm and the acquisition of the Odin portfolio.

Scope 2 includes indirect emissions from Cloudberry`s purchased energy (i.e., electricity). This includes purchased energy for offices in Oslo, Norway, and in Karlstad, Eskilstuna, and Särö, Sweden, as well as the energy used at our power plants. In 2023 Cloudberry used a total of 1 622 MWh of energy, corresponding to the emission of 45 tCO_2e. Scope 2 emissions increased from 2022 primarily due to the acquisition of the Odin portfolio.

Scope 3 comprises the reported indirect emissions resulting from Cloudberry`s value chain activities. Reporting of purchased goods and services, capital goods, upstream transportation and distribution, and end-of-life treatment were identified as the most material reporting categories. The total registered emissions from Scope 3 were 12 839 tCO_2e. Cloudberry's scope 3 emissions will mostly depend on the number of and size of power plants under construction. Please see the Appendix for a breakdown of the included categories. In 2023, the construction of Cloudberry's wind power plants Sundby and Munkhyttan accounted for 99% (12 750 tCO_2e) of the emissions. Most construction-related emissions at Sundby were reported in 2023, with only minor emissions remaining in 2024 from site cleaning and final payments to the turbine manufacturer. For Munkhyttan, the GHG emissions in 2023 are related to the construction of roads and the concrete and steel used in the foundations for the turbine installation, as well as the first payment made to the turbine manufacturer.

Cloudberry is actively collaborating with its suppliers to ensure the delivery of reliable, high-quality input data for our greenhouse gas emission reporting.

Cloudberry's GHG intensity

Cloudberry`s greenhouse gas emission intensities for 2023 are shown in the table below. Going forward Cloudberry will work on and establish targets for these data points.

Cloudberry's energy intensity (Scope 1 and 2) increased in 2023 due to the increased Scope 1 and 2 emissions following the acquisition of the Odin portfolio. Furthermore, the intensity including Scope 3 decreased due to the increased energy generation in 2023. As 99% of Cloudberry's 2023 GHG emissions come from our wind farms under construction, an intensity factor concerning these has been included. The GHG intensity (Scope 1, 2, and 3) for the construction projects shows the CO_2 emissions per capex spent since the final investment decision for these projects.

Reduction of greenhouse gas emissions in our construction projects

At Munkhyttan, three measures were taken to reduce the greenhouse gas emissions from the construction of the wind turbine foundations. The first was to use steel from Celsa in Mo i Rana in Norway for the reinforcement steel in the foundations. Based on environmental product declarations (EPDs) from the manufacturer, Cloudberry has calculated that the emissions from this were 22% lower (24 tCO_2e) than the most cost-efficient steel supplier.

Secondly, Cloudberry used eco-friendly cement with fly ash for the concrete in the foundations, which reduced the emissions by 22% (143 tCO_2e) compared to conventional concrete. The calculation is done by comparing EPDs from the cement manufacturers.

GHG intensity

Carbon Accounting	Unit	2022	2023
GHG intensity (Scope 1 and 2)			
Per energy generation	gCO2e/kWh	0	0.1
Per revenue	gCO2e/NOK	0	0.1
Per EBITDA	gCO2e/NOK	0.1	0.2
GHG intensity (Scope 1, 2, and 3)	gCO2e/kWh	39	25
Per spent capex, construction projects	gCO2e/NOK	-	21
Per spent capex, Sundby [1]	gCO2e/NOK	-	24
Per spent capex, Munkhyttan	gCO2e/NOK	-	21

[1] Per spent capex from final investment decision in December 2022.

Finally, Cloudberry adopted an on-site mixing approach for the concrete. Compared to the alternative of mixing the concrete remotely, Cloudberry has estimated that the greenhouse gas emissions for this process were reduced by approximately 70% (38 tCO_2e). In Cloudberry's second quarter 2023 report, Cloudberry reported that the use of eco-friendly concrete was expected to reduce CO_2 emissions by up to 50%, based on information from our suppliers. Upon further investigation, we found that this number was based on the on-site concrete mixing alone, and not accounting for the fly ash cement. All in all, the measures implemented for the foundations at the Munkhyttan wind farm resulted in approximately 25% (205 tCO_2e) reduction in GHG emissions.

Moreover, Cloudberry has applied the rock-anchored foundation design where ground conditions made it feasible, deploying this approach for one of the three foundations on Munkhyttan. By utilizing rock-anchored foundations, which require less concrete and steel for reinforcement, Cloudberry has estimated a reduction of approximately 21% (154 tCO_2e) in CO_2 emissions compared to using gravity-based foundations at each location. The calculation is derived from the actual emissions from steel and concrete used in the construction of the two remaining foundations, where a gravity-based design was necessary due to ground conditions.

At Sundby wind farm, a substantial portion of existing infrastructure, including foundations, roads, and crane supports, has been reused. Additionally, the internal cable network on site is also being reused with minimal modifications. The greenhouse gas savings in 2023 from the reuse of the foundations at Sundby wind farm are estimated to be around 1 900 tCO_2e based on the life-cycle assessment from the wind turbine manufacturer, reducing the emissions from construction of the Sundby wind farm by approximately 15% compared to constructing new foundations.

Cloudberry's energy consumption

In 2023 Cloudberry produced 520 GWh of renewable energy, comprising production from both wind and hydropower plants. Cloudberry did not generate any non-renewable energy during this period.

Cloudberry's overall energy consumption in 2023 totaled 1 622MWh, covering the electricity demand at our offices and operating power plants. The electricity consumption at our power plants primarily serves the purpose of securing essential technical functionalities during periods of low wind or water flow, ensuring uninterrupted safe operation of the power plants.

Our positive contribution – decarbonization of the energy mix

Cloudberry contributes positively to the energy mix by reducing greenhouse gas emissions through our production of renewable energy. The positive renewable contribution also referred to as "avoided emissions" or "scope 4", plays a crucial role in the much-needed global decarbonization and is a direct outcome of Cloudberry`s production of renewable energy. Cloudberry's proportionate renewable energy production in 2023 totaled 520 GWh (268 GWh in 2022). The positive contribution relative to baseline emissions from the European electricity mix (EU-27 electricity mix, IEA 2023[1]), is equivalent to a reduction of 121 836[2] tCO_2e (59 496 tCO_2e in 2022) in the electricity grid. The reduced emissions significantly depend on the emission factor applied for the estimation; however, this provides a solid indication of Cloudberry's positive impact on climate change.

As a basis for calculating the positive contribution, Cloudberry has used the European electricity mix (EU-27). The emission factor 'European electricity mix' is calculated based on electricity production in the 27 EU countries. The emission factor is calculated as a weighted average based on the International Energy Association's emissions factors for 27 countries.

Cloudberry has adopted this emission factor since the company is contributing with power production within an integrated European power system operating in Norway, Sweden, and Denmark. For every kWh of renewable energy produced by Cloudberry, fossil-based energy in the same or another European country is replaced. Consequently, Cloudberry's production influences the energy mix in European countries comprising the 'European electricity mix', thereby contributing to the essential green energy transition.

1 Adjusted according to the new factor EU-27 electricity mix 2023
2 Adjusted from 115 218 in the 2023 Q4 report due to the updated factor

Cloudberry calculated the CO_2 reduction in the grid by multiplying Cloudberry's renewable energy production with the 'European electricity mix' factor. Cloudberry`s positive contribution is reported quarterly as a key performance indicator for the company.

The way forward

In the changing climate landscape, a climate transition plan is essential for addressing the interconnected challenges of climate change and promoting a sustainable and resilient future for current and future generations. Cloudberry will approach a climate transition plan as an essential component of our future direction, ensuring it aligns with our overarching strategic targets.

Throughout 2022 and 2023, Cloudberry has made significant advancements in our GHG emissions accounting. We now have a robust foundation that enhances our understanding of the emissions, which helps us prioritize emission-reducing measures. Going forward, we will concentrate on how we can minimize our environmental impact through lowering our GHG emissions, as our commitment contributing to the much-needed mitigation of climate change.

In alignment with the Science Based Targets Initiative, Cloudberry has set a net-zero target, pledging to achieve net-zero emissions no later than 2040. The approved target paves the way for Cloudberry to establish a roadmap for reducing Scope 1, Scope 2, and Scope 3 emissions. We will develop a decarbonization plan, to be included in our climate transition plan, which will help us to measure and reduce greenhouse gas emissions for both near-term and long-term objectives and actions, adhering to inventory recalculation guidelines. Our primary focus will involve exploring various decarbonization strategies across the organization and throughout our value chain. This involves continually improving our greenhouse gas accounting to more precisely evaluate the impact of our activities. Additionally, we will begin examining the effects of land use changes (ESRS E1 AR9), such as tree felling during a power plant construction. Improving our data collection on climate impact is also a priority, aiming to eventually report on all relevant quantitative disclosures outlined in ESRS E1 Climate Change.

Cloudberry is currently in the process of developing a recalculation policy to define the procedures and criteria for re-calculating the base year emissions. This policy will set guidelines for when the base year emissions should be recalculated, particularly in situations involving significant changes such as the acquisition or divestment of a power plant. While the re-calculation policy is being formulated, Cloudberry has implemented a threshold for determining when the base year emissions should be recalculated. According to this threshold, the base year shall be re-calculated if a change represents more than 5% of the total GHG emissions, according to the SBTi corporate net zero standard criteria.

Cloudberry is also working actively on decarbonizing the supply chain. As a part of this effort, we will continuously improve our policies and work with key employees and stakeholders, such as suppliers, to identify and mitigate potential decarbonization levers. It is important to us that our suppliers are involved in these discussions, to ensure that we contribute to not only a green transition but a just green transition. We will also evaluate the potential effectiveness of implementing an internal carbon pricing mechanism.

Cloudberry acknowledges that it may be impossible to completely decarbonize its value-chain. This means that we will have to invest in GHG removal or mitigation projects in order to offset the emissions we are not able to eliminate. As part of developing our transition plan, Cloudberry will investigate and assess potential GHG removal and mitigation projects to ensure that all future projects result in lasting removal and storage of carbon in alignment with SBTi requirements and are socially responsible.

Key performance indicators (KPIs) aimed at reducing greenhouse gas emissions are already embedded across all business units. Nevertheless, Cloudberry will introduce KPIs linked to the long-term net-zero target commitment, subject to annual review by both management and the Board of Directors.

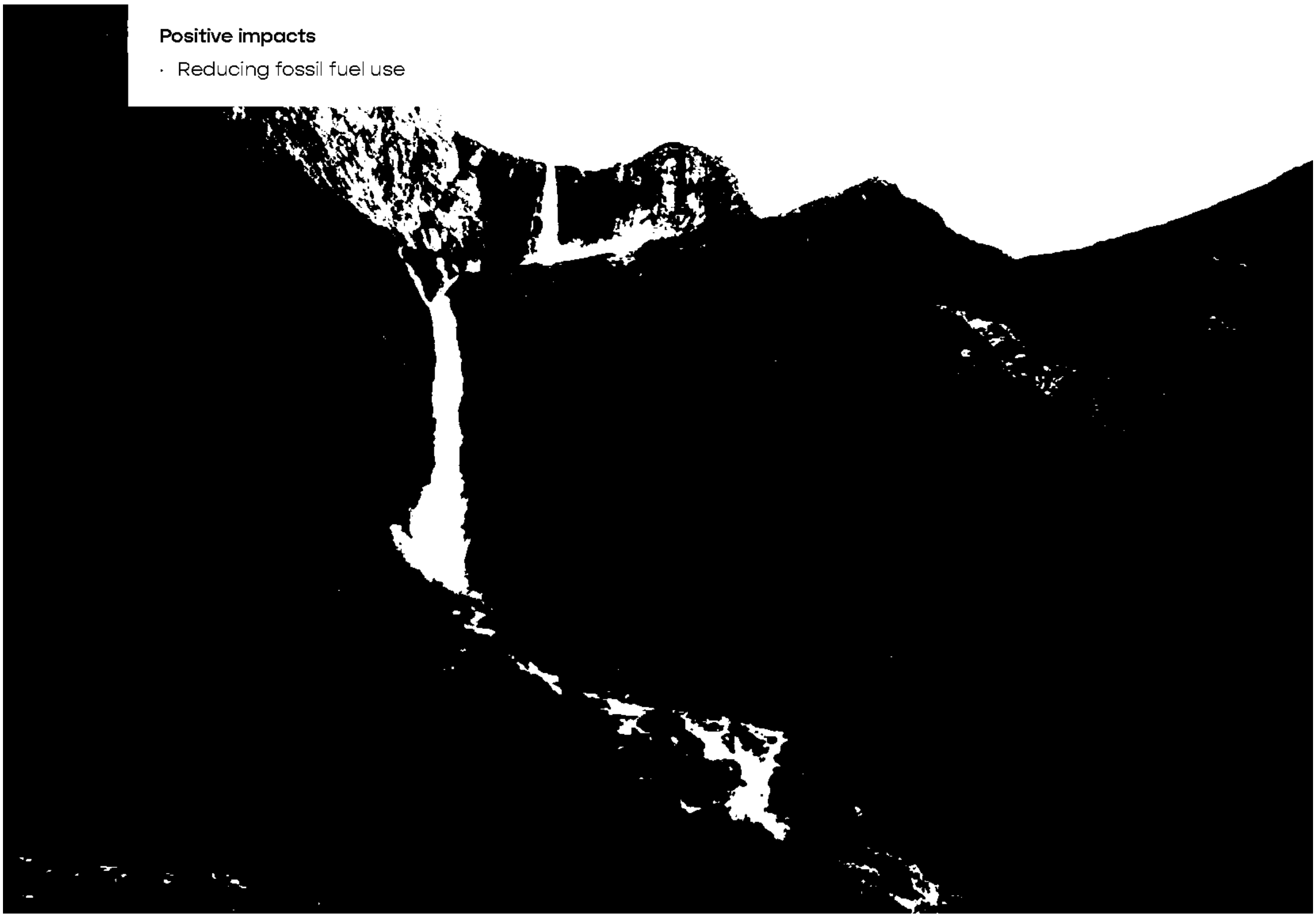
Furthermore, as a part of our efforts to advance towards a fully developed climate transition plan, we will formulate policies governing our role in climate change mitigation, as well as the climate-related risks and opportunities we face. We will also continue to update our climate risk and vulnerability assessments on an annual basis. By comprehensively understanding and anticipating risks, we can implement targeted strategies to mitigate impacts effectively. We will continue our comprehensive approach towards sustainability practices, including data collection and reporting processes and ensuring transparency and accountability when we report on climate-related matters.

ESRS E2
Pollution

Cloudberry is committed to thoroughly addressing all our environmental impacts. Managing pollution underscores the company's commitment to environmental stewardship and sustainable practices in the renewable energy sector. Cloudberry not only minimizes our environmental impact but also strengthens our position as a leader in the transition to a cleaner, more sustainable energy future.

Our material impacts, risks and opportunities

Positive impacts
- Reducing fossil fuel use



We recognize the environmental impacts related to pollution, acknowledging that while they may not be materially significant, they exist. Our renewable energy production offers positive environmental contributions, yet there are also negative impacts arising from construction activities and throughout our value chain.

Managing pollution IROs

While our direct environmental pollution was deemed not material in our DMA, Cloudberry consistently treats this matter with utmost seriousness. Historically, we haven't felt compelled to establish formal policies for pollution management, largely because we operate in Norway, Sweden, and Denmark, which enforce rigorous environmental regulations. The legal pollution thresholds in these countries are determined with careful consideration of the overall environmental impact and local ecosystems' and communities' ability to absorb pollutants safely. Our commitment is to adhere to regulations and even to hold ourselves to a higher standard in some cases. Cloudberry is addressing minimizing emissions and local pollution in our Supplier Code of Conduct, however, we are open to considering the adoption of additional measures and policies if deemed necessary.

Our activities

Cloudberry monitors its pollution through our on-site suppliers and service providers in line with the requirements set out in our environmental permits. In 2023 we had zero polluting incidents reported.

To ensure environmental safety, our wind turbines are designed with measures in place to contain any potential leaks within the turbine structure, preventing any leakage into the surrounding area. Additionally, we adhere to strict regulations when it comes to handling and managing waste products.

Regarding our hydropower plants, we have established procedures for promptly addressing and cleaning any oil spills from equipment within the premises. These procedures are in place to prevent any leaks from reaching the external environment. While some minor equipment leakages have occurred, all such incidents have been effectively contained within the buildings and machinery, with no impact on the surrounding area.

Lastly, to proactively address the possibility of spills at our construction sites, we have strategically placed spill kits in containers at various locations throughout the site and in large vehicles and cranes. For potential larger leaks, such as during wind turbine installation using the main crane, we utilize larger spill kits with a capacity of minimum 625 liters. These measures are implemented to effectively mitigate the impacts and swiftly respond to any potential spills that may arise during construction operations. The procedures to avoid and handle spills in the environment are included in the HSE plan of each project.

The way forward

Pollution is a new material topic for Cloudberry, adopted at the end of 2023. Going forward, we will consider whether we need to adopt any official policies to explicitly deal with or begin tracking it using relevant performance indicators, taking into account the fact that our only material impact under pollution is a positive one. At the same time, we will continue to strive to limit our environmental pollution and avoid exceeding pollution limits set by environmental permits.

ESRS E4

Biodiversity and Ecosystems

Climate change is one of the drivers for change in nature and biodiversity loss. This loss affects land- and sea use, direct exploitation of organisms, pollution, and invasion of alien species. Healthy ecosystems and the natural environment are essential to humanity's survival, and changes in land use are what impact our ecosystems the most.

Our material impacts, risks and opportunities

Positive impacts

- Mitigation of climate change
- Ecosystem improvement projects (potential)

Negative impacts

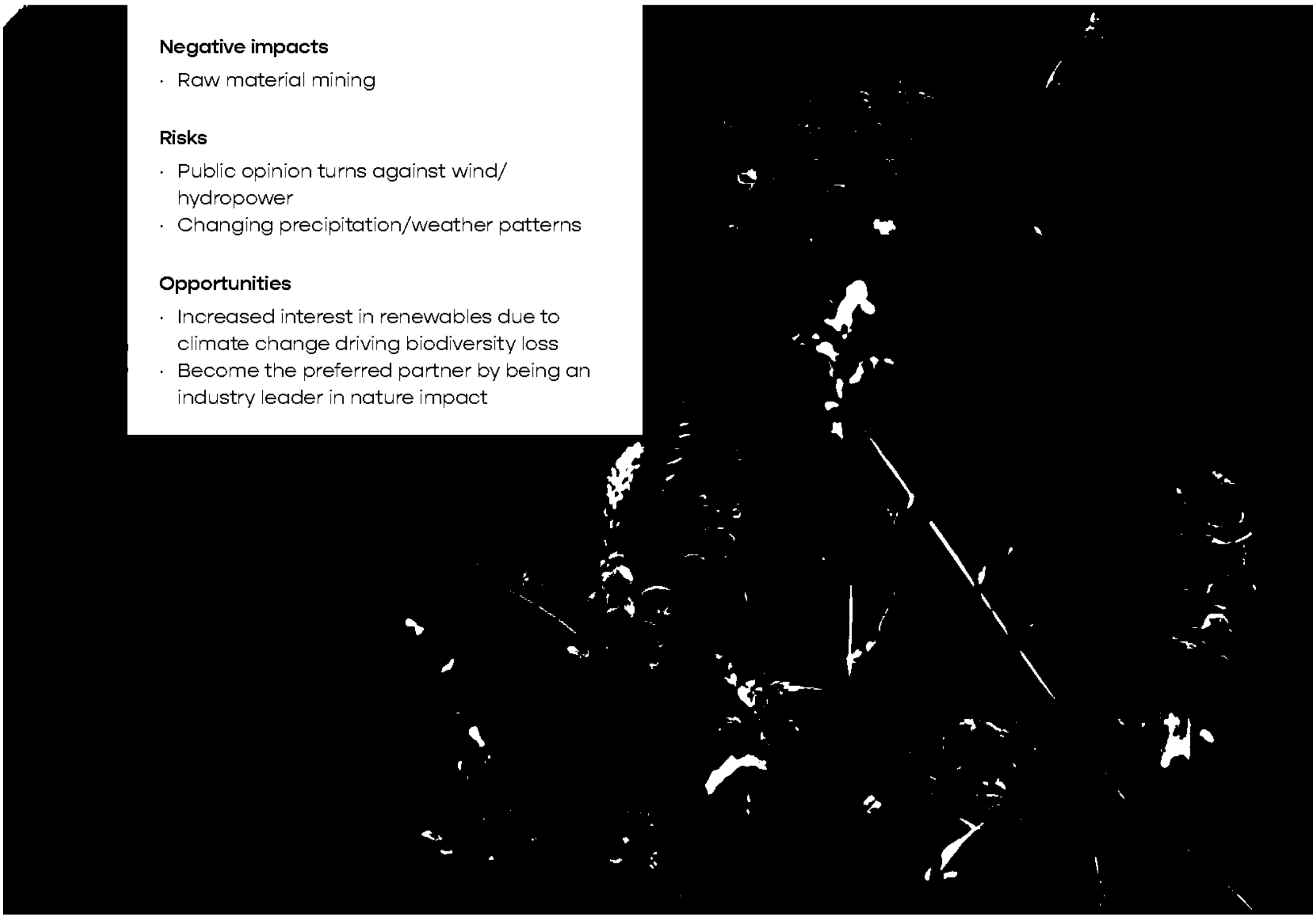
- Raw material mining

Risks

- Public opinion turns against wind/ hydropower
- Changing precipitation/weather patterns

Opportunities

- Increased interest in renewables due to climate change driving biodiversity loss
- Become the preferred partner by being an industry leader in nature impact



According to The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), 75 percent of the land surface is significantly altered. At Cloudberry, nature's impact has always been a crucial consideration in our decision-making processes. It was officially recognized as a strategic ESG topic during the company's 2022 strategy update, and "nature impact and biodiversity" became a material topic in our 2022 sustainability report. We also outlined to set a net positive impact on nature target going forward. The DMA process in 2023 has confirmed that biodiversity and ecosystems are important topics to focus on.

Managing biodiversity and ecosystem IROs

Cloudberry's approach to nature and ecosystems in project development is guided by a structured mitigation plan that adheres to the "mitigation hierarchy", a valuable tool that helps development projects prepare for impacts and aims to achieve no net loss of biodiversity. The plan is implemented across all the projects and outlines four principal stages as guiding principles: avoid, minimize, restore, and offset, ensuring a systematic approach to environmental impact mitigation.

The first step in the hierarchy is to avoid impacting nature where possible. Where impacts are unavoidable, we try to minimize them. The next step is to restore the damaged nature after construction, and the final step is to compensate for any remaining damage. Theoretically, a high enough level of compensation could lead to projects having a net-positive impact on nature (biodiversity net gain).

At Cloudberry, our commitment to biodiversity protection starts in the permitting phase. Environmental experts carry out assessments to guide our interactions with nature and biodiversity in each project, offering valuable insights on how to approach nature and biodiversity in a specific area. Our main goal is to prevent any adverse effects. However, when impacts are inevitable, we plan in detail to minimize them and seek the most suitable solutions. Additionally, Cloudberry has the ambition to go beyond the basic restoration obligations required in the concession process. Thus, our project managers evaluate the feasibility of restoring the area on site after construction, aiming to leave the environment in a better state than before. By consulting further with biodiversity specialists, we identify opportunities to support and enrich natural habitats, committing to actions that promise a net positive environmental impact over time.

Cloudberry is currently and persistently engaged in efforts to comprehend and manage our impacts, risks, and opportunities associated with biodiversity and ecosystems. We consider impacts on nature and biodiversity in the due diligence process before the investment decision, where how to minimize impacts is a crucial evaluation. The biodiversity and nature policy will be an integrated guideline in all of Cloudberry`s projects, including a biodiversity transition plan. Nature risk and management is a part of and will be heightened in every aspect of Cloudberry's work including the company`s overall risk strategy. To structure our work with biodiversity, we will look to frameworks such as the Taskforce on Nature-related Financial Disclosures (TNFD). Nevertheless, we believe that biodiversity loss is an existential threat, and we aim to contribute to stopping nature and biodiversity loss and are committed to working with strategic partners to protect and strengthen nature and biodiversity wherever we can.

Our activities

In every development project, we assess strategies to minimize our natural impact, enhance biodiversity, and support the local ecosystem, tailored to the unique conditions of the area and the provisions outlined in the concession and development plan. In 2023 we conducted an assessment concerning biodiversity at the Sundby wind farm project in Sweden. Cloudberry engaged a consultant to evaluate various nature conservation measures to increase biodiversity at the site. The project resulted in a list of suggested measures based on environmental effects, costs, local value creation, implementation steps, time horizon, and feasibility. As a result of this comprehensive assessment, priority measures were selected. When the construction period is finalized during the first half of 2024, and the Sundby wind farm is in operation, the prioritized measures,

Assessing impacts in the early phase of a project

Oscar Engelbrekt serves as a GIS specialist within Cloudberry's Greenfield team.

Throughout 2023, he and his team undertook the evaluation of numerous sites to determine their potential as successful energy projects in the future. They assessed a variety of factors:

- In the Greenfield team, our job is to identify locations that could be transformed into sustainable energy projects. We consider many factors and look at every possible source to gather data on landscape and cultural analyses, ecological significance, tourism potential, and the feasibility of connecting to the grid. We aim to reduce conflicts over land use and to prevent negative environmental impacts. These topics will be thoroughly examined during the permitting process. At Cloudberry, evaluating the impact on nature, biodiversity, and technical considerations is crucial in the greenfield phase for all prospective projects.

such as insect and bumblebee nests with flowering plants around, will be considered to improve biodiversity. The process and methodology used on the Sundby wind farm will be adopted in other projects Cloudberry develops and is included in our policy for nature and biodiversity.

At Sundby Vindpark, the contractor used the landowners' existing facilities as site offices, instead of constructing temporary barracks. By this, we avoided unnecessary negative impacts on nature, and we avoided the use of diesel generators during the construction period.

Bra Miljöval

For the Sundby wind farm, Cloudberry has worked with the nature conservation association (Sw: Naturskyddsforeningen) and their environmental certification called "Bra Miljöval" (ENG: Good Environmental choice). Bra Miljöval is an independent third-party certification that helps end customers choose environmentally friendly products. For Cloudberry, this provides an opportunity to demonstrate that our power plants meet the chosen criteria, including criteria on biodiversity. Sundby was chosen as a pilot project for Cloudberry for this certification. In February 2024, Sundby received its certificate demonstrating that the electricity production from the wind farm meets the criteria in Bra Miljöval. Among other aspects, this includes our planned monitoring of impacts on bats and birds in the wind farm. In addition to receiving a quality stamp on our focus on various environmental topics, this provides an opportunity for Cloudberry by increasing the value of our Guarantees of Origin (GOs) from Sundby, leading to increased revenues. Additionally, Cloudberry invests in initiatives through Bra Miljöval funds that are dedicated to reducing the environmental footprint of electricity production. Bra Miljöval manages three distinct funds, including an environmental fund dedicated to biodiversity projects, an energy fund focused on enhancing energy efficiency, and a forest fund aimed at improving biodiversity in woodland and field areas. More detailed information about specific projects can be found on Bra Miljöval's website. Drawing insights from the process at Sundby, Cloudberry is looking to leverage its experience and potentially extend the implementation of Bra Miljöval to other power plants within our portfolio. This demonstrates Cloudberry's commitment to acquiring knowledge and implementing environmentally conscious practices throughout our operations. It exemplifies how an emphasis on sustainability can generate value and profitability.

The way forward

Going forward we will strengthen and formalize our work with biodiversity and ecosystem protection. For example, at the Munkhyttan project, Cloudberry has initiated a project to preserve, protect, and improve the population of butterflies near the wind farm. Specifically, the measures include a plan to maintain the existing habitat during the entirety of the project's lifetime. Additionally, Cloudberry has identified a new area that is well-suited for establishing an additional habitat. Cloudberry plans to prepare and maintain this area to expand and contribute positively to the butterfly population in the area.

The biodiversity and nature policy is in the process of being integrated into all of Cloudberry`s projects, including a biodiversity transition plan. Nature risk and management is a part of and will be heightened in every aspect of Cloudberry's work including the company`s overall risk strategy. In organizing our efforts around biodiversity, we will look at the Taskforce on Nature-related Financial Disclosures (TNFD). Driven by our overarching ambition to become nature-positive, we are committed to consistently developing appropriate metrics and performance indicators for biodiversity and ecosystems, which also will help us in our efforts to reduce the nature impact where we develop and operate renewable energy. To successfully implement the mitigation hierarchy, we need to work on relevant measurements for biodiversity and ecosystems and will look for collaboration opportunities with technical specialists, such as ecology experts. All of this will contribute to our overall goal of eventually becoming nature-positive.

ESRS E5

Circular economy

There has been an increasing focus on resource use in recent years, due to both resource scarcity concerns, the environmental impacts of material extraction, and challenges in establishing and proving responsible supply chain practices when materials and equipment must be sourced from faraway places. The concept of the circular economy has therefore become increasingly central in discussions about environmental impact, with the main goal being to keep as many materials as possible in the value chain for as long as possible. As of today, circular resource use is a challenge for the renewable energy industry, Cloudberry included.

Our material impacts, risks and opportunities

Positive impacts

- Use of residual and recycled materials (potential)

Negative impacts

- Use of resource-intensive, non-recycled materials

Risks

- Logistical challenges due to increased regulation
- Taxes or fees on specific materials

Managing circular economy impacts, risks, and opportunities

Cloudberry's material footprint consists of the materials used in our renewable energy development and production, the materials used in our offices, and the materials used in the production of all the products we use. The extraction of raw materials and subsequent production of windfarm and hydroelectric plant components have large, negative impacts on nature and generate significant greenhouse gas emissions. Additionally, many of these components, such as wind turbine blades, are difficult to dispose of at end of their life.

Increased circular resource use is expected to reduce Cloudberry's Scope 3 emissions and impact on nature, as well as our exposure to supply chain risks including the risk of human and workers' rights violations.

Circular economy was first identified as a strategic topic for Cloudberry in the 2022 strategy update, and its importance has been confirmed by our 2023 DMA. We are determining the most effective ways to address, monitor, and understand the impacts, risks, and opportunities related to our circular economy and resource usage. Nevertheless, taking action in this area has been challenging due to technological limitations and practical matters such as land use agreements. Thus, Cloudberry's Supplier Code of Conduct addresses circular economy practices, resource management, and waste processing, highlighting the importance of minimizing emissions and engaging in the recycling and disposal of suppliers' products and materials. We always strive to lengthen the lifetimes of our assets and capital goods through re-use and repair and report on circular economy annually in our EU taxonomy report.

Our activities

In 2023 we constructed Sundby wind farm whilst reusing a substantial portion of existing infrastructure, including foundations, roads, and crane supports. The internal high-voltage cable network on site is also being reused with minimal modifications. Additionally, we have emphasized the use of Hasopor, which is a form of recycled glass, as part of the backfilling material for the foundations at Sundby. This material has been chosen due to its beneficial drainage properties in removing water from the foundation surface.

At all of our operational power plants, we comply with regulations on the handling and management of waste products. Our approach emphasizes adopting recycling practices whenever feasible and safe for the environment. Furthermore, our operational assets fully meet the concession requirements associated with decommissioning plans, which includes maintaining a high recycling rate for the materials comprising the power plants.

The way forward

Going forward we plan to continue exploring the best way to address our resource use and waste handling. This will include developing relevant performance indicators and considering whether to establish any formal policies, targets, or action plans related to circular resource use. Additionally, we plan to further investigate how we can incorporate the use of recycled materials in our construction projects without compromising on the safety, functionality, or performance of our assets.

Social

Sustainability ambitions

To act responsibly towards our employees and society, being a preferred employer and partner

Providing renewable energy enables society's essential energy transition, and we are determined that this is a necessary transition. In line with this, Cloudberry aims to always act responsibly towards our employees and society at large, including all groups impacted by our operations – to be a preferred employer and partner in the renewable energy industry.

Our social sustainability focus areas were determined through our strategy update in 2022 and confirmed by our DMA in 2023, and include our social impacts, risks, and opportunities relating to our workforce, the workers in our value chain, communities affected by our operations, and local society. Our main priorities across these groups include human and labour rights, health and safety, and fostering diversity, equity, and inclusion (DEI).

To monitor our overall progress related to social sustainability, we have identified the following KPIs which we actively monitor.

Key Performance Measures

		Actual 2023	Actual 2022	Target 2023	Target 2025
Social[1]	Work injuries (incl. Sub-contractors)	1	0	0	0
	Employee engagement index	5.3	5.2	≥ 5.2	≥ 5.3
	Equal opportunities index	5.3	5.2	≥ 5.2	≥ 5.3
	Female employees % of total	28%	24%	35%	> 40%
	Female managers % in mgmt. positions	33%	33%	33%	> 40%
	Female BoD % in total BoD	57%	43%	> 40%	> 40%
	Sick leave own workforce	3.12%	1.66%	< 2%	< 2%

[1] Work injuries defined as lost time. See Key performance summary and the Social section for details.
The results from the Employee engagement index and the Equal opportunities index originate from the latest survey in 2023. The maximum possible score is 6. See Key performance summary and the Social section for details.
From 2023 the reporting covers all subsidiaries in the Group. Female employees % of total has been adjusted for 2022.

ESRS S1

Own workforce

Ensuring the overall well-being of our workforce is of top priority at Cloudberry. Our commitment extends to various aspects of culture and employee well-being, encompassing health and safety, diversity, equity and inclusion, work-life balance, and job satisfaction.

Our material impacts, risks and opportunities

Positive impacts

- Secure, year-round employment

Opportunities

- Become a preferred partner by being an industry leader

While not every one of these aspects was deemed material in our DMA, we recognize their importance and remain dedicated to addressing them. Our approach reflects a deep understanding that fostering a supportive environment for our workforce goes beyond materiality thresholds, ensuring a healthy, inclusive, and satisfying work environment for all employees.

Managing IROs related to own workforce

At Cloudberry, we place a strong emphasis on managing the impacts, risks, and opportunities related to our own workforce. In recognition of the fact that our employees are our most valuable assets, we are committed to fostering a supportive and inclusive work environment. This involves implementing comprehensive HR policies and practices that ensure safety, promote diversity and inclusion, and support professional development. We actively identify and mitigate risks related to workforce satisfaction, health, and safety, fostering diversity, equity, and inclusion (DEI), while also capitalizing on opportunities to enhance employee engagement and productivity. By investing in our workforce's growth and well-being, Cloudberry aims to not only maintain a resilient and motivated team but also to drive innovation and sustainability in the organization.

At Cloudberry we consider our own workforce to be an important stakeholder in our business. For more information about how we manage our own workforce's input as stakeholders, see the section on engaging with stakeholders under ESRS 2.

Our activities

Human and Labour rights

We regard human and labor rights as essential pillars for safeguarding individual dignity, promoting freedom, and fostering respect within our operations, among our business partners, and throughout the communities we engage with. This commitment to upholding human and labor rights is integral to our way of conducting our business, guiding our interactions and policies to ensure fair treatment, equality, and non-discrimination for all employees, contractors, and community members, as well as opposing all forms of modern slavery, forced labour and child labour. This is outlined in our Code of Conduct, Supplier Code of Conduct, Guidelines for Responsible and Sustainable Investments, ESG due diligence guidelines, Whistleblower Policy, and Suppliers declarations form. We have assessed a low risk of human and labor rights violations within our own workforce, nevertheless, the principles are embedded into our corporate culture. Policies have been created, and approved by the Board of Directors. All employees, contractors, suppliers, and business partners are covered by these policies.

Cloudberry respects and has carried out human rights due diligence following the OECD and UNGP Guidelines, as well as adherence to the International Labor Organization "ILO's" core conventions on Fundamental Principles and Rights at Work and the International Bill of Rights, including the Norwegian Transparency Act (Åpenhetsloven). Compliance with these principles and guidelines requires that undertakings prevent violations of human rights.

Cloudberry actively contributes to creating a more just and equitable society, reflecting our dedication to ethical practices and social responsibility in every aspect of our work. Annually, we evaluate and revise our policies and interactions to address and mitigate any potential negative impacts on human rights, affecting our own employees, those within our value chain, or communities impacted by our operations.

Health and safety

Cloudberry prioritizes health and safety above all, as it is paramount to our mission of making a positive societal impact. We recognize that the health and well-being of our employees and those within our value chain are crucial for achieving a balanced life where individuals can fulfill their potential. As such, integrating a comprehensive health and safety management system and cultivating a workplace culture that prioritizes the health and safety of our staff are central to our operations. We are dedicated to sustaining high employee engagement and culture, as these are essential for our success and alignment with our company values. Employee engagement surveys are conducted regularly to measure important aspects of our culture and employee wellbeing. The survey also provides a valuable measure for further work with DEI in the Cloudberry workplace.

This and more are described in the Diversity and Inclusion section.

The majority of Cloudberry's employees work in office settings, leading to the conclusion that our most significant health and safety challenges lie with our suppliers and contractors. Given the inherent risks associated with construction activities, we are aware that our operations could adversely affect the health and safety of workers within our value chain.

The organization's rate of absence due to illness was 3.12% (1.66%). The increase in sick leave was mainly due to one long-term sick leave which was not work related.

During 2023 no incidents causing harm to people`s health or serious material damages were recorded in Cloudberry`s projects. At Cloudberry`s headquarters, an employee had a minor injury which ended up leading to lost time. The injury was caused by a chair in the canteen run by a third party. Corrective measures have been implemented to ensure health, safety, and security.

To ensure continuous improvement within health, safety, and security measures, ensuring the well-being of every individual working on, or entering, our sites, Cloudberry and contractor and supplier representatives regularly conduct Safety Walks to identify and address potentially unsafe conditions, advise on safety measures, health, and safety risks, and to prepare mitigations plans when necessary. These walks aim to identify and mitigate health and safety risks, as well as address unsafe or unwanted environmental and nature-related situations. A review of the protocol from the safety walk takes place during the construction meeting, and any identified deviations are discussed and addressed. Immediate action is taken to resolve issues arising from these deviations.

Cloudberry ensures that construction and operation partners maintain adequate safety policies and report on various measures to safeguard the workplace during development, construction, and operation projects. Health and safety measures are of the highest importance to Cloudberry, and we constantly work to reduce risks involved during the construction of the company`s projects.

Our Supplier Code of Conduct (SCoC) encompasses health and safety measures to foster a shared commitment between Cloudberry and our suppliers and contractors. Additionally, our agreements with contractors require the implementation of training and awareness programs. We are dedicated to promoting employee involvement and enhancing our emphasis on activities aimed at risk reduction and prevention, including offering appropriate training to develop necessary skills. Additionally, health and safety are outlined in our Code of Conduct, Guidelines for Responsible and Sustainable Investments, ESG due diligence guidelines, Whistleblower Policy, Suppliers declarations form, and in the Health and Safety Plan for the Work Environment, a workplace accident prevention management plan at our construction sites. Section G1 Business conduct describes the company`s Code of Conduct.

Diversity and inclusion

Diversity and inclusion lie at the core of Cloudberry's values, reflecting our commitment to creating a dynamic and fair work environment for our employees, while also extending these values to our suppliers, business partners, and wider community interactions. For our workforce, diversity and inclusion mean fostering an environment where differences are celebrated, and everyone has equal access to opportunities for growth and advancement. This approach not only attracts top talent from varied backgrounds but also contributes to employee satisfaction and retention by ensuring all voices are heard and respected. In dealing with suppliers and business partners, prioritizing diversity and inclusion strengthens our supply chain and partnerships. It encourages mutual respect for ethical practices and promotes social responsibility across our business operations. By holding our suppliers and partners to these standards, we contribute to a more inclusive and sustainable business ecosystem.

Cloudberry acts responsibly towards its employees and society and is dedicated to being an equal opportunity employer fostering diversity, equity, and inclusion (DEI) in the workplace. Our dedication to DEI is comprehensive, covering all dimensions of diversity such as gender identity and expression, sexual orientation, disability, ethnicity, age, personal beliefs, and religion, as well as family leave policies for childbirth and adoption and caregiving responsibilities. Our aims include the elimination of discrimination and harassment as well as the promotion of equal opportunities, which are all outlined in the Code of Conduct. We value and celebrate these differences, recognizing them as not just opportunities for growth but as essential components of Cloudberry's success.

Cloudberry complies with standards as set out in local and international human rights law, including ILO-Conventions and the Norwegian Equality and Anti-discrimination Act including the Activity Duty, UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, and OECD Guidelines for multinational enterprises.

Cloudberry upholds strict standards for all employees and partners to foster an inclusive culture. Cloudberry enforces a policy of zero tolerance towards discrimination, harassment, sexual harassment, and violence. All employees, alongside our partners and stakeholders, are required to adhere to the guidelines for maintaining a respectful workplace, as detailed in Cloudberry's Employee Handbook.

Cloudberry will continue to promote DEI internally and in the renewable industry in general and aims to increase the share of both women employees in the workplace and of women in executive management positions to a minimum of 40% in 2025.

In 2023 Cloudberry facilitated two workshops for all employees centered around company behavior, culture, values, and strategy. Cloudberry also conducted the annual engagement survey focusing on compliance, HMS, work-life balance, and DEI in the workplace. The result from the survey gave a DEI index of 5.3 and an engagement index of 5.3 (6 is the maximum score), which are slightly better than the results in 2022. The survey gives valuable insight and an opportunity for the company to learn, adjust, and implement new measures to continuously improve, and for further work with DEI in the Cloudberry workplace in 2024.

Cloudberry's commitment to diversity and inclusion is integral to building a resilient, innovative, and responsible company that is well-equipped to navigate and contribute positively to society. The Board

of Directors has approved the Code of Conduct, and the Supplier Code of Conduct is incorporated into all interactions with suppliers and business partners.

Additionally, Cloudberry has policies in place to prevent these negative impacts from occurring and ensure that we have a net positive impact.

Engaging with own workforce
We are dedicated to fostering a culture where everyone can flourish, establishing clear expectations for all employees and partners, and ensuring they can confidently and securely address significant issues. To facilitate this and encourage employee engagement, Cloudberry has developed platforms that empower our staff to be courageous, vocal, and supportive.

The annual engagement survey allows employees to express their perceptions of Cloudberry as a workplace. Cloudberry uses the insights to identify new measures to initiate dialogue and identify actions to continuously improve. Progress will be measured through smaller pulse surveys.

In 2023, Cloudberry gathered all employees for workshops focusing on company culture and behavior related to our values. Such events foster team collaboration and align organizational strategy and goals. Cloudberry also encourages the workshops to serve as a platform for knowledge sharing, team building, and innovation, contributing to a more engaged and productive workforce.

Additionally, Cloudberry conducts a quarterly digital town hall meeting involving all employees in the organization, to foster a culture of transparency and inclusivity at Cloudberry. This platform allows us to communicate and share insights about our work life, and provide updates on ongoing projects, company results, and future plans. It's an opportunity for team members to voice their ideas, concerns, and suggestions, ensuring that everyone is aligned with our goals and feels valued and heard.

Cloudberry conducts annual Code of Conduct training with the goal that 100 percent of our employees take the training each year. Cloudberry organized Code of Conduct training for its entire workforce in 2023. Physical workshops are arranged for our employees focusing on behavior related to company culture, values, and strategy.

Through these meetings, we aim to strengthen our collective understanding and commitment to Cloudberry's purpose, encouraging collaboration and innovation across all levels of the company.

The numbers provided in the tables are current as of December 31, 2023, and encompass employees and entities in which the Group holds over 50% ownership. Following Cloudberry's acquisition of 100% of Captiva at the end of 2023, the tables include data from Enestor AS, Broentech Solutions AS, and Kraftanmelding AS.

Gender equality represents a fundamental human right, a legal obligation, and a source for employee engagement and well-being in the workplace. Furthermore, it enables Cloudberry to attract and hire the most skilled candidates regardless of gender. 28 % of employees are female, which is below the target of 35 % in 2023. The company intends to increase the percentage to a minimum of 40 % by 2025. The number of female managers is on target with 33 %, whilst 57 % of the female board of directors is above target and the legal requirement of > 40 %. Cloudberry acknowledges the importance of creating a balanced workforce and will continue to promote DEI internally and externally to improve the rate of female employees in Cloudberry and the renewable industry in general.

Number of employees (headcount)

Gender	FY 2023	FY 2022
Male	50	47
Female	19	15
Other	-	-
Not reported	-	-
Total employees	**69**	**62**

Number of employees (headcount)

Country	FY 2023	FY 2022
Norway	52	50
Sweden	15	10
Switzerland	2	2
Total employees	**69**	**62**

As a company operating in the Nordic, most of our workers are covered by collective bargaining agreements, as shown below.

Collective bargaining agreements

	Collective bargaining coverage	Social Dialogue
Coverage	-	-
0-19%	20.3	-
20-39%	-	-
40-59%	-	-
60-79%	-	-
80-100%	-	-

All of Cloudberry's employees are paid an adequate wage, and according to the Company's Remuneration policy the wages shall be competitive but not industry leading. An annual assessment of

Number of employees (head count or FTE)

Employment type by gender	Female	Male	Other	Not disclosed	Total
Permanent employees (headcount or FTE)	17	50	-	-	67
Temporary employees (headcount or FTE)	2	-	-	-	2
Non-guaranteed hours employees (headcount or FTE)	-	-	-	-	-
Total employees	**19**	**50**	**-**	**-**	**69**

Healt and safety	Employees	Non-employees
Percentage % of own workforce covered by health and safety management system based on legal requirements and/or recognized standards or guidelines	100%	N/A
Number of fatalities as a result of work related injuries and work related ill health	0	0
Number of recordable work-related accidents	0	0
Rate of recordable work-related accidents	0	0
Number of cases of recordable work related ill health	0	0
Number of days lost to work related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	0	0

wages is conducted to ensure market-based and equal pay for employees in similar positions and scope of responsibility.

Every Cloudberry employee benefits from social protection covering significant income loss due to illness, unemployment, disability, injury, parental leave, and retirement, through the public social security in Norway and Sweden in addition to generous health and life insurance and pension schemes.

For Cloudberry, health and safety is a significant area of focus, though it holds less relevance for our workforce, which primarily consists of office personnel. We aim for a zero-incident rate regarding injuries that result in work absences and strive for no incidents causing any form of harm.

All of Cloudberry's employees are covered if they need to take family related leave. In 2023 4.3% of Cloudberry's employees were entitled to family leave, of which 4.3% took family leave. Of our employees that took family leave, 67% were female and 33% were male.

The way forward

As we move forward, our commitment to our own workforce will be integrated into every aspect of our work, with a strong emphasis on fostering work-life balance and promoting diversity and inclusion. We will continue to develop measures and policies, such as a DEI policy, aimed at creating a supportive and inclusive environment, where every employee feels valued and respected. Risks associated with workplace culture will be actively managed through annual employee engagement surveys, reviews, and updates to our policies and routines, ensuring they remain relevant and effective. The employee handbook, along with the compensation and benefits guidelines, will be revised to ensure consistency throughout the organization's policies and practices. Additionally, we will prioritize open and transparent communication, encouraging feedback and dialogue to continuously improve our workplace environment and address the needs and well-being of our employees. With the newly introduced intranet in the organization, we aim to create a more connected, efficient, and engaged workplace that supports our strategic targets and operational needs, enhancing internal communication, collaboration, and overall efficiency within the organization.

ESRS S2

Workers in the value-chain

Cloudberry engages contractors for the construction of hydro and wind power plants. Like our approach with our own employees, we strive to positively influence those within our value chain. We address health and safety, along with diversity, equity, and inclusion when we interact with our suppliers and business partners in the value chain.

Our material impacts, risks and opportunities

Positive impacts

- Extensive working condition requirements
- Extensive requirements for contractors

Opportunities

- Become a preferred partner by being an industry leader

Cloudberry expects that our business partners and suppliers uphold the same ethical standards with their suppliers and subcontractors that we demand from them. It's essential for us to uphold labor and human rights in all our activities and to minimize the likelihood of negatively affecting individuals within our value chain.

Managing the impacts, risks, and opportunities related to our value chain workers

Cloudberry is committed to conducting business responsibly, ethically, and prudently – upholding our obligation to respect human and labor rights, safeguard health and safety, manage environmental and natural resources conscientiously, prevent corruption, and support local communities. Cloudberry aims to have an overall positive impact on workers across our value chain and dedicates significant resources to make this a reality as much as possible. We enforce a strict Supplier Code of Conduct (SCoC) to ensure safe working conditions for value chain workers, as well as outlining a minimum standard to establish a baseline of expected behavior. This ensures that our business partners and suppliers consistently apply diligence and adhere to the requirements and intentions of the SCoC.

Our activities

Human and labour rights

Given that Cloudberry is a relatively small company and engages with major suppliers, we have a limited ability to affect their value chains. Our efforts are primarily concentrated on our direct and material suppliers, where we possess a genuine capacity to make an impact. However, we are aware of the potential of our activities to negatively affect workers deeper within the value chain, over whom we have minimal control, such as large-scale component manufacturers. We nonetheless remain attentive, and our objective is to consistently contribute positively and to reduce any adverse effects.

Cloudberry conducts annual due diligence following the OECD and UNGP Guidelines for Multinational Enterprises, as well as adherence to the International Labor Organization "ILO's" core conventions on Fundamental Principles and Rights at Work and the International Bill of Rights, and identifies risks associated with human rights and decent working conditions both within our operations and throughout our supply chain. We have implemented actions to prevent, mitigate, or halt adverse effects, and have revised and put into practice guidelines and procedures to address any real or possible negative impacts on essential human rights and decent working conditions. To involve ourselves proactively, we have initiated and conducted the following actions:

- Assessment of fundamental human rights and decent working conditions is an integral component of the supplier prequalification process and the ESG due diligence procedure before making final investment decisions.
- The Supplier Code of Conduct is revised annually ensuring our practices remain aligned with the latest legal standards.
- Training programs for project managers, with a strong emphasis on upholding fundamental human rights and ensuring decent working conditions.
- Educate own workforce and suppliers in governance and compliance matters, including anti-corruption measures and whistleblowing, and of their right and responsibility to notify possible misconduct, with guidance on how such notification should be made.
- Furthermore, Cloudberry has dedicated significant attention to evaluating risks and opportunities in supply chains outside the EU, with a special focus on identifying mitigating measures to ensure sufficient oversight within the value chain.
- Cloudberry has also a widely promoted third-party whistleblower reporting channel, allowing workers at any of our sites to submit complaints anonymously.

Cloudberry has published a Transparency Act report 2022 following the requirements of the Transparency Act.

Cloudberry expects compliance with the requirements of ethical and sustainable practices, including safeguarding basic human rights and decent working conditions. The SCoC obliges our suppliers to carry out due diligence assessments following OECD and UNGP Guidelines, as well as adherence to the International Labor Organization "ILO's" core conventions on Fundamental Principles and Rights at Work and the International Bill of Rights. The company`s management of relationships with suppliers is also described in the G1 Business Conductance section of this report.

We consistently evaluate the effects our decisions will have on workers within our value chain, and, wherever feasible, we take all these factors into account before entering into an agreement with suppliers. Cloudberry`s commitment to respecting human and labour rights is outlined in the Supplier Code of Conduct, Guidelines for Responsible and Sustainable Investments, ESG due diligence guidelines, Whistleblower Policy, and Suppliers declarations form. In section S1 on the company`s own workforce, more information is available regarding our activities and work on human and labour rights. Section G1 on our business conduct describes the company`s Code of Conduct.

Health and safety
Cloudberry has continued the important work on risk management in the supply chain, including health and safety risks. Further routines and procedures in our operation have been developed or enhanced to ensure that suppliers comply with the company`s expectations regarding environmental, social, and governance topics. To identify and mitigate risks associated with our suppliers, we met with contractors and turbine suppliers to identify and address health, safety, and environmental (HSE) topics, as well as any adverse impacts on the environment and communities, such as human rights violations and environmental degradation. Additionally, safety training is conducted at the power plants with workers, covering general operation, maintenance, and HSE compliance. For more information on how we address health and safety risks, go to section S1 on Cloudberry`s own workforce.

In 2023, at the construction site of Munkhyttan, a tree fell and landed on a parked car due to strong winds. No individuals were in the immediate vicinity and no personal injuries occurred. In response, Cloudberry took measures to ensure the safety of the surrounding area`s other trees, reducing the risk of similar incidents. Cloudberry works continuously to prevent incidents that negatively affect the health and safety of individuals or result in significant material or environmental damage.

Cloudberry will continue gathering data from suppliers, and holding meetings with key suppliers will be a part of the risk-based audits conducted regularly moving forward. This effort is aimed at enhancing the collection of insightful information about workers within the value chain.

Engaging with value-chain workers
Cloudberry is committed to enhancing our engagement with value-chain workers, with a focus on identifying and mitigating risks within our supply chain. We maintain a consistent onsite presence of Project Managers at our construction sites. During safety walkarounds, we engage with workers from high-risk suppliers, especially those involving significant manual labor. Through conversations with onsite HSE managers from turbine, grid, and electrical installation suppliers, we gain insights into the experiences of potentially vulnerable and marginalized workers, such as migrant workers and minorities. When we identify any gaps, Cloudberry collaborates with the supplier to implement appropriate measures, ensuring a safer and more inclusive working environment.

Furthermore, to emphasize the significance of engaging value-chain workers, Cloudberry holds informal site assessment meetings with key suppliers, to facilitate a collaborative dialogue on identifying and mitigating risks concerning onsite workers and those within the value chain. Supplier dialogue is described in more detail in section G1 on business conduct.

Additionally, Cloudberry put up posters with QR codes for Cloudberry's whistleblowing channel at the sites. For instance, at the Munkhyttan and Sundby wind farms, the workers can easily access the whistleblowing policy and report any noted misconduct.

The way forward
Going forward, our approach to addressing value-chain workers will remain focused on human and labour rights, health and safety, and the workers' well-being. We will implement measures to identify and mitigate risks, ensuring our policies and routines foster a transparent and open line of communication. This will include regular assessments and dialogues with relevant stakeholders to continuously improve labor practices and working conditions. We will continue the regular onsite presence of project managers and performance of safety walkarounds. Additionally, we are committed to developing and enforcing robust safety protocols and training programs, coupled with a strong emphasis on respecting workers' rights throughout our supply chain. In the tendering process, we will proactively encourage suppliers to avoid using subcontractors in areas where there's a risk to human rights and decent working conditions. We plan to distribute questionnaires to our current material suppliers and conduct annual risk-based audits. Should any concerns arise from these assessments, screenings, or audits, we will implement response plans to address any instances of misconduct. By integrating these principles into our operations, we aim to create a more sustainable and responsible value chain that benefits all parties involved.

ESRS S3

Affected communities

To have a successful transition to renewable energy, the development of renewable energy resources must benefit both people and local communities, while also minimizing or addressing any potential negative social or human rights consequences. It is particularly crucial to strive for a net-positive impact on the communities we serve, taking into account vulnerable populations and the effects our operations have on them.

Our material impacts, risks and opportunities

Positive impacts

- Contribution to the local economy

Risks

- Failing to create value or maintain a professional reputation
- Lose opportunities due to bad industry reputation

Opportunities

- Become a preferred developer by being an industry leader

We recognize that the success of our business is dependent on engaging meaningfully with communities impacted by our operations to cultivate local support and collaboration. It is only through this approach that we can gain valuable insights into the knowledge and desires of the communities affected by our projects. Cloudberry`s projects must be not only environmentally sustainable but also socially sustainable.

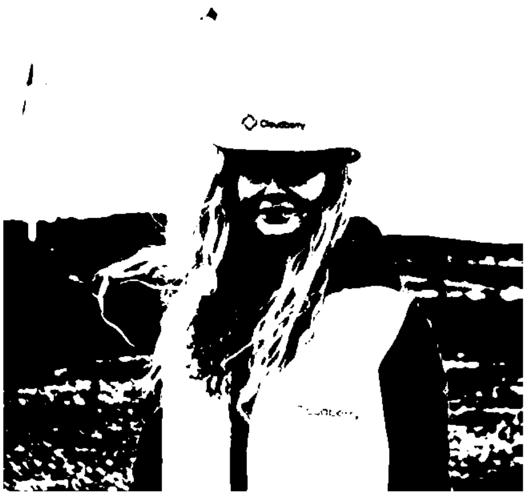
Managing our material impacts, risks, and opportunities on affected communities

In our DMA process, we considered several different potential impacts, risks, and opportunities on affected communities in the regions of our operations. Impacts related to indigenous communities were determined to be immaterial as Cloudberry's operations are not located in regions historically occupied by indigenous populations. Furthermore, given Cloudberry's position as a smaller entity with reliance on a narrow selection of suppliers for components, influencing our suppliers' effects on impacted communities poses a challenge. Consequently, the impact on affected communities in our value chain has been assessed as an immaterial topic to Cloudberry.

Cloudberry is committed to always delivering a net positive impact and acting with responsibility towards the communities in which we operate. Our approach involves avoiding, mitigating, and addressing negative impacts in the affected communities, with an emphasis on sustainable and responsible influence. This includes transparent communication, providing regular information, and having a local presence. Before making decisions, we carefully evaluate the social and environmental consequences on local communities, engaging in meaningful conversations with residents, landowners, political figures, and various stakeholders. Managing impacts, risks, and opportunities in the communities in which we operate, is outlined in the company`s Code of Conduct, Supplier Code of Conduct, Guidelines for Responsible and Sustainable Investments, and in the ESG due diligence guidelines. Affected communities may raise concerns through the company`s whistle-blower channel.

Our activities

In some areas where we operate, we impact local communities through the presence of our power



Stakeholder dialogue and engagement

In the greenfield phase of a project, and before a site is selected for further development, Cloudberry places great emphasis on social dimensions. By initiating early conversations with landowners and affected communities, Cloudberry seeks to secure widespread support for the projects.

– Each new project brings its own set of unique and unforeseen challenges, and we are committed to being open and transparent about our approach to addressing these challenges. During 2023 we participated in various meetings and dialogues with landowners and local communities to understand their needs. We met with many representatives from the public and civic society, the local business community, politicians, and local stakeholders. In the meetings, we shared information regarding the project and gained valuable insight on how to safeguard and ensure that our projects are socially sustainable, says Sofia Dahlgren, Project Manager at the greenfield team in Cloudberry.

plants. Wind power plants may impact communities through noise, shadow flicker, or the change in lighting due to the aviation lights on our wind turbines. Cloudberry meets the regulatory requirements to ensure compliance and minimize the impact on the affected communities. Nevertheless, we engage in open dialogue with local environmental offices and listen to the opinions and complaints voiced by the communities. Understanding and being transparent towards affected communities is crucial when dealing with topics and concerns that affect the communities in which we operate.

During the construction phase of a project, we acknowledge that we have an impact on the nearby communities. In our commitment to responsible practices, we take proactive measures to establish trust, and we invite to an open dialogue with the affected communities. To facilitate communication and engagement, Cloudberry provides our contact details and encourages community members to notify us regarding specific concerns or suggestions for improving our operations. Through these efforts, we aim to understand their concerns and identify ways to minimize any potential negative impact during construction.

The Sundby wind farm, situated near a population center, attracted a high number of visitors seeking access to the site during construction. Cloudberry observed that the safety signs at the site entrances were insufficient to keep neighbors and other locals away from the construction areas. In response to this, to reduce the risk of visitors entering the site during construction and to safeguard the affected communities, Cloudberry strengthened safety measures to minimize trespassing at the construction site. Measures included additional signs displaying security information and providing a link to the project website at the three site entrances. The signs specifically address and make people aware of the dangers and measures on-site.

By actively involving the communities where we operate, Cloudberry strives to ensure that the voices of the community are heard. Throughout the stages of project development, construction, and operation, engagement is carried out, utilizing varied forms and frequencies of interaction. This addresses our ongoing efforts to enhance the overall impact of our activities.

The way forward

Early stakeholder dialogue in affected communities is a fundamental pillar of social sustainability, paving the way for more meaningful interactions that actively involve local stakeholders from the beginning. Cloudberry is dedicating more attention to landscape analysis, allowing for a deeper understanding of the local use and perceptions of the landscape, extending beyond the project's immediate impacts to consider broader implications of various energy choices. The approach fosters an inclusive and trustworthy process, vital for achieving social sustainability. By prioritizing early conversations, projects are designed with an awareness of local conditions, ensuring that the concerns and inputs of local stakeholders are integrated from the start. This not only boosts community engagement but also reinforces the democratic process, enhancing the project's social legitimacy.

Emphasizing and engaging dialogues throughout the stages of development, construction, and operation as a strategy for social sustainability marks a significant move towards more inclusive and participatory planning. Additionally, it ensures that projects are not only technically and environmentally sound but also enjoy the backing and confidence of those communities most affected. This commitment to early and ongoing dialogue ensures that our projects contribute positively to both global green goals and local well-being, embodying the principles of social sustainability.

Entity specific

Local society

For Cloudberry, the topic of local society holds significant importance as it embodies the communities and environments in which we operate. Our commitment to sustainable development extends beyond environmental considerations, recognizing that the prosperity and well-being of local societies are integral to our success.

Our material impacts, risks and opportunities

Positive impacts

- Stable income for landowneres
- Improvement of local environment
- Supporting local causes
- Providing educational opportunities

Opportunities

- Win future projects by creating local value

Usma hydropower plant

It is crucial for Cloudberry that our local initiatives generate value creation locally and, in the communities, where we operate. This encompasses economic contributions as well as biodiversity restoration and improving the local environment.

Following the DMA process, Cloudberry identified "Local Society" as an entity-specific material topic based on stakeholder feedback, with a particular emphasis on local value creation and the effects on communities in our operational areas. The impact on local communities is a material topic in the strategy, and we are committed to acting responsibly within the societies where we develop and operate renewable energy projects.

Cloudberry is aware that our construction activities can lead to certain negative impacts on local communities, such as waste management challenges and internal conflicts arising from construction-related disturbances like noise and increased traffic. Within our DMA, these issues have been considered minor, thanks to our commitment to actively engage with and address the concerns of local communities effectively.

Managing our local society's impacts, risks, and opportunities

At Cloudberry, managing the impacts, risks, and opportunities related to local societies involves a comprehensive approach that prioritizes active engagement and responsible practices. We strive to identify and mitigate any potential negative impacts through early and ongoing dialogue with community members, while also seeking opportunities to contribute positively to local development. This includes investing in local infrastructure, supporting educational initiatives, and creating job opportunities. By closely collaborating with local stakeholders, we ensure that our projects not only align with our sustainability goals but also bring tangible benefits to the communities in which we operate, fostering a harmonious and mutually beneficial relationship.

An essential aspect of our approach is that we involve dedicated units responsible for community relations for all our projects, meaning having a robust local presence during the development, construction, and operational phases of our projects. This strategy facilitates consistent

A valuable collaboration

Cloudberry acquired the Usma hydropower plant from the Norwegian foundation Thomas Angells Stiftelser. The Director of the foundation, Ingrid Finboe Svendsen, describes the sales process as thorough and successful. Cloudberry's visits and genuine interest in the local community played a crucial role in establishing trust with the landowners. The mutual respect and the sense of being heard were pivotal in reaching the agreement. All landowners positively welcomed the deal, and Svendsen acknowledged Cloudberry for its successful realization.

Most importantly, the foundation has a longstanding commitment to environmental, social, and local concerns. From the project's initiation phase, the foundation dedicated significant attention to the preservation of biodiversity and red-listed species, actively supporting nature conservation wherever needed. As a result, ensuring the well-being of reindeer herders respectfully was in the mutual interest of both parties. Ingrid explains:

"Negotiating an agreement with reindeer herders presented certain challenges. We firmly believed it was essential to prioritize the well-being of reindeer and calving, making every possible effort to address the needs of the herders. Our aspiration was to develop the hydropower plant in the utmost respectful manner, taking into consideration the welfare of people, nature, and animals in the area".

Cloudberry and Thomas Angells Stiftelser share common values, emphasizing the importance of addressing environmental and social topics. The interaction between Cloudberry and landowners, fostered by trust and local engagement, is crucial for securing the success of a long-term collaboration.

communication and lays the groundwork for cooperation with local stakeholders, being available for them, enabling us to assess impacts, address challenges, and evaluate emerging risks effectively.

Cloudberry strongly focuses on always considering our activities impacts, both positive and negative, on communities where we have our operations. This is outlined in our Code of Conduct and Supplier Code of Conduct, in which we address care for local communities and guidelines on how we value partnerships with local communities and develop projects with a commitment to ensure trust and legitimacy and generate positive spin-offs locally.

Our activities

At Cloudberry, we are committed to supporting local communities through targeted initiatives that aim to improve and positively impact the areas where we operate. Our efforts include generating employment opportunities, collaborating with local businesses such as contractors, offering educational programs, contributing to community projects, and beyond.

In the Sundby project, located in Eskilstuna, Cloudberry has prioritized utilizing local resources for construction-related activities, ensuring that our spending benefits the region. However, this does not extend to the procurement of wind turbines and substations, as there are no local manufacturers for these components in Eskilstuna. Nevertheless, Cloudberry has successfully employed local community members, including civil contractors and electrical workers, for about 90% of the remaining project scope, ensuring the expenses are allocated within the local economy. Consequently, with the local business partners carrying out significant work towards completing the construction of the Sundby wind farm, a substantial portion of the revenue goes into the local Eskilstuna community.

For the Björnetjärnsberget wind farm development project, Cloudberry supported and sponsored the local celebration of Edakalaset family day in Eda municipality. At the event, Cloudberry shared insights into wind power development and operations, while also providing entertaining giveaways for children. This involvement underscores Cloudberry's commitment to community engagement and local stakeholder relations.

At the Sundby Vindpark, at the start of the construction phase, Cloudberry organized a kick-off event, bringing together landowners, suppliers, construction workers, and Cloudberry's team on site. The event took place at the landowners' facilities, whose buildings were being leased by the main contractor for use as site offices, to avoid temporary barracks. This interaction with landowners, local community members, and suppliers is a key component of Cloudberry's approach to stakeholder management.

Sharing information and being transparent, communicating and interacting with the landowners, locals, suppliers, and other stakeholders are important parts of Cloudberry`s stakeholder management. Cloudberry initiates meetings with the landowners at the wind farm projects. At Duvhällen and Sundby Vindpark, the stakeholders were updated on the further development and construction of the wind parks. The meetings were held in our office in Eskilstuna, Sweden, near the project sites. Cloudberry also engaged in informal meetings with politicians and landowners and invited neighbors to the site at Sundby wind farm, where the dialogue focused on the progress of the project.

Politicians from The Environmental Party in Sweden initiated a meeting to learn more about on- and offshore wind energy projects. An introduction to Sundby Vindpark was held on-site to promote knowledge and political engagement to raise the importance of more efficient concession/permitting processes.

At the offshore wind project, Simpevarp Havsvindpark, Cloudberry conducted a comprehensive four-day local consultation session (SE: Samråd). We shared detailed information about the project and its permitting process with over 500 participants, including representatives from local interest groups, industry sectors, landowners, and additional stakeholders. Afterwards, participants were invited to submit their feedback on the project. This process provided Cloudberry with valuable insight for future planning and reinforced our commitment to positively influencing social, environmental, and economic outcomes through active community engagement.

The Hån wind farm commenced operations in 2022. In 2023 the official opening of the Unionsläden bike

trail at the border between Norway and Sweden was organized. This trail, which was once a narrow road between the two countries used during the construction of the Hån wind farm, has been repurposed into a cycling path. The inauguration event was attended by proud politicians from both Norwegian and Swedish municipalities, celebrating the achievements of local stakeholders and Cloudberry and our contributions to the communities.

Cloudberry actively participates in local educational programs focused on renewable energy and the broader energy transition to nurture a deeper understanding and appreciation of sustainable practices within communities. By doing so, Cloudberry aims to inspire and empower future generations with the knowledge and skills needed to drive and support the global shift towards a more environmentally friendly and energy-efficient future. This engagement reflects our commitment to not only invest in renewable energy infrastructure but also in the societal shift towards sustainability, ensuring that the communities we operate in are well-informed and positively impacted by the advancements in green technology.

At the Sundby construction site, we welcomed a group of students from a university in Eskilstuna. The students made a field trip to the wind farm as part of their education in renewable energy. Cloudberry presented the project to the students, providing insights into various aspects of wind power within a broader context. The tour included a discussion about Sundby as a development and construction project, operational considerations of wind farms, and Cloudberry's commitment to nature, biodiversity, and community impact.

In the local area of the Munkhyttan wind farm, Cloudberry actively engages in continuous conversations with high school students specializing in diverse fields of education, including construction, technology, electricity, and nature studies. Cloudberry visited the school to give lectures on wind power and renewable energy. Additionally, the students participated in a field trip to the

Cloudberry & Save the Children: A Partnership for a Sustainable Future

Cloudberry's partnership with Save the Children (Redd Barna in Norway) over the past years has been a testament to our commitment to social and environmental sustainability. This collaboration aligns with our strategic objectives, strengthens our culture of sustainability, and builds on our local engagement.

"This partnership goes beyond just donating to a good cause. It is about creating a sustainable future for all, especially for children, and making a positive impact on society. Cloudberry is powering the transition to a sustainable future. To do that we need to ensure a safe society and a healthy planet for our children", says CEO Anders Lenborg."

Cloudberry supports the critical efforts of Save the Children in ensuring children's survival, education, and safety. We look forward to continuing this partnership, focusing on both global and local topics.

Redd Barna

Munkhyttan site, where they gained insights into the impacts on nature, sustainable use of materials, and the construction of foundations for the turbines. Throughout the site tour, significant emphasis was placed on conveying the strict adherence to environmental, health, and safety measures that apply during a construction project.

Furthermore, Cloudberry conducted educational sessions at a high school in Karlstad, engaging technical students with comprehensive insights into wind energy. These sessions covered the journey from obtaining permits to the construction of wind farms and included interactive activities to enhance learning.

The way forward
Cloudberry is committed to engaging with and addressing the concerns of the community in which we operate, providing arenas for stakeholders to engage in dialogue and feedback, and maintaining open lines of communication during both the development and production phases. Understanding the perspectives of local communities is essential for gaining their support and involvement. We will continue organizing public meetings and consultations, aiming to foster strong partnerships that benefit the community. Initiatives like community benefit funds, sponsorships, contributions to community projects, and mitigation measures on environmental impacts, are some of Cloudberry`s positive contributions to value local society in a sustainable way. We can only be a preferred employer and business partner when we create value together, and share the result of our efforts, with the communities in which we operate.

We remain focused on assessing the success and reception of our local value-creation efforts by local stakeholders. A key priority moving forward will be the formulation of appropriate key performance indicators for tracking and reporting the value we contribute to local communities and the broader impact we have on them. Our commitment to acting responsibly towards our employees and society is closely linked with our engagement in the local communities where we conduct our operations.

Governance

Sustainability ambitions

To ensure solid governance internally and in our value chain at all times

Cloudberry's efforts to develop and produce renewable energy are dependent on our continued license to operate, which is in turn dependent on our ability to earn and maintain society's trust. An integral part of earning this trust is maintaining good governance. We aim to have a positive impact through our governance practices internally and in the value chain.

We set our governance focus areas based on the results of our 2022 strategy update and confirmed the results with our 2023 double materiality assessment with the addition of a new material topic. Given the heightened discussions around tax regulations on renewable assets throughout 2023, Cloudberry has introduced "favorable framework for renewables" as a new entity-specific material topic, in addition to the identified material topics in the ESRS standards. In 2023, our main governance priorities were ensuring a responsible supply chain and working to create favorable future conditions for the further development of renewable energy.

Key Performance Measures

		Actual 2023	Actual 2022	Target 2023	Target 2025
Governance	Whistle-blowing incidents	1	0	N/A	N/A
	Corruption and bribery incidents	0	0	0	0
	Compliance training	100%	36%	100%	100%
	Breach of concession	0	0	0	0

ESRS G1

Business conduct

At Cloudberry, our ambition is to uphold good governance both internally and throughout our value chain, as responsible, effective governance is foundational and is a license to operate.

Our material impacts, risks and opportunities

Positive impacts

- Promoting responsible value chain
- Using standard whistleblowing practices, also in the supply chain
- Emphasis on responsible business conduct and long-standing relationships

Risks

- Production delays

Opportunities

- Maintaining a reputation for good corporate culture

The 2022 strategy update identified value-chain management and responsible business conduct as material focus areas, and these findings were confirmed with the 2023 double materiality assessment.

Managing our business conduct impacts, risks, and opportunities

Responsible business conduct is fundamental across our entire organization and within our value chain. We require that all representatives of the company uphold stringent ethical standards as we strive to minimize business risks to protect our reputation. We prioritize ethical practices and transparency, ensuring that our corporate culture reflects values of integrity and sustainability. This commitment extends to our interactions with suppliers, and to our efforts to mitigate the risks associated with value chain disruptions. By fostering a culture of responsibility and accountability, we mitigate risks associated with non-compliance and unethical practices, while seizing opportunities to enhance our reputation and operational efficiency. This comprehensive management strategy supports our aim to create a sustainable and resilient business model that positively impacts our stakeholders and the environment, and the approach positions Cloudberry as a preferred partner, paving the way for future business prospects.

Our activities

Corporate culture

Cloudberry continued its focus on improving practices and internal processes for ESG compliance across all its business units. Tools and templates have been further developed and updated to ensure the incorporation and operationalization of the ESG standards and objectives we've established in every project and throughout the organization.

The Code of Conduct has been reviewed and updated as part of its yearly update process, with necessary modifications made. We have incorporated a new section on the rights of indigenous peoples, inspired by human rights conventions and international standards. Furthermore, the section on biodiversity has been enhanced, and key rights under the Equality and Anti-Discrimination law have been emphasized.

In the annual Code of Conduct training session for the entire workforce, subjects like governance and compliance, encompassing anti-corruption and anti- bribery initiatives, and whistleblowing, were highlighted. An awareness training with all employees present was also conducted addressing the importance of compliance and adherence to the ethical guidelines. Additionally, employees were briefed on the organization's policies and fundamental principles for handling crises and emergencies, along with other aspects related to the contingency planning of the company`s operations.

Cloudberry received its first whistleblowing notification in 2023. The report was submitted anonymously through the whistleblowing channel, and the incident related to potential discrimination in a recruitment process. The company investigated the incident and conducted a third-party verification. The investigation concluded that there was no misconduct in the recruitment process. Nevertheless, the procedure aligned with the company's ambitions and targets to increase female representation within the organization.

For any breach or suspected breach of the Code of Conduct, any potential violation of the law, or any violation of the generally accepted ethical norms within Cloudberry, we strongly encourage both internal and external stakeholders to report through the whistleblowing channel. Cloudberry`s commitment to business integrity is outlined in the company`s whistleblower policy, Code of Conduct, and the Supplier Code of Conduct. At the construction sites, Cloudberry displays printed materials featuring links to Cloudberry's whistleblowing policy and reporting channel on the walls of the site offices. The whistleblowing reporting channel and whistleblowing policy are available on our website. Notifications can be made anonymously, and the reporting channel is managed by an independent third party. Cloudberry strives for zero whistleblowing incidents in the future, yet we are committed to being informed of all irregularities or concerns related to our organization and business activities.

No incidents of corruption or fraud were reported during 2023, and we paid no fines. We conduct our business ethically and transparently, adhering to all relevant laws, regulations, and ethical standards. Cloudberry enforces zero tolerance for bribery and corruption throughout every aspect of its business. Bribery and corruption are consistently included in routine risk evaluations, and guidelines are outlined in the Code of Conduct, and the Supplier Code of

Anti-corruption and bribery training

	All employees	Management
Training coverage:		
Total receiving training	100%	100%
Frequency:		
How often training is required	Annually	Annually
Topics covered:		
Definition of corruption	Yes	Yes
Policy	Yes	Yes
Procedures on suspicion/detection	Yes	Yes

Conduct. Cloudberry integrates the adoption of anti-corruption and anti-bribery measures within the procurement phases and partnering agreements to minimize risks and uphold the utmost standards of integrity and compliance. In instances of corruption or bribery, these matters will be addressed by the management group and subsequently reported to the Board of Directors.

There were no incidents of breach of concessions on our renewable hydro and wind power plants during 2023. Avoiding breaches of concession is fundamental to ensuring legal compliance, protecting the environment, and maintaining stakeholder trust.

For Cloudberry, maintaining responsible business conduct is crucial and strengthens credibility and trust among the stakeholder groups. Furthermore, it helps preserve a positive reputation within the communities and environments where we operate.

Management of relationships with suppliers
Cloudberry continuously advances our efforts to identify and minimize risks within the supply chain. At the end of 2023, Cloudberry conducted the annual due diligence assessment following the OECD and UNGP Guidelines specifically focusing on human rights and decent working conditions in the supply chain. A workshop was conducted with relevant key personnel within the organization, where risks and measures were assessed. They are described in the S2 section of this report on value chain workers. Simultaneously, internal routines and procedures for material procurement are being revised to include essential guidelines and policies, including a purchasing policy and the updated Supplier Code of Conduct (SCoC). The objective is to mitigate adverse impacts on the environment and communities, with a specific focus on addressing issues like human rights violations, decent working conditions, and environmental degradation. The efforts involving risks and measures related to human rights and decent working conditions will be disclosed in the 2023 annual Transparency Act report.

All suppliers must comply with the Supplier Code of Conduct, and adherence is implemented in the procurement stage. We expect that our suppliers and partners will maintain the standards outlined in the SCoC and that they will implement their policies, statements, and commitments in their operations, as well as those of their sub-suppliers. The SCoC undergoes an annual review to integrate any relevant advancements.

In 2023 Cloudberry continued the important work on risk management in the supply chain. The procedures related to prequalifying suppliers during tender and procurement processes have been incorporated into a majority of material suppliers in Cloudberry´s new projects. Cloudberry is in the process of collecting data and will implement routines to evaluate our current material suppliers, in addition to carrying out risk-based audits within the supply chain. We have not yet achieved our 2023 target of screening 50% of suppliers; however, prioritizing this goal will be our focus moving forward.

To ensure that suppliers comply with expectations regarding environmental, social, and governance topics, and to identify and mitigate risks associated with Cloudberry`s suppliers, Cloudberry met with contractors and turbine suppliers on-site to discuss supply chain risks. Such important meetings are conducted to assist Cloudberry in identifying and addressing health, safety, and environmental (HSE) topics, as well as any adverse impacts on the environment and communities, such as human rights violations and environmental degradation. Cloudberry focuses on material suppliers being significant in our operation and supply chain and is still in the process of collecting data. Meetings with material suppliers will be a part of the risk-based audits that will be conducted regularly going forward.

Cloudberry relies on an extensive network of suppliers. Since its inception, Cloudberry has continuously pursued its social responsibility objectives. We collaborate with our suppliers and business partners to foster social responsibility, and to create sustainable value chains. ESG considerations are integrated into the due diligence process before making financial investment decisions, with mitigation strategies applied when necessary. Both the positive and negative impacts must be evaluated and documented before any final investment decision is made. The preliminary screenings of new suppliers and partners are based on essential ESG criteria, ensuring a commitment to sustainability throughout the value chain.

The way forward

For Cloudberry, conducting business responsibly within the organization and throughout the value chain is paramount. We are committed to enhancing our internal compliance procedures and routines, as well as refining our processes for evaluating material suppliers before making investment decisions.

To ensure that Cloudberry's suppliers comply with our standards for environmental, social, and governance issues, we continue to improve routines and policies aimed at our suppliers. We are currently gathering data and will establish processes to evaluate our current material suppliers, in addition to conducting risk-based audits on material suppliers moving forward. This is to ensure all aspects of a business's supply chain, from sourcing materials to delivering products, and to adhere to ethical, environmental, and social standards, prioritizing sustainability, respecting human rights, and fostering positive impacts on communities and ecosystems involved. Additionally, the risk-based audits will address anti-corruption and anti-bribery concerns. The KPI for supplier screening is currently being refined and is scheduled for reporting by the end of 2024.

The practices for whistleblowing reports encompass workers within the supply chain, and we are committed to applying the whistleblowing reporting policy across all projects. This includes ensuring information on how the whistleblowing channel is accessible from locations where our contractors are operating.

Upholding our reputation as a responsible participant across the supply chain will enhance our appeal as a business partner. By emphasizing ethical behavior and building lasting relationships with suppliers, we increase our ability to drive positive change. Strong relationships with our suppliers may provide us with a competitive advantage moving forward.

Company culture plays a crucial role in shaping the ethical landscape of an organization. In Cloudberry we conduct employee awareness and training sessions on ethical guidelines regarding a wide range of topics including anti-corruption practices and whistleblowing mechanisms. We consistently strive to ensure a thorough understanding of our ethical business conduct principles. We annually update our Code of Conduct and Supplier Code of Conduct. We believe that securing responsible business conduct, internally and in our value chain, contributes to a long-term positive reputation making Cloudberry a desirable employer and business partner.

Entity specific

Favourable Framework for Renewables

Following the DMA process, Cloudberry identified "Favourable Framework for Renewables" as a new entity-specific material topic based on stakeholder feedback and the Company's risk assessment.

Our material impacts, risks and opportunities

Positive impacts

- Enabling development and production of renewable energy

Opportunities

- Creating better conditions will accelerate the transition to renewable energy

As we navigate the critical path toward a sustainable future, the transition to renewable energy sources stands at the forefront. A robust and supportive framework is necessary to accelerate this shift, foster innovation, and achieve our climate goals. A favorable regulatory environment is for instance essential to ensure investor interest in renewable energy projects. Predictable tax regulations and streamlined permitting processes give confidence that a country is safe to make large infrastructure investments in.

Further, governmental support is necessary to accelerate the transition away from fossil fuels. Every new megawatt of renewable energy generated contributes to reducing greenhouse gas emissions. Therefore, support from local and national politicians and effective concession processes is key to achieving important climate goals.

Managing our Favourable Framework for Renewables' impacts, risks, and opportunities

At Cloudberry, managing the impacts, risks, and opportunities related to frameworks involves primarily the Board of Directors and the top management team. Stable, long-term, and favorable frameworks are identified as one of the biggest risks and opportunities for the Company. Monitoring and managing these areas is therefore of the highest priority to the Company.

The establishment of favorable conditions for renewable energy in the future is dependent on regulatory and political developments. The increasing energy demand in the Nordics will create the need for a more stable and favorable framework. Cloudberry follows this closely and works to ensure that relevant decision-makers, such as government officials, get the necessary insights into the renewable energy industry. The introduction of carbon taxes and incentives to reach the EU's Fit for 55 and Paris-agreement targets will in a mid- to long-term perspective support the development of renewable energy.

Our activities

We pay close attention to the local and national energy politics in the Nordic countries. Monitoring the development of politics and public opinion is done through media, dialogue with politicians, industry networks, social media, newsletters from national authorities, and the EU among others.

Further, we spend much time to inform and educate our stakeholders through dialogue. This covers meetings with politicians from all relevant parties represented in the Parliament and municipal councils, local municipal administrations, energy directorates, etc.

We also participate in industry organizations representing the renewable sector, participate and present at industry conferences, and participate in the media dialogue regarding the framework for renewables.

The way forward

Political engagement and lobbying is a new material topic for Cloudberry and was particularly relevant for us in 2023 because of our ongoing and intense political engagement around the Norwegian government's new ground rent tax for onshore wind farms. This means that we do not yet have standard procedures, policies, or performance indicators tracking this topic but will continue to work actively to influence the frameworks for renewables in the Nordics.

Contact person for this sustainability report:

Suna F. Alkan
Head of Sustainability
sa@cloudberry.no

Appendix

Cloudberry's GHG emissions

Cloudberry`s carbon inventory is divided into three main scopes of direct and indirect emissions according to the GHG protocol. In 2023 Cloudberry's reported GHG emissions from Scope 1, Scope 2, and Scope 3 were 12 891 tons CO_2e (10 529 tCO_2e).

Scope 1 covers all direct emissions sources, including the use of fossil fuels for stationary combustion (predominantly diesel generators) and transportation. Cloudberry's Scope 1 emissions are related to the leakage of SF6 gas from high-voltage breakers in Cloudberry's operational power plants. In 2023, the total Scope 1 emissions were 6.5 tCO_2e.

Scope 2 includes indirect emissions from Cloudberry`s purchased energy (i.e., electricity and heating/cooling). This includes purchased energy for Cloudberry`s offices in Oslo, Norway, and in Karlstad, Eskilstuna, and Särö, Sweden, as well as the energy used at our production sites. In 2023 Cloudberry used a total of 1 622 MWh of energy, corresponding to the emission of 45 tCO_2e.

Scope 3 comprises the reported indirect emissions resulting from Cloudberry`s value chain activities. Reporting of purchased goods and services, capital goods, upstream transportation and distribution, and end-of-life treatment were the most material reporting categories. The total registered emissions from Scope 3 were 12 839 tCO_2e.

Table 1 below shows Cloudberry's GHG emissions for 2023 per category compared to the Base Year of 2022. A breakdown of each category, including the reporting principles and methodology, is included below.

Principles on reporting emissions

Cloudberry reports the company's emissions according to the GHG Protocol, specifically scope 1, 2 and 3.

For GHG accounting, Cloudberry uses the same principles as for financial reporting. Cloudberry reports on two reporting principles: group

Table 1 Cloudberry`s GHG emissions

Carbon Accounting	Unit	2022 (Base year)	2023
Scope 1	**tCO2e**	**2.1**[1]	**6.5**
SF6 leakage	tCO2e	2.1[2]	6.5
Scope 2 (Location-Based)	**tCO2e**	**4.7**	**45.4**
Electricity consumption (location-based)	tCO2e	4.7	45.4
Electricity consumption (market-based)	tCO2e	48.6	454.8
Scope 3	**tCO2e**	**10 522**[3]	**12 838.6**
1 Purchased Goods and Services)	tCO2e	6.0	298.3
2 Capital goods	tCO2e	11 700[4]	15 081.9
3 Fuel-and-energy-related activities	tCO2e	1.4	27.6
4 Upstream transportation	tCO2e	711[5]	1 378
5 Waste Management	tCO2e	6.0[6]	2
6 Business Travel	tCO2e	11.1	15.1
12 End-of-life treatment	tCO2e	-1 916[7]	-3 980
15 Investments	tCO2e	2.5	15.8
Total GHG emissions	**tCO2e**	**10 529**[8]	**12 890.5**
Total Energy	MWh	183	1 622

1 Adjusted from 0 as reported in the Annual Report 2022 due to the inclusion of SF6 gas leakage in the GHG accounting.
2 Adjusted from 0 as reported in the Annual Report 2022 due to the inclusion of SF6 gas leakage in the GHG accounting.
3 Adjusted from 10 723 as reported in the Annual Report 2022 due to updated figures for the emissions from the wind turbine foundations at Hån.
4 Adjusted from 10 693 as reported in the Annual Report 2022 due to a re-categorization/split between categories 2, 4, and 12.
5 Adjusted from 0 as reported in the Annual Report 2022 due to a re-categorization/split between categories 2, 4, and 12.
6 Adjusted from 9 as reported in the Annual Report 2022 due to an error in one of the emission factors used.
7 Adjusted from 0 as reported in the Annual Report 2022 due to a re-categorization/split between categories 2, 4, and 12.
8 Adjusted from 10 727 as reported in the Annual Report 2022 due to the reasons mentioned above.

consolidated financial statements in accordance with IFRS and supplementary proportionate financials. The GHG emissions are reported as Cloudberry's equity share based on ownership in each project.

Emissions from power plants in operation where Cloudberry does not have financial control (minority ownership) are reported proportionate under Scope 3 Category 15 Investments. Power plants in operation where Cloudberry has financial control are reported proportionate under Scope 1, 2 and 3.

In-house development projects: Cloudberry reports emissions on in-house development projects from the final investment decision (FID) and the starting point of the construction.

Projects under construction: Where Cloudberry is the legal owner and initiator of the construction, the company will report emissions from the construction start.

On assets under construction where Cloudberry has entered into an agreement to buy the power plant and is the legal owner after the construction is completed and the commissioning period is approved, Cloudberry reports emissions from the takeover.

Producing assets: Cloudberry reports its emissions on producing assets and from take-over (additionality principle).

Cloudberry applies estimates for non-significant emissions (less than 1% of the total GHG emissions) such as business travel, office electricity and waste use in Sweden, and travel concerning service on operational power plants. By using estimates, the reporting process is streamlined without using unnecessary resources to get the actual consumption figures.

Scope 1 breakdown

Cloudberry's Scope 1 emissions come from leakage of SF6 gas contained within high-voltage breakers in Cloudberry's operational power plants. The annual leakage of SF6 gas from all of Cloudberry's SF6 insulated breakers is estimated using leakage rates and volumes from ABB SafePlus breakers. Furthermore, the emissions from the SF6 leakage are calculated using an emission factor from DEFRA (2023). This accounted for 6.5 tCO_2e in 2023.

Scope 2 breakdown

Cloudberry's scope 2 emissions are tied to electricity consumption at Cloudberry's offices as well as electricity used by Cloudberry's operational power plants. The total electricity used in 2023 is 1 622 MWh. 98.4% of the electricity use is based on metered data from either Elhub, invoices, or other systems used by the balancing parties. The remaining 1.6% is estimated due to either lack of data or metering issues in certain quarters. The electricity consumption from the Swedish offices is also estimated based on previous years to streamline the reporting process. To calculate the location-based emissions from electricity use, Cloudberry has applied the IEA (2023) Emission Factor (weighted average 4 Nordic countries). The location-based emissions accounted for 45 tCO_2e in 2023.

To calculate the market-based emissions, Cloudberry has applied an emission factor based on the shares of renewables in the purchased energy and IEA 2023. The electricity purchased for the Oslo office is 100% covered by renewable energy sources. Cloudberry is in the process of mapping the renewable share for the remainder of the electricity consumption and has assumed a 0% renewable share for the remaining consumption to be conservative. In reality, we believe the renewable share is higher. When using the market-based approach, the emissions from electricity use were 455 tCO_2e.

Scope 3 breakdown

Category 1 (purchased goods and services)

Category 1 emissions include the transportation between service providers' locations and the locations of hydro plants and wind farms that received service. This was a total of 152 130 km, which is in large part estimated based on the number of site visits and average driving distance. When calculating the emissions from driving of service personnel, Cloudberry has assumed all vehicles are diesel cars and applied the corresponding emission factor from DEFRA 2023. This accounted for 26 tCO_2e in 2023.

In addition, Category 1 emissions comprise diesel and petrol used by construction machinery at Cloudberry's construction projects. In 2023, a total of 130 396 liters of diesel and 1 205 liters of petrol were consumed when building Sundby and Munkhyttan wind power plants. Cloudberry's reporting system aims to include irregular emissions, such as those from the onsite works and unplanned maintenance of roads. For example, 1 350 liters of diesel used during unplanned maintenance using tractors at Hån and Røyrmyra has been included in 2023. The emissions from these activities have been calculated using emission factors from DEFRA 2023 and Drivmedel 2023. This accounted for 273 tCO_2e in 2023.

Category 2 (capital goods)
In Category 2, all depreciated assets are included. This includes machinery such as wind turbines in addition to steel, copper, and concrete in wind turbine foundations as well as high-voltage cables and equipment.

When calculating the emissions related to the construction of wind turbines, Cloudberry uses the Life-Cycle-Assessment (LCA) from the wind turbine manufacturer. However, the LCA is made based on a generic site with generic assumptions. To obtain site-specific numbers, Cloudberry adjusts the LCA numbers to better fit the actual parameters for each wind farm. The adjustments include site-specific wind conditions, hub height, lifetime adjustment from 20 to 30 years, removal of lifetime SF6 emissions (since these are reported annually) and replacing generic foundations with actual foundation designs and their associated construction emissions for each site.

Cloudberry also split the emissions calculated from the LCA into three categories: Category 2 for physical assets, Category 4 for transportation, and Category 12 for end-of-life treatment.

For Sundby, the LCA for the Vestas V126 3.3MW turbine has been used to match the turbines on site. On Munkhyttan the LCA for the Vestas V162 6.2MW has been used. The emissions calculated from the LCA are reported quarterly based on the payments made to the wind turbine supplier except for the initial payment under the supplier agreements, as the carbon emissions will occur at a later stage in the production cycle of the machinery. For Munkhyttan, 25% of the total payments to the turbine manufacturer were made in 2023, while for Sundby, 98% of the payments were made [1]. In total, this accounted for 14 292 tCO_2e in 2023.

In total from both construction projects, 64 089kg of steel was reported. This included reinforcement steel for the substation at Sundby and anchor cages for the wind turbine foundations at Munkhyttan. To calculate the emissions from these amounts of steel, Cloudberry has applied the emission factor “Steel, hot dip galv. (EU avg.), EPD, 2016”. Furthermore, 220 ton steel from Celsa’s factory in Mo i Rana has been used for reinforcement in the wind turbine foundations at Munkhyttan. To calculate the emissions from this reinforcement steel, Cloudberry has used the EPD from the manufacturer, Celsa. The combined emission from steel accounted for 247 tCO_2e in 2023.

18 m^3 concrete was used in the substation foundation at Sundby, and the corresponding emissions were calculated using the emission factor “NEPD-1487-500-NO, Fabrikkbetong B30 M60” from Unicon AS. In the foundations at Munkhyttan, an on-site mixed concrete with fly ash has been used. A total volume of 1914m^3 concrete has been poured into the three wind turbine foundations. To calculate the emissions, Cloudberry has applied the EPD from the cement manufacturer in combination with a separate estimation for the on-site concrete mixing. The combined emission from concrete accounted for 542 tCO_2e in 2023.

At Munkhyttan and Sundby combined, 539 kg copper has been used for the earthing systems. To calculate the emissions from the copper, the emission factor EPD Genius Copper Wire Rod according to EN 1977 standard, LaFarga, has been applied. The total emissions from copper accounted for 0.6 tCO_2e in 2023.

Category 3 (Fuel-and-energy related activities)
In line with the GHG protocol, Cloudberry reports the well-to-tank and transmission & distribution emissions related to the electricity use at the power plants and offices (1622 MWh). To calculate the emissions from these, Cloudberry has used an emission factor from IEA 2023 (weighted average for 4 Nordic countries) of 0.017 $kgCO_2e/kWh$. In total, this accounted for 28 tCO_2e.

Category 4 (Upstream transportation)
Cloudberry reports transportation concerning the construction of its power plants. In 2023, the transportation is tied to the construction of Sundby and Munkhyttan wind farms – and more specifically transportation of wind turbine components from the factories to the construction site. The emissions from transportation are calculated using the LCA from the turbine manufacturer, Vestas. For Sundby, the LCA for the Vestas V126 3.3MW turbine has been used

[1] The initial payment for Sundby was made in 2022. However, the emissions for this payment were not reported – in line with Cloudberry’s principles, as no physical emissions had taken place at that point.

to match the turbines on site, and on Munkhyttan the LCA for the Vestas V162 6.2MW has been used. Transportation accounted for 1 378 tCO_2e in 2023.

Category 5 (Waste management)
Cloudberry reports on waste management from our offices, projects under construction, and power plants under operation. The waste at Cloudberry's Oslo office is being reported by the facility manager each quarter, including types and amounts of waste. For the remaining offices, the waste consumption is estimated based on the Oslo office and scaled with the number of employees. The total waste reported in 2023 is as follows:

- Organic waste: 2 643 kg
- Hazardous waste: 59 kg
- Wood waste: 1 400 kg
- Paper waste: 1 265 kg
- Residual waste: 3 065 kg
- Plastic waste: 27 kg
- Glass waste: 300 kg

To calculate the emissions from Cloudberry's waste consumption in 2023, Cloudberry has applied emission factors from DEFRA 2023 and Ecoinvent 3.9. Combined, all of Cloudberry's waste management contributed to 2 tCO_2e.

Category 6 (business travel)
Cloudberry reports emissions from air travel, rental cars, and mileage allowance. Cloudberry has in 2022 and 2023 gathered information about travel distances for all of its offices. Based on this, travel rates per number of employees have been calculated to streamline the reporting process. The travel rates are being revised annually based on Cloudberry's activities and geographical presence. In 2023, the estimated travel distances are:

- Electric car: 92 761 km
- Diesel car: 7 608 km
- Petrol car: 7 247 km
- Train (Sweden): 44 102 km

Furthermore, emissions from air travel are estimated to be 12 tCO_2e. To calculate the emissions from business travel, Cloudberry has applied emission factors from OFV, IEA 2023, DEFRA 2023 and SJ AB Års- och hållbarhetsredovisning 2022. In total, business travel accounted for 15 tCO_2e in 2023.

Category 12 (end-of-life treatment)
According to the GHG protocol, Cloudberry reports emissions from end-of-life treatment of the wind turbines constructed in 2023. In 2023, the end-of-life treatment is tied to Sundby and Munkhyttan wind farms. The emissions from this are calculated using the Life-Cycle-Assessment (LCA) from the turbine manufacturer, Vestas. For Sundby, the LCA for the Vestas V126 3.3MW turbine has been used to match the turbines on site. On Munkhyttan the LCA for the Vestas V162 6.2MW has been used. In Vestas' end-of-life treatment, a high recycling rate is assumed (ref. section 3.4.4 of the LCA) and full credits are given for the material recovered, which is based on the "avoided impacts approach" where materials are re-used in new products. This "avoided impacts approach" (also called closed-loop approach) is supported by the metals industry (Atherton, 2007), and is consistent with ISO 14044 and for purposes of environmental modeling, decision-making, and policy discussions involving the recycling of metals.

Category 15 (investments)
In Category 15, Cloudberry reports the equity share of Scope 1 and 2 emissions from power plants where Cloudberry holds minority ownership, in line with Cloudberry's reporting principles.

In 2023, this included leakage of SF6 leakage from the Odal wind farm, where the company has 33% ownership. The emissions from SF6 leakage have been estimated using the same method as described above with leakage rates and emission factors. SF6 leakage from Odal accounted for 1.5tCO_2e in 2023. In addition, Cloudberry owns diesel generators for backup power at the substations located in the Odal wind farm. These generators undergo regular testing, and the resulting emissions from these tests are accounted for within Category 15. In 2023, testing of the diesel generators is estimated to have used 33 liters (proportionate share) of diesel. The emissions from this have been calculated using emission factors from DEFRA 2022. In total, the diesel generators accounted for 0.1 tCO_2e in 2023.

Odal wind farm had an electricity consumption of 337 494 kWh (proportionate share) in 2023. The hydropower plants in Forte Energy Norway AS used a total of 128 744 kWh (proportionate share) in 2023. The electricity use at Odal and Forte is based on metered data. In addition to this, Cloudberry reports electricity use from its subsidiaries Kraftanmelding, Broentech, and Enestor . The total electricity use from these three companies has been estimated using the metered electricity use at the Oslo office and the number of employees in each subsidiary. In total, the three subsidiaries consumed an estimated amount of 39 811 kWh (proportionate share). To calculate the emissions from electricity use, Cloudberry has applied the IEA (2023) Emission Factor (weighted average 4 Nordic countries). In total, the electricity use under Category 15 accounted for 14.2 tCO_2e in 2023.

Forest, Land and Agriculture (FLAG) emissions

At present, Cloudberry's GHG accounting does not incorporate the potential impacts of land use changes, such as the removal of trees to facilitate the construction of wind turbines. However, moving forward, Cloudberry plans to further assess these impacts (ESRS E1 AR9) within our projects. This initiative aims to enhance our understanding and identify opportunities to improve and mitigate any associated environmental effects.

Summary of GHG emissions from each unit

The total registered emissions from Scope 1, 2, and 3 were 12 889tCO_2e in 2023. Table 2 below shows the Scope 1, Scope 2, and Scope 3 emissions from each of the power plants and offices included in the GHG accounting according to Cloudberry's reporting principles.

Estimate Uncertainties

Cloudberry's emissions primarily rely on life-cycle assessments provided by the turbine manufacturer, with modifications made to accommodate site-specific factors at each construction site. Specifically, this relates to the emissions under Scope 3 Category 2, 4, and 12 associated with Sundby and Munkhyttan. For more information about the methodology, please refer to the section with Scope 3 breakdown above. While this general life-cycle assessment approach is adopted, it introduces some uncertainties in the reported emissions figures. Moving forward, Cloudberry aims to enhance the accuracy of our reporting by refining the input data and, where possible, incorporating Environmental Product Declarations (EPDs) obtained from our manufacturers. This approach will further improve the transparency and reliability of our emissions reporting.

Table 2 Cloudberry`s GHG emissions per unit

Total emissions per unit	Unit	Scope 1	Scope 2[1]	Scope 3	Total
Develop	tCO2e	0.1	-	12 750.3	12 750.4
Sundby	tCO2e	0.1	-	10 483.7	10 483.8
Munkhyttan	tCO2e	-	-	2 266.5	2 266.5
Admin	tCO2e	-	7	21.6	28.6
Norwegian offices	tCO2e	-	6.6	19.5	26.1
Swedish offices	tCO2e	-	0.4	2.1	2.5
Production	tCO2e	6.4	38.4	66.7	111.6
Åmotsfoss	tCO2e	-	-	0.4	0.4
Bjørgelva	tCO2e	-	0.2	0.2	0.3
Bøen	tCO2e	-	0.1	1.2	1.3
Finnesetbekken	tCO2e	-	-	0.1	0.1
Flatestøl (Skåråna)	tCO2e	-	0.5	0.3	0.8
Forte Energy	tCO2e	-	-	3.6	3.6
Hån	tCO2e	0.6	4	6.4	11
Nessakraft	tCO2e	-	1	0.6	1.7
Odal	tCO2e	-	-	11	11
Odin	tCO2e	5.4	30.3	38.8	74.5
Ramsliåna	tCO2e	-	0.3	1.1	1.3
Røyrmyra	tCO2e	0.4	0.2	1.4	2
Selselva	tCO2e	-	-	-	-
Steinbergdalen (Skåråna)	tCO2e	-	0.2	0.3	0.5
Tinnkraft	tCO2e	-	0.2	0.2	0.4
Usma	tCO2e	-	1.5	1	2.5
Total GHG emissions	**tCO2e**	**6.5**	**45.4**	**12 838.6**	**12 890.5**

[1] These subsidiaries are owned through Captiva. As Cloudberry bought the final 40% of Captiva in late December 2023, these subsidiaries will be reported under Scope 2 going forward, as the ownership is increased above 50%.

ESRS index

Cloudberry is currently preparing to comply with the requirements of the Corporate Sustainability Reporting Directive (CSRD), and is therefore not in compliance with CSRD for 2023. This index has been created for the sake of transparency and indicates only whether or not Cloudberry has written about the topic in the sustainability report. A section heading or page number listed next to a disclosure requirement does not, therefore, mean that we have reported all the information required by ESRS under that disclosure.

ESRS	Disclosure requirement	Section	Page
ESRS E1	**Climate change**		
ESRS 2, GOV-3	Integration of sustainability-related performance in incentive schemes	–	–
E1-1	Transition plan for climate change mitigation	Climate Change	72-77
ESRS 2, SBM-3	Material impacts, risks and opportunities, and their interaction with strategy and business model	–	–
ESRS 2, IRO-1	Description of the processes to identify and assess material climaterelated impacts, risks and opportunities	Double materiality assessment	50-52
E1-2	Policies related to climate change mitigation and adaptation	Climate Change	72-79
E1-3	Actions and resources in relation to climate change policies	–	–
E1-4	Targets related to climate change mitigation and adaptation	Climate Change	78-79
E1-5	Energy consumption and mix	Climate Change	77, 117
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	Climate Change	75-76, 117-121
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	–	–
E1-8	Internal carbon pricing	Not material	–
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	–	–
ESRS E2	**Pollution**		
ESRS 2 IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities	Double materiality assessment	50-52
E2-1	Policies related to pollution	Pollution	80-81
E2-2	Actions and resources related to pollution	–	–
E2-3	Targets related to pollution	Not material	–
E2-4	Pollution of air, water and soil	Not material	–
E2-5	Substances of concern and substances of very high concern	Not material	–
E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities	–	–

ESRS	Disclosure requirement	Section	Page
ESRS E4	**Biodiversity and ecosystems**		
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	–	–
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	–	–
ESRS 2, IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities	Double materiality assessment	50-52
E4-2	Policies related to biodiversity and ecosystem	Biodiversity and ecosystems	82-85
E4-3	Actions and resources related to biodiversity and ecosystems	Biodiversity and ecosystems	82-85
E4-4	Targets related to biodiversity and ecosystems	Biodiversity and ecosystems	82-85
E4-5	Impact metrics related to biodiversity and ecosystems change	–	–
E4-6	Anticipated financial effects from biodiversity and ecosystems-related risks and opportunities	–	–
ESRS E5	**Resource use and circular economy**		
ESRS 2, IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Double materiality assessment	50-52
E5-1	Policies related to resource use and circular economy	Resource use and circular economy	86-87
E5-2	Actions and resources related to resource use and circular economy	Resource use and circular economy	86-87
E5-3	Targets related to resource use and circular economy	–	–
E5-4	Resource inflows	Not material	–
E5-5	Resource outflows	Not material	–
E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	–	–

ESRS	Disclosure requirement	Section	Page
ESRS S1	**Own workforce**		
ESRS 2, SBM-2	Interests and views of stakeholders	Engaging with Stakeholders	62-65
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	–	–
S1-1	Policies related to own workforce	Own workforce	90-96
S1-2	Processes for engaging with own workers and workers' representatives about impacts	Own workforce	90-96
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Business conduct	108-112
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	–	–
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	–	–
S1-6	Characteristics of the undertaking's employees	Own workforce	90-96
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	–	–
S1-8	Collective bargaining coverage and social dialogue	Own workforce	95
S1-9	Diversity metrics	Own workforce	95
S1-10	Adequate wages	Own workforce	95-96
S1-11	Social protection	Own workforce	95-96
S1-12	Persons with disabilities	–	–
S1-13	Training and skills development metrics	–	–
S1-14	Health and safety metrics	Own workforce	95-96
S1-15	Work-life balance metrics	Own workforce	93
S1-16	Compensation metrics (pay gap and total compensation)	Own workforce	96
S1-17	Incidents, complaints and severe human rights impacts	Own workforce	91-96

ESRS	Disclosure requirement	Section	Page
ESRS S2	**Workers in the value chain**		
ESRS 2, SBM-2	Interests and views of stakeholders	Engaging with Stakeholders	62-65
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	–	–
S2-1	Policies related to value chain workers	Workers in the value chain	97-99
S2-2	Processes for engaging with value chain workers about impacts	Workers in the value chain	97-99
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Business conduct	111-113
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	–	–
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	–	–
ESRS 3	**Affected communities**		
ESRS 2, SBM-2	Interests and views of stakeholders	Engaging with Stakeholders	62-65
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	–	–
S3-1	Policies related to affected communities	Affected communities	100-102
S3-2	Processes for engaging with affected communities about impacts	Engaging with Stakeholders	62-65
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	Affected communities	100-102
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Affected communities	100-102
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	–	–

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Building a better working world

Statsautoriserte revisorer
Ernst & Young AS

Stortorvet 7, 0155 Oslo
Postboks 1156 Sentrum, Oslo Norway

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

INDEPENDENT ACCOUNTANT'S ASSURANCE REPORT

To the board of directors in Cloudberry Clean Energy ASA

Scope

We have been engaged by Cloudberry Clean Energy ASA to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, to report on Cloudberry Clean Energy ASA 's Greenhouse Gas reporting as defined and specified in Appendix, Table 1 Cloudberry's GHG emissions in Cloudberry Clean Energy ASA's Sustainability Report for 2023 (the "Subject Matter") as for the year then ended.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Sustainability Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Cloudberry Clean Energy ASA

In preparing Subject Matter, Cloudberry Clean Energy ASA applied the definitions for scope 1, scope 2 and the various categories of scope 3, set by the Greenhouse Gas Corporate Standard (the "Criteria"). The Criteria can be accessed at ghgprotocol.org and are available to the public. Such Criteria were specifically designed for companies and other organizations preparing a corporate-level GHG emissions inventory. As a result, the Subject Matter information is not be suitable for another purpose.

Cloudberry Clean Energy ASA responsibilities

The Board of Directors and Chief Executive Officer are responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements on Greenhouse Gas Statements* ('ISAE 3410'). This standard requires that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Our Independence and Quality Control

We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence*

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Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained if a reasonable assurance engagement had been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

The Greenhouse Gas quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, quantification of GHG's is subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Interviews with key personnel to understand the business and the reporting process
- Interviews with key personnel to understand the process for collecting, collating and reporting the Subject Matter during the reporting period
- Test on a sample basis the calculation Criteria against the methodologies outlined in the Criteria
- Analytical review procedures of the data
- Test of assumptions supporting the calculations
- Comparison, on a sample basis, the underlying source information

We believe that our procedures provide us with an adequate basis for our conclusion. We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter as of 31 December 2023 and for the year then ended in order for it to be in accordance with the Criteria.

Oslo, 19 March 2024
ERNST & YOUNG AS

Asbjørn Ler
State Authorised Public Accountant (Norway)

Corporate Governance report

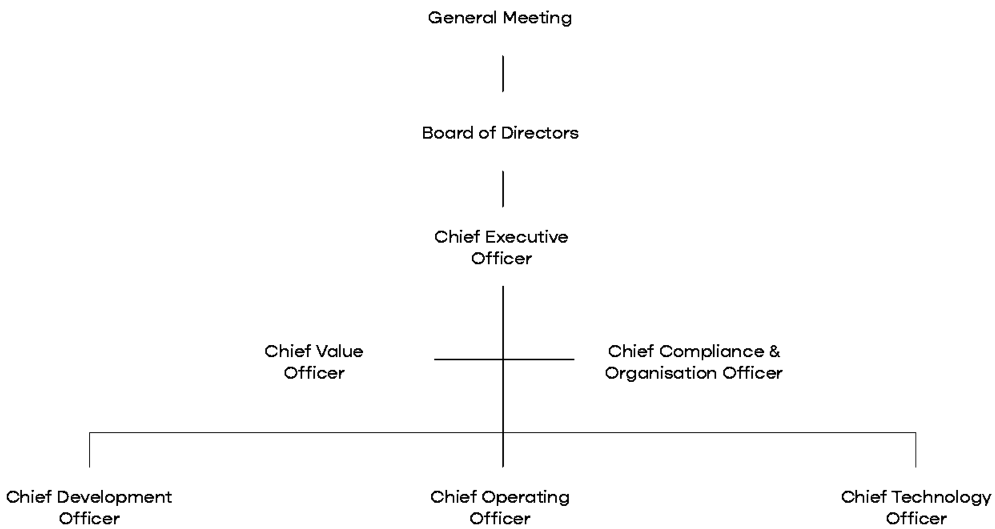
1. Implementation and reporting on corporate governance

This report has been prepared by the Board of Directors of Cloudberry Clean Energy ASA ("Cloudberry" or the "Company") and presents the corporate governance of the Company. Cloudberry is incorporated and registered in Norway and is subject to Norwegian law. The Company is listed on Oslo Stock Exchange. Cloudberry considers good corporate governance to be the foundation for value creation and trustworthiness, and it is integrated in our approach to sustainability where we focus on environmental, social and governance topics (ESG).

As a public limited liability company listed on Oslo Stock Exchange, the Company must comply with the Norwegian Securities Trading Act and Regulation, the Issuer Rules for Companies Listed on Oslo Stock Exchange, the Norwegian Public Limited Liability Companies Act, and all other applicable laws and regulations.

Further, Cloudberry endorses the Norwegian Code of Practice for Corporate Governance (the "Corporate Governance Code"), last revised on 14 October 2021, which is available at the web site of the Norwegian Corporate Governance Board www.

The Company's corporate governance structure can be illustrated as follows:



nues.no. Deviations from the Corporate Governance Code must be justified and explained. In this report, deviations are discussed under the relevant sections. As a general rule, the Board will only approve deviations the Board believes are in the best interest of the Company and its stakeholders.

To secure strong and sustainable corporate governance, it is essential that Cloudberry practices a transparent and healthy business with reliable financial reporting compliant with legislation and regulations. Governing structures and guidelines help Cloudberry to ensure that the Company is operating in a manner that is justifiable and profitable for the employees, shareholders, partners, other stakeholders, and the society. References to specific policies are included in this corporate governance report where relevant. Cloudberry's corporate governance is based on openness, trustful communication, and cooperation between the Company and all its stakeholders, and the principle of equal treatment of shareholders.

The report also outlines the Company's policies and practices for corporate governance, in accordance with Section 3-3b of the Norwegian Accounting Act.

In 2023, the Company's executive management team consisted of following six members: Chief Executive Officer, Chief Value Officer, Chief Compliance & Organisation Officer, Chief Operating Officer, Chief Development Officer and Chief Technology Officer and together the team covers the whole value chain in Cloudberry.

The Company's Chief Executive Officer oversees the daily conduct of business, including the effectuation, implementation and follow-up of the objectives and strategies set by the Board of Directors. Chief Executive Officer supervises that Cloudberry's accounts are in accordance with laws and regulations and provides the Board of Directors with the necessary information to carry out its administration and supervision tasks in a proper manner.

2. Business

Cloudberry is an independent power producer, developing, owning and operating renewable assets in the Nordics. The Company has an integrated business model across the life cycle of renewable power plants (hydro, wind and solar) including project development, financing, construction (normally outsourced), ownership, management, and operations.

Cloudberry's operations comply with the objective defined in Section 3 of the Company's articles of association ("Articles of Association") which states that "the company's purpose as the parent company of a group is to engage in investment activities in the energy sector, including developing and operating the production of renewable energy and activities naturally connected with this".

Cloudberry's purpose is to power the transition to a sustainable future by providing renewable energy today and for future generations. We do this the Cloudberry way by taking the local perspective in our project developments, creating value for our stakeholders, and placing sustainability at the core of what we do. The Company's corporate strategy is to deliver on this purpose, with targets to align strategy execution across the group for the long term.

Cloudberry's success factor is its continuous ability to grow and mature an in-house development portfolio and identifying attractive and strategic acquisitions and growth opportunities. The Company has a solid development track record and a large production portfolio with both hydro and wind assets. As of 2023, the Company has expanded its development portfolio to include solar projects as well.

Cloudberry's integrated business model is based on a partnering model for construction, operations, and maintenance to ensure risk-sharing, quality, cost and capital efficiency across the value chain. A sustainable and local approach is distinctive for our ownership, development and operations and goes hand in hand with a commitment to long-term value creation for all stakeholders. The power we produce and transfer to the transmission and distribution network equals in all material respects our sales volume. Cloudberry's revenue streams are predominantly determined by power sales volume and actual power price achieved in the spot market (Nord Pool). Over time, Cloudberry seeks a balanced mix between spot pricing and favourable long-term fixed purchase price agreements (PPAs) where the first initiatives have been taken in 2023. Cloudberry cultivates its portfolio to ensure a diversification and balance of risk, returns, asset- and geographical mix.

Cloudberry considers ESG related factors relevant and important when making business decisions, and the Board of Directors identifies and assesses which aspects of sustainability are relevant and material to the Company. Cloudberry builds robustness through a diversified and balanced portfolio and uses competitive financing to deliver sustainable, profitable, and long-term growth.

Cloudberry has defined its purpose, and the values and commitments define the Company's way of working. In combination with the Company's culture, this forms the fundamental structure on which the Board and the Management believe Cloudberry should be managed. Cloudberry's value-based culture is the key premise for the behaviour of the Company and the Company's employees. The core values are: Be Supportive, Be Committed, Be Excellent, and Be Bold. Cloudberry aims to always maintain high ethical standards, and the employees must comply with its guidelines for ethics and corporate social responsibility describing the principles for business practices and personal behaviour within Cloudberry. The employees must comply with Cloudberry's principles on issues such as human and labour rights, diversity, equity and inclusion, health and safety, business ethics, legal compliance, insider trading, whistleblowing and other relevant issues related to the Company's operations and adhere to the Company's Code of Conduct.

Sustainability is a rapidly developing field, and ensuring sustainable business operations is an ongoing and integrated process. Cloudberry follows the developments and changes in reporting standards closely, in addition to new demands due to growth and changes in the Company. In 2023 Cloudberry took a further step towards eventually aligning the Company's reporting according to the Corporate Sustainability Reporting Directive (CSRD) and updated and improved the double materiality assessment. The process of preparing the reporting according to CSRD will continue in 2024. In addition, the Company published the first stand-alone EU Taxonomy report in 2023 and did a third-party gap analysis and limited assurance of the greenhouse gas emission reporting. Cloudberry has described its approach, activities taken place in 2023, ambitions and way forward related to the identified sustainability topics for the Company in the Sustainability report for 2023.

Deviations from Section 2 of the Corporate Governance Code: None

3. Equity and dividends

Capital adequacy

The Company's management and Board of Directors monitor the Company's capital structure on a continuous basis, including equity and liquidity, to ensure that the level of equity and liquidity, are appropriate for the Company's objectives, strategy, and risk profile. As of 31 December 2023, Cloudberry's equity amounted to NOK 4 617 million, equivalent to 69% of the company's total assets.

Cash equivalents and current financial investments amounted to NOK 779 million.

Dividend policy

The Company, in the short to medium term, intends to use its profit for both organic growth and acquisitions and consequently will not make payment of dividend. The Company will continuously evaluate share buy-back as an option.

The Company's long-term objective is to repay shareholders either through share buy-backs and/or cash dividends. However, there can be no assurance that in any given year a dividend will be proposed or declared, or if proposed or declared, that the dividend will be as contemplated by the policy. Any future dividend proposed by the Board will be presented to the general meeting for approval. The Company does not hold any authorisation to resolve dividend distributions.

Authorisations to the Board of Directors to purchase treasury shares, and increase the share capital

The Company's annual General Meeting held 27 April 2023, granted the Board of Directors the following authorisations to increase the Company's share capital:

- The Board of Directors is authorised to increase the Company's share capital with up to NOK 18 206 244 by issuance of up to 72 824 976 new shares each with a nominal value of NOK 0.25. The purpose with the authorisation was to ensure flexibility to finance potential acquisitions and otherwise strengthen the company's equity. The authorisation has not been utilised.
- Authorisation to increase the company's share capital by NOK 100 000.00 by issuance of up to 400 000 new shares each with a nominal value of NOK 0.25. The authorisation is reserved to the share purchase programme for the members of the Board of Directors. NOK 17 549.75has been utilised.

- As the Company is in a growth phase, the Board of Directors will generally propose that the General Meeting grants the Board of Directors an authorization to increase the share capital with up to 25% of the share capital. Such authorisations will be reserved for use in relation to financing of strategic growth opportunities and will only be valid until the earliest of (i) the next annual General Meeting or (ii) 30 June the next year.

The Company hosted an extraordinary General Meeting on 28 September 2023 to grant a board authorization to acquire own shares for subsequent cancellation.

- The Board is authorized to acquire up to 7 000 000 own shares in the market with an aggregate nominal value of up to NOK 1 750 000. The purchase price shall be minimum NOK 0.25 and maximum NOK 14.60 per share. Within these limits, the Board may decide on which terms and at what time such acquisitions shall take place. The authorization is valid until the next annual General Meeting, but no later than 30 June 2024. Cloudberry has acquired 2 807 500 shares under this authorization at an average price of NOK 10.3197 per share.

Deviations from Section 3 of the Corporate Governance Code: None

4. Equal treatment of shareholders

Cloudberry has one share class and each share in the Company carries one vote at the Company's general meeting. All shares carry equal rights, including the right to participate in general meetings.

The Company's shareholders have pre-emption rights in share offerings according to the Public Limited Liability Companies Act. Such pre-emption rights may however be set aside, either by the General Meeting or by the Board of Directors if the General Meeting has granted a Board authorisation which allows this.

Any resolution proposed by the Board to set aside pre-emption rights will be objectively justifiable taking into consideration the common interests of the Company and its shareholders, and the basis for such deviation will be publicly disclosed through a stock exchange notice from the Company.

Deviations from Section 4 of the Corporate Governance Code: None

5. Shares and negotiability

The Company's shares are listed on Oslo Stock Exchange and are freely transferable. The Company's Articles of Association do not place any restrictions on owning, trading or voting for shares in the Company.

Deviations from Section 5 of the Corporate Governance Code: None

6. General Meetings

Notices convening the Company's General Meetings are submitted and announced in accordance with applicable law and stock exchange regulations. Comprehensive documentation relating to the items on the agenda is prepared and made available on the Company's website no later than 21 days prior to the General Meeting.

Shareholders who wish to participate in the General Meeting must notify the Company within the deadline specified in the notice. The deadline is set as close to the date of the General Meeting as possible, but not earlier than 5 days before the date of the General Meeting. In accordance with new regulations in the Public Limited Liability Companies Act which entered into force from 1 July 2023, the Company amended its Articles of Association at he the General Meeting 27 April 2023 so the deadline for notifying the Company cannot be earlier than 2 business days prior to the date of the General Meeting.

In accordance with the rules of the Public Limited Liability Companies Act, Cloudberry will facilitate for electronic participation in General Meetings, unless the Board has a justifiable cause to resolve otherwise.

In accordance with the Articles of Association, the Board of Directors may resolve that shareholder may cast their votes in writing prior to the company's General Meetings. Such votes can also be casted by use of electronic communication. The permission to cast an advance vote requires the presence of an adequate method for authenticating the sender. The Board of Directors determines whether an adequate method is present prior to each General Meeting. The Board of Directors may adopt more detailed guidelines for advance voting. It will be stated in the notice of each General Meeting whether advance voting is permitted and which guidelines, if any, are resolved for such voting.

Shareholders who are unable to attend general meetings may vote by proxy. A dual language proxy form covering each individual matter on the agenda is included in the notice convening the general meeting. The Company offers shareholder who are not able to attend the general meeting the possibility of issuing a proxy to the chairperson who will then represent and vote for the shareholder at the general meeting.

According to the Corporate Governance Code, the Board should ensure that the general meeting elects an independent person to chair the meeting. Cloudberry will facilitate this in the general meetings.

Cloudberry intends to have representatives of the Board of Directors present at the Company's General Meetings. However, the Company will normally not have the entire Board of Directors participate as this is considered unnecessary. This represents a deviation from the Corporate Governance Code which states that arrangements shall be made to ensure participation by all directors. The chairperson of the nomination committee (or a delegated member of the committee) will be present at the Company's General Meetings where matters prepared by the nomination committee will be dealt with.

Cloudberry facilitates that shareholders may cast votes for each individual matter on the agenda, including each individual candidate nominated for election.

Deviations from Section 6 of the Corporate Governance Code: The Corporate Governance Code recommends that all members of the Board attend the general meetings of the Company. Not all board members are present at every general meeting of the Company.

7. Nomination committee

Section 8 of the Articles of Association prescribes that the Company shall have a nomination committee. The nomination committee is elected by the General Meeting for a period of two years unless the General Meeting decides on a shorter period. The members of the nomination committee may be re-elected.

The current members of the nomination committee are:

- Morten S. Bergesen (chairperson)
- Joakim Gjersøe
- Henrik Lund

The composition of the nomination committee shall reflect the interests of all shareholders and ensure independence from the Board of Directors and the executive management. Pursuant to the Corporate Governance Code adopted 14 October 2021, the nomination committee shall not include any executive personnel or member of the Company's Board of Directors. No executive personnel or members of the Board of Directors in Cloudberry are members of the Company's nomination committee.

The remuneration of the nomination committee is determined by the General Meeting.The nomination committee shall submit its recommendations to the General Meeting regarding election of the chairperson and shareholder elected members to the Board of Directors, as well as remuneration to the members of the Board of Directors. The nomination committee's recommendations shall address how each of the recommended candidates will attend to the Company's interests, including with respect to qualifications, capacity, and independence.

The objectives, responsibilities, and functions of the committee are further described in the "The Nomination Committee Policy", which was adopted by the general meeting on 17 June 2020. The policy is available on the Company's website.

Information about the composition of the nomination committee and the deadline for shareholders to propose candidates for election, is communicated to the Company's shareholders at www.cloudberry.no.

Deviations from Section 7 of the Corporate Governance Code: None

8. Board of directors: Composition and independence

Pursuant to Section 5 of the Articles of Association, the Company's Board of Directors shall consist of between three and eight shareholder elected members. The current Board of Directors of Cloudberry has seven members, consisting of four women and three men.

All members are elected for a term of one year and may be re-elected. The chairperson is elected by the General Meeting.

Cloudberry encourages the Board members to hold shares of the Company and has established a separate share purchase program for this purpose. According to the program the Board members use 30% of the fixed gross remuneration (prior to tax) per year to acquire shares in the Company.

The shareholdings of members of the Board as of 31 December 2023 are set out in note 25 of Cloudberry's consolidated financial statements ("Financial Statements").

Further, the composition of the Board of Directors, and information about the Board members' background and qualifications are detailed in the section "Board of Directors" of the annual report for 2023. The composition of the Board of Directors ensures that it can attend to the common interest of all shareholders and meets the Company's need for expertise, capacity and diversity. The Board of Directors evaluates its own work on an annual basis to ensure that it functions efficiently. Detailed information regarding meeting attendance, see section 9 (The work of the Board of Directors) in this report.

All shareholder elected members are considered independent of executive management and material business contacts (excluded shareholders). Further, 6 of 7 members of the Board are independent of the Company's main shareholders. Nicolai Nordstrand is the general manager of Havfonn AS and Snefonn AS, which as of 31 December 2023 controlled 8.5% and 5.56% respectively of the shares and votes of Cloudberry. At the same time, Havfonn AS, jointly with its parent company Snefonn AS, controlled 14.06 % of the share and votes of Cloudberry.

None of the members of the Board of Directors are part of Cloudberry's executive management team, but the Chief Executive Officer, Chief Value Officer and Chief Compliance & Organisation Officer regularly attend the Board of Directors' meetings.

Deviations from Section 8 of the Corporate Governance Code: None

9. The work of the Board of Directors

The Board of Directors emphasises maintaining a high standard of corporate governance. The Board of Directors is responsible for the overall management of the Company and supervises the Company's day-to-day activities.

The Board of Directors has implemented a separate "Instructions for the Board of Directors" and "Instructions for the CEO". These instructions provide detailed and clear allocation of the responsibilities and duties of the Board of Directors and the Chief Executive Officer.

The meetings of the Board of Directors have agenda items covering the Company's activities, position, financial, operational and sustainability developments, and objectives of the Company with its strategy and implementation. The Board of Directors has established an annual meeting schedule based on quarterly milestones and duties. The Board of Directors also prepares for general meetings. The Board of Directors had 15 meetings during 2023. To secure an independent discussion and valuation without related parties on Board issues, members of the Board of Directors who are related to topics being discussed will be excused from the board meeting. There were no such incidents in 2023.
The Board of Directors' performance is evaluated annually, and the evaluation is made available to the nomination committee.

Transactions with close associates

The Board of Directors shall ensure that all transactions between the Company and close associates are approved by the Board and are in compliance with Sections 3-8 and 3-9 of the Public Limited Liability Companies Act. Any such agreements must be balanced and not give concern for potential conflicts of interests with the Company.

If the Company enters into any agreement exceeding a fair market value of NOK 100 000 with a shareholder, a shareholder's parent company, members of the Board of Directors, executive personnel, or any of their close associates an independent third-party valuation shall be obtained.

Any transactions with close associates shall be described in the director's annual report.

The audit committee:
The Company's audit committee is governed by the Norwegian Public Limited Liability Companies Act and a separate instruction adopted by the Board of Directors. The members of the audit committee are appointed by and among the members of the Board of Directors and consist of three members. A new chair of the committee was appointed in 2023. The majority of the members of the audit committee are independent. The committee performs tasks related to financial reporting, the annual accounts and internal control. The audit committee has contact with the Company's auditor, which in 2023 attended four out of six meetings. It will be held a minimum of five audit committee meetings per year.

The compensation committee:
The compensation committee is appointed by and among the members of the Board of Directors and consists of three members. In 2023 there were changes to the members of the committee and a new chair of the committee was appointed. All its members are independent of the Company's executive management. The compensation committee recommends and oversees compensation and benefits of the Company's executive management..

The Environmental, Social and Governance Committee (ESG) committee:
The ESG committee is appointed by and among the members of the Board of Directors and consists of three Board members, an increase from two in 2022. All its members are independent of the Company's executive management. The committee's purpose is to guide and support the Company's work, anchor its commitment, and ensure high standards on both strategic and operational levels within environmental, social, and governance aspects.

Code of Conduct:
Cloudberry's Code of Conduct is the basis for the Company's ethical culture. Its purpose is to ensure that the Company's business and investments are conducted in a highly ethical manner.

The Code of Conduct is revised and audited by the Board of Directors regularly. The Code of Conduct applies to all employees in the Cloudberry group, the Board of Directors, and other representatives of the Company. Every employee of Cloudberry shall act in compliance with the Code of Conduct. The Code of Conduct shall inter alia ensure that the Board members and the executive personnel act according to good governance and make the Company aware of any material matters to be considered by the management and/or Board.

Cloudberry is committed to achieving a sustainable development in our operations in all general terms. Business opportunities aimed at promoting a sustainable future shall be a part of Cloudberry's strategic assessments, and we will leverage our competence and expertise towards contributing to developing a sustainable future.

Deviations from Section 9 of the Corporate Governance Code: None

10. Risk management and internal control

The Board of Directors is responsible for the Company's risk management and internal control systems, so they are appropriate in relation to the extent and nature of the Company's activities. Both the Board of Directors and the management of the Company focus on risk management and internal controls.

In 2023, the executive management continued the integrating the Company's policy and procedures for risk management and internal control. The aim was to heighten the knowledge and awareness of risk, to standardize the process and ensure a common framework and definition throughout the Group and the different risk processes.

Risk assessments shall be updated on a quarterly basis in the business units (segments) and is consolidated for the Company. However, if there are major events influencing the Group's risk situation materially the Company will update the risk assessment immediately. The highest risks, calculated by considering probability and consequence, and the mitigating actions are discussed in the management team in Cloudberry, with the audit committee and annually with the Board of Directors unless the situation requires more frequent updates.

Prior to every Board meeting and otherwise when needed, the CEO reports in writing to the Board of Directors on the Company's position, financial status, and performance. Through the CEO, the Board of Directors is ensuring risk and corporate management, and that Cloudberry complies with the Public Limited Liability Companies Act and other applicable laws and regulations in the regions Cloudberry operates, according to sound ethical principles in terms of administrative, technical, business and personnel matters.

Cloudberry manages the risk through close follow-up and monitoring of operating assets and development projects. Procedures and guidelines for the business are implemented and reviewed regularly.

In the annual reporting, the Board of Directors reviews the Company's risk areas. The annual review pays attention to inter alia:

- Financial risks, including liquidity, interest and foreign exchange rate, inflation and cost control
- Political risk and changes in laws and regulations
- Volatile energy prices and revenue exposure
- IT/digital risk, including IT fraud and hacker attacks
- ESG risks, including climate, nature and biodiversity risks
- Operational risks, including technological, construction, HSE and development risk

Deviations from Section 10 of the Corporate Governance Code: None

11. Remuneration of the Board of Directors

Cloudberry has established guidelines for salary and other remuneration for executive personnel, which also covers guidelines for remuneration to the Board of Directors. The guidelines have been prepared in accordance with Section 6-16a of the Public Limited Liability Companies Act.

The remuneration of the Board of Directors is resolved by the Company's General Meeting and should reflect the Board of Directors' responsibility, experience, time spent and the complexity of the Company's activities. The Board of Directors' remuneration is not linked to the performance and the Board of Directors hold no options in the Company.

The Board of Directors members who participate in the audit committee, the compensation committee and the ESG committee receive separate compensation for these appointments, which are approved separately by the Company's General Meeting.

Detailed information on the remuneration of the Board of Directors can be found in the Financial Statements, note 25.

As the main rule, the members of the Board of Directors shall not have any specific assignments for the Company in addition to their appointment as members of the Board of Directors.

Deviations from Section 11 of the Corporate Governance Code: None.

12. Salary and other remuneration for executive personnel

Cloudberry has established guidelines for salary and other remuneration for executive personnel. The guidelines have been prepared in accordance with Section 6-16a of the Public Limited Liability Companies Act, with applicable regulations on guidelines and reporting of remuneration for leading personnel. The main purpose of the guidelines is to allow shareholders to influence the parameters determining salary and other kinds of remuneration to executive personnel and to create a culture for remuneration that promotes the Company's long-term interests, strategy and the Company's financial sustainability.

Remuneration means all benefits received by an individual, including fixed salary, performance-based pay (short and long term) and other benefits. The remuneration guidelines for leading personnel is based on attracting and retaining relevant expertise to further develop the Company. The guideline sets out an absolute limit for performance-related remuneration.

More detailed information about the individual remuneration of the CEO and other leading personnel is provided in the Company's annual report note 11. Employee benefits and share based payments and the Company's guidelines on the salary and other remuneration for executive personnel (Remuneration report 2023) will be published in relation to the annual General Meeting in 2024.

Deviations from Section 12 of the Corporate Governance Code: None

13. Information and communications

The Board of Directors adopted an investor relations policy with a description of the Company's investor information and investor relations policy. The policy clarifies roles and responsibilities related to financial reporting and contact with the shareholders and the investor market. This is to ensure transparency and equal treatment of the stakeholders.

Cloudberry publishes its financial calendar annually with a list of dates for important events such as annual General Meetings and financial reports. The Company practises a silent period of two weeks ahead of publication of financial statements.

Cloudberry provides all stock exchange announcements, financial reports and presentations, and other IR information at the Company's web site www.cloudberry.no and the information is also posted at Oslo Stock Exchanges' official news channel www.newsweb.oslobors.no. Cloudberry gives presentations in connection with the financial reporting, and these presentations are broadcasted digitally.

Deviations from Section 13 of the Corporate Governance Code: None

14. Take-overs

The instructions of the Board of Directors of Cloudberry contain guidelines on how the Board of Directors shall act in the event of a take-over bid.

In such case, the Board of Directors shall ensure that the shareholders' interests are safeguarded and that all shareholders are treated equally, and that the Company's activities are not unnecessarily interrupted. The Board of Directors shall further ensure that all shareholders receive sufficient information and are given sufficient time to assess the relevant offer. The Board of Directors shall not prevent or oppose any takeover bids for the Company's activities or shares but make a recommendation to the shareholders.

Deviations from Section 14 of the Corporate Governance Code: None

15. Auditor

The Company's external auditor is Ernst & Young AS.

The Board of Directors requires the Company's auditor to annually present to the audit committee the main features of the plan for the audit of the Company.

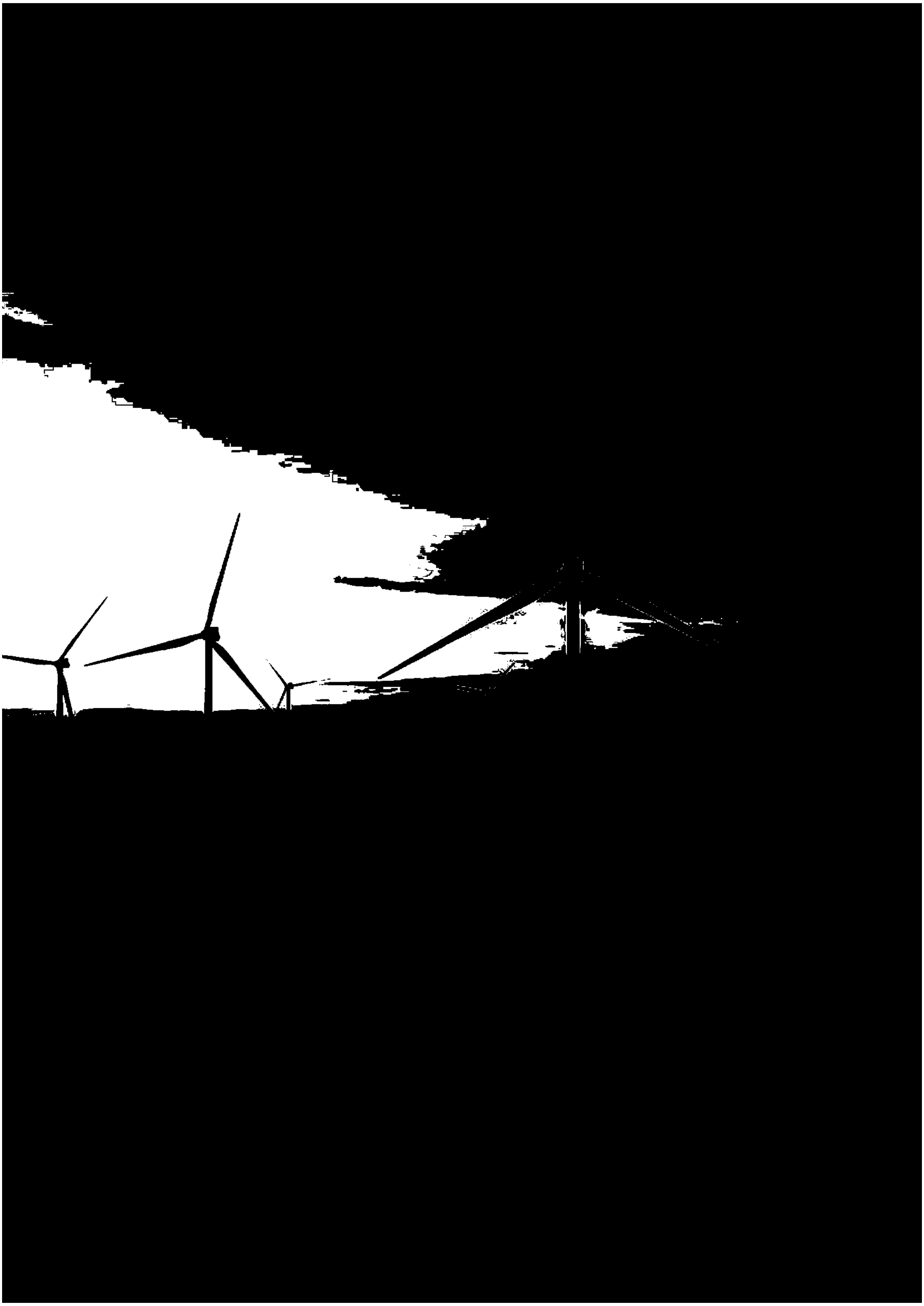
The auditor participates in meetings of the Board of Directors and the audit committee when the annual accounts is an item. At these meetings the auditor reports on any material changes in the Company's accounting principles and key aspects of the audit, comments on any material estimated accounting figures and reports all material matters on which there has been disagreement between the auditor and the Company's executive management.

Further, the Board of Directors has an annual review of the Company's internal control procedures with the auditor, including identified weaknesses and proposals for improvement.

The Board of Directors has established guidelines in respect of the use of the auditor by the executive management for services other than audit.

The remuneration to the auditor is subject to approval by the annual General Meeting. The Board of Directors will report to the General Meeting details of fees for audit work and any fees for other assignments.

Deviations from Section 15 of the Corporate Governance Code: None



Consolidated financial statements Group

Consolidated statement of profit or loss

1 January - 31 December

NOK million	Note	FY2023	FY2022
Sales revenue	10	333	208
Other income	10	277	9
Total revenue		610	217
Cost of goods sold		(26)	(14)
Salary and personnel expenses	11	(119)	(91)
Other operating expenses	12	(130)	(81)
Operating expenses		(276)	(186)
Net income/(loss) from associated companies and JV	4,19	(72)	120
EBITDA		263	151
Depreciation	15	(109)	(27)
Amortization	16	(18)	(8)
Impairment	18	(99)	-
Operating profit (EBIT)		37	116
Financial income	8,13	306	67
Financial expenses	8,13	(121)	(61)
Profit/(loss) before tax		222	122
Income tax expense	14	11	-
Profit/(loss) after tax		233	122
Profit/(loss) attributable to:			
Equity holders of the parent		272	118
Non-controlling interests		(39)	3
Earnings per share (NOK):			
Continued operation			
- Basic	24	0.93	0.47
- Diluted	24	0.93	0.47

Consolidated statement of comprehensive income

1 January - 31 December

NOK million	Note	FY2023	FY2022
Profit for the year		233	122
Other comprehensive income			
Items which may be reclassified over profit and loss in subsequent periods			
Net movement of cash flow hedges	9	(44)	91
Income tax effect	9	10	(20)
Exchange differences on translation of foreign operations		(64)	30
Net other comprehensive income		(99)	101
Total comprehensive income/(loss) for the year		**134**	**223**
Total comprehensive income/(loss) attributable to:			
Equity holders of the parent company		220	219
Non-controlling interest		(86)	3

Consolidated statement of financial position

NOK million	Note	31.12.2023	31.12.2022
ASSETS			
Non-current assets			
Property, plant and equipment	15	3 997	1 597
Intangible assets	16	24	86
Goodwill	16	206	143
Investment in associated companies and JVs	19	1 175	890
Financial assets and other assets	8	91	105
Total non-current assets		5 492	2 821
Current assets			
Inventory	17	99	106
Accounts receivables	8	61	52
Other assets	8	260	86
Cash and cash equivalents	20	779	1 538
Total current assets		1 199	1 782
TOTAL ASSETS		**6 691**	**4 603**

Consolidated statement of financial position

NOK million	Note	31.12.2023	31.12.2022
EQUITY AND LIABILITIES			
Equity			
Share capital	21	73	73
Share premium	21	3 496	3 495
Total paid in capital		3 569	3 568
Other equity		362	146
Non-controlling interests		685	80
Total equity		**4 617**	**3 794**
Non-current liabilities			
Interest-bearing loans and borrowings	9,22	1 507	327
Lease liabilities		30	36
Provisions	23	115	36
Deferred tax liabilities	14	59	127
Total non-current liabilities		1 710	526
Current liabilities			
Interest-bearing loans and borrowings	22	78	12
Other financial liabilities		57	-
Lease liabilities		7	7
Accounts payables and other liabilities	8	147	135
Provisions	23	76	129
Total current liabilities		364	283
Total liabilities		2 075	809
TOTAL EQUITY AND LIABILITIES		**6 691**	**4 603**

Oslo, 19 March 2024

The Board of Directors of Cloudberry Clean Energy ASA

Tove Feld Chair of the Board	**Petter W. Borg** Board member	**Benedicte Fossum** Board member	**Henrik Joelsson** Board member
Nicolai Nordstrand Board member	**Stefanie Witte** Board member	**Alexandra Koefoed** Board member	**Anders J. Lenborg** CEO

Consolidated statement of cash flows

NOK million	Note	FY2023	FY2022
Cash flow from operating activities			
Profit/(loss) before tax		222	122
Net gain from sale of PPE and project inventory		(272)	(9)
Depreciations and amortization	15, 16	126	35
Impairment	16, 18	99	-
Net income from associated companies and JV's	4, 19	72	(120)
Share-based payments - non-cash to equity		24	26
Net interest paid/received		28	12
Unrealised effect from change in fair value derivatives		(12)	-
Unrealised foreign exchange (gain)/loss		(56)	1
Change in accounts payable		7	88
Change in accounts receivable		4	(25)
Change in other current assets and liabilities		(18)	(88)
Net cash flow from operating activities		**224**	**43**
Cash flow from investing activities			
Interest received	13	23	10
Investment and capitalization projects		(14)	(44)
Investments in PPE and intangible assets	15, 16	(535)	(304)
Net proceeds from sale of PPE and project inventory	7	684	60
Investment in business comb. net of cash acquired	5	(2 010)	(51)
Payment for increase in controlling interest	6	(23)	-
Investment in asset acquisitions, net of cash acquired		-	(19)
Investments in associated companies and JV's	5, 19	-	(31)
Net cash flow from loans to associated companies and JV's		(20)	(33)
Distributions from associated companies and JV's	19	85	31
Net cash flow from (used in) investing activities		**(1 810)**	**(379)**
Cash flow from financing activities			
Payment to escrow account		(3)	(14)
Transfer from escrow account		-	82
Proceeds from new term loans	22	1 200	116
Payment of capitalised borrowing costs		(8)	-
Repayment of term loan	22	(207)	(151)
Repayment of current interest-bearing liabilities	22	(54)	(13)
Interest paid on loans and borrowings	13	(55)	(22)
Payment on lease liabilities - interest		(2)	(1)
Repayment on lease liabilities		(6)	(3)
Share capital increase	21	1	767
Payment for shares bought back	21	(29)	-
Dividends paid to NCI		(7)	-
Net cash flow from financing activities		**830**	**760**
Total change in cash and cash equivalents		(756)	424
Effect of exchange rate changes on cash and cash equivalents		(3)	(1)
Cash and cash equivalents at start of period		1 538	1 115
Cash and cash equivalents at end of period		**779**	**1 538**

Consolidated statement of changes in equity

	Attributable to parent company equity holders										
	Paid in capital		Other Equity								
	Share capital	Share premium	Treasury shares	Share based payment	Cash flow hedge reserves	Foreign currency translation reserve	Retained earnings	Total other equity	Total	Non-controlling interests	Total equity
Equity as at 01.01 2022:	**59**	**2 676**	**-**	**6**	**3**	**(12)**	**(96)**	**(99)**	**2 636**	**-**	**2 636**
Profit/Loss for the period	-	-	-	-	-	-	118	118	118	3	122
Other comprehensive income	-	-	-	-	71	30	-	101	101	-	101
Total comprehensive income	-	-	-	-	71	30	118	219	219	3	223
Share capital increase	14	819	-	-	-	-	-	-	833	-	833
Repurchase own shares	-	-	-	-	-	-	-	-	-	-	-
Share based payments in the year	-	-	-	26	-	-	-	26	26	-	26
Transaction with non-controlling interest	-	-	-	-	-	-	-	-	-	-	-
Transaction with non-controlling interest from business combinations	-	-	-	-	-	-	-	-	-	77	77
Transfer to other equity	-	-	-	-	-	-	-	-	-	-	-
Equity as at 31.12 2022	**73**	**3 495**	**-**	**31**	**74**	**18**	**22**	**146**	**3 714**	**80**	**3 794**
Equity as at 01.01 2023:	**73**	**3 495**	**-**	**31**	**74**	**18**	**22**	**146**	**3 714**	**80**	**3 794**
Profit/Loss for the period	-	-	-	-	-	-	272	272	272	(39)	233
Other comprehensive income	-	-	-	-	(35)	(18)	-	(53)	(53)	(47)	(99)
Total comprehensive income	-	-	-	-	(35)	(18)	272	220	220	(86)	134
Share capital increase	-	1	-	-	-	-	-	-	1	-	1
Repurchase own shares	-	-	(29)	-	-	-	-	(29)	(29)	-	(29)
Share based payments in the year	-	-	-	24	-	-	-	24	24	-	24
Transaction with non-controlling interest	-	-	-	-	-	-	2	2	2	(32)	(30)
Transaction with non-controlling interest from business combinations	-	-	-	-	-	-	-	-	-	723	723
Transfer to other equity	-	-	-	-	-	-	-	-	-	-	-
Equity as at 31.12 2023	**73**	**3 496**	**(29)**	**55**	**39**	**1**	**296**	**362**	**3 931**	**685**	**4 617**

Notes to the Consolidated financial statements Group

General

Note 1 General information

Corporate information

Cloudberry Clean Energy ASA ("the Company"), its subsidiaries (wholly and partly owned) and investments in associated companies and joint ventures ("the Group" or "Cloudberry") is an independent power producer, developing, owning and operating renewable assets in the Nordics. The Company has an integrated business model across the life cycle of renewable power plants including project development, financing, construction (normally outsourced), ownership, management, and operations.

Cloudberry Clean Energy ASA is incorporated and domiciled in Norway. The address of its registered office is Frøyas gate 15, NO-0273 Oslo, Norway. Cloudberry Clean Energy ASA was established on 10 November 2017. The Company is listed on Oslo Stock Exchange main list (ticker: CLOUD).

Note 2 General accounting policies and principles

Basis for preparation

The Group's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations from International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU.

The Group's consolidated financial statement is prepared on a going concern basis.

These consolidated financial statements for the full year 2023 have been approved for issuance by the Board of Directors on 19 March 2024 and are subject to approval by the Annual General Meeting on 16 April 2024.

The consolidated financial accounts are presented in Norwegian Krone (NOK). Amounts are rounded to the nearest million, unless otherwise stated. As a result of rounding adjustments, amounts and percentages may not add up to the total.

Basis for measurement

The consolidated financial statements have been prepared on a historical cost basis, except that certain financial instruments and derivatives are recognised at fair value, please see note 8 Key risks and financial instruments. Historical cost is generally based on the fair value of the consideration given when acquiring assets and services.

Basis and principles for consolidation

The consolidated financial statements comprise the financial statements of the parent company Cloudberry Clean Energy ASA and its subsidiaries, see note 26 List of subsidiaries and equity accounted companies.

Subsidiaries are all entities (including structured entities) over which the Group has control.

Upon the acquisition of new entities, development or producing projects, single or groups, management assess whether the acquisition constitutes a business combination in accordance with IFRS 3, or whether it is considered to be an asset acquisition, see note 5 Business combinations.

Foreign currency translation

Functional and presentation currency

The functional currency of the companies in the Group is determined based on the nature of the primary economic environment in which the company operates. The functional currency of the parent company Cloudberry Clean Energy ASA and the presentation currency of the Group is Norwegian krone (NOK).

Principles of cash flow statement

The cash flow statement has been prepared using the indirect method.

Operating activities: changes in working capital comprise of current interest-free receivables and current interest-free liabilities. Effects related to capital expenditures, inventory investments, unrealised changes or reclassifications are not included in changes in working capital.

Investing activities: acquisition/divestment of shares includes cash and cash equivalents in the investee that are recognised/divested at the transaction date. Hence, this is presented net together with the cash consideration paid or received. Capitalized costs related to project inventory are presented together with project investments.

Financing activities: interest payments from interest rate derivatives, which are used to manage the Group's debt portfolio, are presented as a part of interests paid.

Note 3 Key accounting estimates and judgements

Significant estimates

The most critical assumptions used by management in making business decisions such as merger and acquisitions is the long-term price forecast for power and the related market developments together with the applied weighted average cost of capital (WACC) in discounted cash flow (DCF) models. These assumptions are also critical input for management related to financial statement processes such as:

- Allocation of fair value in business combination transactions related to PPE, investment in associates and JV's and inventory, and goodwill. See note 5 Business combinations.
- Impairment testing of goodwill, PPE and investment in associates and JV's. See note 18 Impairment.

Long term price forecast for power

Management use two providers for forward power price curve estimates, Volue and Thema, each with their own base case for long term power price forecasts. As an input into decision making the base case of the two providers are averaged in order to provide an average power curve between two different and independent providers. Volue and Thema are external sources of information which ensures an unbiased estimate. Management utilises a consistent policy to base decision-making on third party independent power curves and may in the future also include other international providers to average out different power curve thesis. Management review and update the forecast continuously based on the latest available power curves. The utilised providers are continuously assessed.

Weighted average cost of capital (WACC)

The weighted average cost of capital (WACC) is a key input into the financial statements with regards to the mentioned items above. Management utilises a WACC based on market indicators externally observed to utilise an unbiased WACC. The cost of debt is calculated based on market risk-free rate with a market-based margin; both dependent on relevant country where the investment is taking place. The cost of equity is based on the risk-free rate and market risk premium for respective region and adjusted with an equity beta derived from a listed peer group to the relevant investment. The equity beta is based on the unlevered beta from the peer group, and re-levered to reflect the leverage ratio utilised for the relevant investment. The WACC is always updated to reflect the relevant period when it is being used as an input to the sections mentioned above.

Significant judgements

Due to the Group's business activities, management must apply judgement in determining the appropriate accounting policies in many areas, and for some the application of the Group's accounting may have a material impact on the accounting treatment in the financial statements. Significant judgement includes areas such as:

- Assessment of business combination or asset acquisition: note 5 and 15
- Assessment of control over investments: note 5
- Classification of developing projects: note 15 and 17
- Assessment of impairment indicators: note 18

Note 4 Operating segments

Accounting principles

The Group manages and reports its operations in four operating segments;

- **Production** is an active owner of renewable power assets in the Nordics.
- **Development** is a green-field developer of hydro, wind and solar projects and has a solid track record of organic, in-house developments of wind and hydropower assets in Norway, Sweden & Denmark
- **Operations** is an asset manager and operator of renewable power assets, that also delivers industrial digital solutions,
- **Corporate** is a cost-efficient segment that oversees management tasks for the Group like financing, marketing, reporting and other corporate activities.

The Company has established that the board of directors act as the chief operating decision-maker. The segments are determined based on the differences in the nature of their operations. The main performance indicator for segment reporting is EBITDA.

The Group's segment financials are reported on a proportionate[1] basis, a standard practice in the renewable energy market where assets are often partially owned. This approach helps manage risks, diversify investments, and address the industry's capital-intensive nature. As such the chief operating decision maker utilises this reporting basis to understand the Group's investment exposure by considering it's proportionate share in different assets or companies.

The key differences between the proportionate and the consolidated IFRS financials are that all entities are included with the respective ownership share in each accounting line by the Group. Associated companies and joint ventures are included in the financial accounting lines, the profit or loss statement and share of assets and net debt, with the respective proportionate ownership share. While in the consolidated financials associated companies and joint ventures are consolidated with the equity method. Subsidiaries that have non-controlling interests are in the proportionate reporting presented with only the Group's ownership share, while in the consolidated financials they are included with 100%.

Production

The Production segment owns and manages renewable power assets with long-term yield in the Nordics. Revenues come mostly from power production sold on a continuous basis through bilateral agreements or through the spot market, Nordpool. The Odin portfolio acquired in June 2023 was allocated to the Production segment as it consisted of a portfolio of producing wind power assets mostly located in Denmark in DK1 price area. The acquisition increased producing MW by ~70% in the Production segment.

Production is also the local manager and delivers management services to the portfolio of power plants owned by Forte Energy Norway AS, see note 19 Investments in associated companies and joint ventures.

[1] APM, see section Alternative performance measure for further definition.

Development

The Development segment has a significant development portfolio with renewable assets in the Nordics.

Development is responsible for development of hydro, wind and solar power assets from early stage until the projects receive construction permits. Cloudberry is fully focused on continuing to work in close dialogue with local communities, public and private landowners to ensure efficient permitting processes, limit nature impact and gain access to additional sites.

Operations (Captiva)

The Operations segment includes the activities organized in the Captiva Group under the business areas management services and digital solutions. Captiva is an asset manager and operator of renewable power assets in the Nordics with more than 15 years of history. Cloudberry has been a 60% owner of Captiva, and acquired the remaining 40% on 19 December 2023. Since first acquiring Captiva, Captiva have added significant value to Cloudberry's hydro and wind development, procurement & construction as well as being recognized as a high-quality asset manager for power plants in the Nordics. Through the acquisition, Cloudberry will be able to further integrate the business areas within Captiva that are core for Cloudberry in order to scale these in the best manner possible. Please see note 6 Acquisition of 40% of Captiva Digital Services AS.

Corporate

Corporate consists of the activities of corporate services, management, and group finance. Group management sits within this segment and amongst other activities the Corporate segment manages and allocates the group capital towards different investments opportunities. The segment is also responsible for managing Cloudberry's balance sheet and capital needs. Key investment and operational decisions, including handling the majority of the M&A activities, also lies under the corporate segment with input and contribution from the relevant segments. Further the segment handles all reporting to external stakeholders. The corporate management aims to remain a cost-effective, agile and dynamic team providing best in class group functions that the other segments can build on. By year end, there were six employees in the corporate segment.

Proportionate financials[1]

The table shows the segment reporting for 2023 (with reconciliation to reported Group consolidated IFRS) and with comparable figures for 2022 in lower table:

FY 2023

NOK million	Production	Development	Operations	Corporate	Total Proportionate	Group eliminations	Elimination of equity accounted entities	Residual ownership consolidated entities	Total Consolidated
Total revenue	655	15	38	2	711	(22)	(159)	80	610
Operating expenses	(168)	(31)	(44)	(67)	(310)	20	75	(61)	(276)
Net income/(loss) from associated companies and JV's	-	-	-	-	-	-	(72)	-	(72)
EBITDA	**487**	**(16)**	**(6)**	**(64)**	**401**	**(1)**	**(156)**	**19**	**263**
Depreciation and amortisation	(134)	(72)	(63)	(3)	(272)	-	116	(69)	(225)
Operating profit (EBIT)	**353**	**(88)**	**(69)**	**(67)**	**129**	**(1)**	**(40)**	**(50)**	**37**
Net financial items	(51)	21	(1)	192	162	-	25	(2)	185
Profit/(loss) before tax	**303**	**(66)**	**(70)**	**124**	**291**	**(1)**	**(15)**	**(52)**	**222**
Total assets	5 720	924	184	536	7 363	(264)	(723)	315	6 691
Interest bearing debt	2 088	-	10	-	2 098	-	(626)	112	1 585
Cash	277	(67)	45	543	797	-	(80)	62	779
Net interest-bearing debt (NIBD)	1 812	67	(35)	(543)	1 301	-	(546)	50	806

[1] APM, see section Alternative performance measure for further definition.

FY 2022 NOK million	Production	Develop-ment	Operations	Corporate	Total Proportio-nate	Group elimi-nations	Elimination of equity accounted entities	Residual ownership consoli-dated entities	Total Consoli-dated
Total revenue	402	207	38	-	646	(218)	(254)	43	217
Operating expenses	(139)	(30)	(33)	(63)	(265)	25	94	(40)	(186)
Net income/(loss) from associated companies and JV's	-	-	-	-	-	-	120	-	120
EBITDA	**262**	**177**	**4**	**(63)**	**381**	**(193)**	**(40)**	**3**	**151**
Depreciation and amortisation	(38)	-	(6)	(3)	(48)	-	18	(5)	(35)
Operating profit (EBIT)	**224**	**177**	**(2)**	**(66)**	**333**	**(193)**	**(22)**	**(2)**	**116**
Net financial items	(19)	(9)	-	43	15	-	(10)	2	6
Profit/(loss) before tax	**204**	**168**	**(2)**	**(22)**	**348**	**(193)**	**(33)**	**-**	**122**
Total assets	3 132	381	179	2 178	5 870	(695)	(595)	23	4 603
Interest bearing debt	865	55	6	-	926	-	(591)	4	339
Cash	(131)	(21)	34	1 704	1 587	-	(122)	73	1 538
Net interest bearing debt (NIBD)	996	76	(28)	(1 704)	(661)	-	(469)	(69)	(1 200)

Please refer to note 10 Sales revenues and other income for information about external sales revenue per product and services and information about geographical area.

Please refer to the section Alternative Performance Measure for definitions and further details regarding reconciliations between the Group IFRS reported figures and proportionate segment reporting.

Note 5 Business combinations

Accounting principle

Business combinations are accounted for using the acquisition method in accordance with IFRS 3. When the Group acquires a business, a purchase price allocation is carried out, and assets and liabilities are valued at their fair value at the time of the acquisition. If the acquisition cost (including any non-controlling interests) exceeds the fair value of identifiable net assets acquired, this is recognised as goodwill.

In accordance with IFRS 3, the estimation of fair value and goodwill may be adjusted up to 12 months after the takeover date if new information has emerged about the facts and circumstances that existed at the time of takeover.

Acquisition related costs, except costs related to issue of debt or equity securities, are recognised as operating expenses.

Significant estimates

The purchase price allocation includes allocation of the purchase price to the underlying assets and liabilities on their estimated fair value. Estimated fair value of renewable power projects (development or producing) is based on discounted cash flow models.

There is an inherent uncertainty related to management's assessment of significant assumptions such as cash flow estimates, which for renewable power assets are highly dependent on long term power price curves. discount rate (WACC), and useful life of the assets. These estimates impact the split of the fair value which is allocated to PPE and investment in associates and JVs.

The valuation model, which is a discounted cash flow model makes use of significant estimates, please see note 3 for information related to how management applies judgement and consistent use of estimates in the DCF models.

Significant judgements

Significant management judgement is required in the assessment of a business combination. This includes determining if an acquisition is a business combination or an asset acquisition, determining the acquiring part and determining the allocation of fair value of assets and liabilities acquired.

A specific assessment is made for each acquisition to decide whether it is a business combination or an asset acquisition. If an acquisition is regarded as a business combination IFRS 3 Business combinations will be applied, while if it is regarded as an asset acquisition, it will be either IAS 2 inventory, IAS 38 Intangible assets or IAS 16 Property plant and equipment that will be applied. The latter relates to the type of assets being acquired.

For acquisitions that consist of a single development project, single power plant ready to construct or assets that do not have any clearly defined input or output, the acquisition will often be accounted for as an asset acquisition. Acquisitions that consist of producing assets, projects organized with key employees, business processes in place and defined inputs and outputs from the processes, will often be accounted for as a business combination. However, a specific assessment will be needed to conclude on the treatment for each acquisition.

The purchase price allocation is by nature judgemental as it includes allocation of the purchase price to the underlying assets and liabilities on their underlying estimated fair value. Significant management judgement is applied about valuation method, estimates and assumptions.

When acquiring an entity with partial ownership management applies significant judgement as to whether Cloudberry has control of the entity and can be classified as a subsidiary, or if it has joint control or significant influence and should classify it as an investment in a joint venture or an associated company.

Related to the Odin acquisition Cloudberry holds a majority shareholding, 80% voting rights, the majority of appointed Board of Directors, including chair position, Cloudberry comprise the executive management and decision making. This gives Cloudberry the ability to direct the relevant activities of Odin and thus represents power. The list of reserved matters in the shareholder agreement has been assessed related to control, but all are in line with the intent of the transaction and does not give Skovgaard the power of control.

The Odin portfolio consist primarily of producing wind turbine assets. Therefore, the model for valuation of the turbines and the assessment of accounting method has significant management judgement.

Business combinations in 2023

Acquisition of 80% of the Odin Portfolio / Odin Group

On 31 May Cloudberry Production Aps (fully owned by Cloudberry Production AS) completed the acquisition of 80% of the shares in Odin Energy Holding P/S ("the Odin portfolio" or "Odin Group"). The sale and purchase agreement was signed on 10 February and the agreement secured Cloudberry a majority stake in a portfolio consisting of 51 high-quality wind turbines in production, with 47 turbines located in Denmark and an additional 4 turbines in southern Sweden. The Odin portfolio is located primarily in the DK-1 price area and adds up to 311 GWh of estimated annual production net to Cloudberry.

The transaction was subject to approval from the Danish authorities due to the assets being classified as critical infrastructure and the approval was obtained on 14 April.

The transaction was structured with all business (organized in SPV's) transferred to a newly established holding company: Odin Energy Holding Aps. Odin Energy Holding Aps is the owner of Odin Invest I P/S, which wholly owns producing wind turbines, Odin Invest II P/S, which owns majority shares in seven Danish entities/subsidiaries and minority shares in nine Danish entities (associates/JV'S), and Odin Invest III P/S, which owns shares in two Swedish joint ventures. These companies comprise the Odin Group. The acquisition includes the wind turbine assets, land rights, re-powering options and a well anchored partnership with Skovgaard on asset management and development. The team is local and highly successful.

In the transaction, Odin entered into an agreement with Skovgaard concerning the payment of a difference between Odin's realized power price for 2023 and a 2023 reference price from the November

2022 power curve. If the realized price is below the reference price, Skovgaard would cover the difference multiplied by the production and vice versa. The payment was limited to EUR 6 million and was paid in full in Q1 2024. With the power curve at transaction the date, it was expected a full pay-out, and a receivable was recognized (in other current asset) in the purchase price allocation.

All acquired entities are reported under the Production segment in the segment reporting, see note 4 Operating segments.

The total purchase price of DKK 1278m was settled with a cash payment of DKK 1265m and the remaining DKK 13m assumed through debt take over. The cash settlement was financed in part with existing cash and a draw-down on the SR bank facility of DKK 532m. Cash in the acquired companies was DKK 18m at acquisition, net cash outflow was DKK 1247m (NOK 2010m). The acquisition is accounted for as a business combination and the Odin Group was consolidated in the Group from 31 May 2023.

A preliminary purchase price allocation was first performed at acquisition, and this was subsequently updated per year end 2023. The final purchase price allocation is presented in the tables below:

NOK million	FY 2023	FY 2022[1]
Acquisition date	31.05.2023	
Voting rights/shareholding acquired through the acquisition	80%	
Total voting rights after the acqusition	80%	
Non-controlling interests	20%	
Consideration		
Cash	2 061	168
Shares	-	67
Total acquisition cost	2 061	235
Book value of net assets (see table below)		
Identification of excess value attributable to:		
Intagible assets	7	47
Property, plant and equipment	1 546	174
Investment in associates and JV's	234	-
Short-term assets	68	2
Other liabilities	(60)	-
Gross excess value	1 794	224
Deferred tax on excess value	10	(49)
Net excess value	1 804	175
Fair value of net acquired assets excluding goodwill	2 688	210
Of which:		
Non-controlling interest	723	35
Controlling interests	1 965	174
Total acquisition cost 100%	2 784	235
Goodwill (controlling interest)	95	62
Goodwill (non-controlling interest)	-	41
Goodwill (100%)	95	103
Total non-controlling interest	723	77

Book value of net acquired assets

NOK million	FY 2023	FY 2022[1]
Property, plant and equipment	1 026	63
Intangible assets	-	27
Goodwill	-	2
Investment in associates and JV's	106	-
Other non-current assets	18	7
Other current assets	128	39
Cash and cash equivalents	29	177
Acquired assets	1 307	316
Non-current interest-bearing debt to financial institutions	336	63
Other non-current debt	46	23
Current liabilities	41	193
Deferred tax liability	-	(1)
Other	-	3
Net asset value acquired assets	**884**	**35**
Total acquisition cost	2 061	235
Non cash consideration	21	67
Cash consideration	2 039	168
Cash in acquired company	(29)	(177)
Net cash outflow at acquisition	**2 010**	**(9)**

[1] Acquisitions in 2022 related to the Cativa Group acquired in January 2022, Tinnkraft AS in February 2022, Bøen Kraft in June 2022 and an increase in the investment share in Enestor AS by Captiva in June 2022.

Other financial figures
The acquired subsidiaries in the Odin portfolio are consolidated in the Group accounts from the acquisition date. The table below shows the total revenue and total profit or loss that is included in the Group accounts for 2023:

NOK million	Total
Acquisition date	31.05.2023
Gross revenue from acqusition date until 31.12.23	138
Pofit or loss total from acqusition date until 31.12.23	(2)

The table below show the pro-forma revenues and net profit or loss if the acquired companies had been consolidated from 1 January 2023.

Pro forma Group figures 2023

NOK million	Cloudberry Group reported	Odin Portfolio	Pro-forma Group figures
Total revenues	610	163	773
Total profit or loss	233	120	353

Note 6 Acquisition of 40% shares in Captiva Digital Services AS

On 20 December 2023 Cloudberry announced that it has acquired the remaining 40% shares in Captiva Digital Services AS (Captiva) from CCP AS. The first 60% was acquired in January 2022 and was a business combination in 2022.

The purchase price for the shares was NOK 23m and settled as a cash payment.

The related non-controlling interest in Captiva that was acquired had a pre-transaction book value of NOK 25m. With the purchase price of NOK 23m, a loss of NOK 2mwas recognized for the NCI in the statement of equity. The acquisition is accounted for as a transaction with non-controlling interest and is presented in the statement for equity.

Please note that the investments in Enestor AS, Kraftanmelding AS and Broentech AS remain with the same ownership share for Captiva and non-controlling interest in these investments amounts to NOK 5m per year end for the Group.

The seller and owner of the shares, CCP AS, are the previous management team in Captiva, of which many are still employees in the Group and are therefore assessed as a related party of the Group.

Please see note 25 Transactions with related parties for information about principles for related party transactions.

Impairment

In the fourth quarter the Group prepared the annual impairment assessment for impairment indicators of intangible assets and the annual review of goodwill. At the same time, related to the acquisition of the 40% shares in Captiva Digital Services AS, a valuation of the separate cash generating units in Captiva was prepared by management. The valuation was supported through a fairness opinion by a reputable third party. The valuation was used as a basis for the transaction price and therefore also the basis for the recoverable amount attributable to intangible assets and goodwill. Because it was confirmed through the transaction, the valuation was considered to be at market terms and is assessed as fair value of the assets.

Therefore, the Group recognized an impairment loss related to intangible assets and goodwill of NOK -74m and NOK -25m respectively. Also, a tax income of NOK 10m from reversal of deferred tax was recognized. The net PL effect of the write downs were NOK 89m for the Group.

Note 7 Disposal of assets

Sale of three hydropower plants: Nessakraft, Selselva and Åmotsfoss

On 16 June Cloudberry Production signed a share sale and purchase agreement with Norsk Vannkraft AS for the sale of 100% of the shares in Nessakraft AS, Selselva AS and Åmotsfoss AS. The transaction was completed on 30 June 2023.

The companies represent three hydropower plants with a total estimated annual production of 77 GWh located in NO-2, NO-3 and NO-5. The total transaction value was NOK 703m on a debt and cash-free basis.

Total settlement for the sale of shares was NOK 511m, settlement of internal long-term debt was NOK 216m. Total cash proceeds received were NOK 727m, with total cash in the disposed companies being NOK 43m, resulting in a net cash inflow to the Group of NOK 684m. At the time of the sale, Cloudberry Production AS settled the related bank debt to SR bank with a total of NOK 207m. Net cash to Cloudberry from the transaction was NOK 477m.

The total gain recognized from the sale of these three assets was NOK 259m and is presented as other income in the statement of profit or loss.

All related assets and liabilities were deconsolidated as of 30 June 2023.

The sold assets were all reported under the production operating segment.

Financial risk management

Note 8 Key risks and financial instruments

Through its business activities, the Group is exposed to various risks and has engaged in various financial instruments. This note together with note 9 Hegde activities and derivatives outlines the key risks and management activities undertaken to manage the Group's exposure to financial and other risks.
The Group focuses on the following risk categories: market risk, operational risk, ESG risk and financial risk.

Guidelines for risk management and strategy for handling and using financial instruments as a part of the business activities and handling risks have been approved by the Board of Directors. The Group's overall risk management programme seeks to minimize the potential for adverse effects on the Group's performance. The Group uses derivative financial instruments to hedge certain risk exposures. For full disclosure of the Group's ESG risk reporting see the Group's Sustainability report 2023.

8.1 Market risks

Price risk

The profitability of the Group's producing power plants depends on the volume and relevant price of the electricity produced. Most the Group's sales will be exposed to price risk related to electricity sold at spot rates. The Group's production volume sold in the spot market is consequently exposed to fluctuations in the market prices for electricity, unless new fixed term agreements are entered into.

Electricity prices are inter alia dependent on substitute or adjacent commodity prices such as e.g. oil, gas and coal prices, but also dependent on metrological conditions, CO_2 pricing and other supply and demand factors going into the clearing of the market price of electricity.

Further, massive climate goal subsidy schemes may put downward pressure on revenues (i.e. electricity prices) of non-subsidized existing assets. The Group considers subsidized offshore wind power as the most likely threat.

As sale of electricity constitutes a material share of the Group's revenues, the price risks related to electricity prices could result in reduced revenue and profitability for the Group and also reduce the fair market value of the Group's assets.

Electricity price risks are mainly hedged by entering exchange traded electricity derivatives contracts (NordPool/Nasdaq OMX Commodities), as well as derivative contracts directly with industry counterparties (bilateral contracts). The Group's hedging strategies are continuously evaluated as electricity market prices, the hydrological balance and other relevant parameters change. For further information on hedging and outstanding derivative contracts see details under note 9 Hedge activities and derivatives.

Sensitivity analysis

The table below is calculated based on the Group's electricity position (i.e. derivatives) as of 31 December 2023 and illustrates the potential impact on the income statement and equity. The sensitivity analysis includes only the market risks arising from derivatives i.e. the underlying physical electricity sales and purchases are not included. The analysis is based on the assumption that the forward price quotations of electricity would change +/-10%, flat in the time period that the Group is exposed with PPA's, with all other variables held constant. The forward price quotation is defined as a significant estimate, please see note 3 for information.

The sensitivity is what management assumes may be a reasonable change:

+10% change in electricity forward price quotations	2023	2022
Effect on profit before income tax	(1)	(2)
Effect on equity	(2)	(5)

-10% change in electricity forward price quotations	2023	2022
Effect on profit before income tax	1	2
Effect on equity	2	5

The basis for the sensitivity analysis is the price curves published closest to year end closing date.

Inflation risk does not have a direct impact on the Groups financial position, but inflation and related price risk may have an adverse impact on the Group's projects under development, accounted as inventory. The Group's development projects are capital intensive and increasing commodity prices will result in higher capital expenditures to develop and construct the projects (i.e. due to higher construction costs and turbine costs). High inflation may carve out the value of the expected cash flows from the Group's development projects relative to the up-front investments. Further, high inflation is expected to lead to higher short and long-term interest rates, affecting the financial costs for the Group's development projects. These factors and uncertainties may result in lower expected profitability from projects under development and ultimately that projects under development are postponed or abandoned leading to an impairment loss. Conversely, high inflation may be caused by higher energy prices, and thus power prices which can act as a counterweight to the risk.

Political and regulatory risk

The power industry is a highly regulated sector and thus subject to political and tax risk

The power industry is publicly regulated, and regulations may change over time. Thus, there is political risk of investments in the renewable and infrastructure industries in the Nordic countries. The changes to the taxation of Norwegian renewables implemented in 2023 has further heightened the political risk in Norway.

Changes in tax laws of any jurisdiction in which the Group operates, or any failure to comply with applicable tax legislation, may have a material adverse effect for the Group. The Group is subject to prevailing tax legislation, treaties and regulations in the jurisdictions in which it is operating, and the interpretation and enforcement thereof. The Group's income tax expenses are based upon its interpretation of the tax laws in effect at the time that the expense is incurred. If applicable laws, treaties or regulations change, or if the Group's interpretation of the tax laws is at variance with the interpretation of the same tax laws by tax authorities, this could have a material adverse effect on the Group's business, results of operations or financial condition.

The guarantee of origin scheme is subject to political risk

In accordance with EU legislation, power plants in the EEA may get approval for guarantees of origin for five years at a time. Energy suppliers may buy such guarantees of origin from the power producer in order to guarantee its customers that the delivered energy is produced from renewable sources. The future of the scheme is thus subject to political risk.

The renewable sector is still under development

Unexpected success in other areas of renewable energy may reduce the pressure on the authorities to allow for development of wind parks and hydropower plants. This may affect the Group's future investment opportunities and reduce the second-hand value of its power plants. The same may also hold true for non-renewable or currently unknown energy technologies. The uncertainties associated with the development of the renewable sector, as well as the emergence of other technologies, are factors which could adversely affect the Group's business and growth opportunities.

Changes in laws and regulations

Changes in laws and regulations may affect the Group's operations, increase the Group's operating costs, and reduce demand for its services. It could also increase compliance costs, mandate significant and costly changes to the way the Group implements its services and solutions and threaten the Group's ability to continue to serve certain markets. For some power plants, license fees and concessionary power must be paid or transferred to the municipality, county, or state. Often, such power plants must deliver 10-15% of their power production as concessionary power. The power plant must in such cases sell the concession power at the expected "cost price". These are changes in regulations that would affect the Group's profitability.

8.2 Operational risks

Power plants are highly technical

Investments in power generation and energy-related infrastructure involve technical and operational risks. The Group will seek to invest in power plants of expected good technical standard to reduce the technical risk of the investment. The Group will prioritize technical solutions that are well-proven and delivered by reputable suppliers, so that any repairs can be made within reasonable timeframes and at reasonable cost, and to achieve attractive insurance terms. Despite the aim of choosing sound solutions, technical problems may occur meaning possible stops in production or costly reinvestments that reduce the Group's profitability and/or financial position.

Risks related to costs of transmission and distribution

Increases in charges relating to the connection to and use of the electricity transmission and distribution networks and relating to balancing of electricity supply and demand, and/or restrictions on the capacity in such networks available for use by the Group's power plants, may result in higher operating costs, lower revenues and fewer opportunities for growth.

Risks related to development projects

For the development projects, there are project related risks with regards to reaching final investment decision. The Group must inter alia negotiate and conclude agreements related to construction, maintenance and operation of the plants, obtain financing and secure the necessary grid capacity and permits. If the Group fails to realize all or some of the development projects, the Group may have to write off the investments made into the project(s).

Risks related to construction projects

For projects under construction, both current and future, the construction phase is linked to risk of overruns and delays. The construction of power plants differs from project to project, and several aspects may cause delays or budget overruns.

During construction of renewable projects related to wind, hydro, solar and storage, challenges related to foundations or roads may lead to delays, weather conditions such as heavy winds or rainfall can delay installations, distress in global supply chain may delay certain components and increase costs and causing project delays and subsequently cost overruns.

8.3 ESG risks

Risks related to new sustainability regulations

All industries are subject to much stricter laws and regulations related to sustainability, taking place now and in the years to come. This is based on the fact that financial markets, creditors and investors need consistent, comparable and high-quality information on the impacts of environment and climate change on businesses. The Corporate Sustainability Reporting Directive (CSRD) came into force in 2023 and will apply for the first group of companies from the 2024 financial year. Cloudberry is expected to comply with CSRD reporting requirements for the 2025 financial year. Further, the Task Force on Climate-related Financial Disclosure (TCFD) developed recommendations to improve and standardize the reporting of climate-related financial information and to enhance market transparency and stability. A similar set of recommendations has been developed for nature-related risks, called the Taskforce on Nature-related Financial Disclosures (TNFD). In addition, reporting according to the EU Taxonomy, which is a classification system to help direct and scale up investments into sustainable activities, continues to increase its scope and importance.

Climate change related risks

Climate change itself is a risk for the Group, although society's climate change mitigation efforts create business opportunities for us. Climate change can imply altering the precipitation patterns we are used to, which makes hydropower a less dependable source of energy production than in the past. Additionally, climate change is increasing the frequency and severity of extreme weather events, which pose threats to the Group's assets.

The risk assessment and management related to climate risk, is both a specific process in the Group and integrated in the general risk management activities. The Group assesses its risks and opportunities through a doble materiality assessment. Risks and opportunities are considered in a short-, medium-, and long-term strategic and financial perspective, and have set threshold values for financial impact. The Company identifies the potential financial impact from the risks and opportunities and their significance for the Group. The financial impact is defined by assessing both the actual cost of the impact as well as a consideration of frequency, with the intervals structured as below.

Financial Impact	Low	Medium	High
MNOK	<25	25–100	>100
Frequency	<0-1 years	1-5 years	>5 years

Risk related to changing weather patterns

The metrological conditions (rain and wind) at the particular sites at which the Group's power plants are located can vary materially from season to season and from year to year.

Changes in average temperatures will impact the metrological conditions. Overall warmer climates can lead to increased rainfall, increased wind, and longer periods of drought. Potential consequences include flooding at hydro plants resulting in less production, severe winds exceeding a wind turbine`s capacity leading to production stops, and droughts leading to low water levels and forcing the company to reduce or even fully stop the electricity production.

Also, if a site proves to have lower resources than anticipated in the Group's business model or suffers a sustained decline in metrological conditions, such power plants are likely to generate lower electricity volumes and lower revenue than anticipated, which could have a material adverse effect on the Group's business. For more information about climate related risk, see the Group's separate TCFD-report and Sustainability report 2023.

8.4 Financial risks

The Group's overall financial risk management focuses primarily on maintaining a financial risk profile that provides flexibility as well as optimising return on assets. Financial risk management is coordinated and managed centrally at Group level. Guidelines for risk management and strategy for handling and using financial instruments as a part of the business activities and handling risks have been approved by the Board of Directors.

The Group uses derivatives, such as interest rate swaps, power purchase agreements and currency forward contracts to manage its exposure to certain risks as described in this section. To reduce volatility in the statement of profit or loss the Group applies hedge accounting. Refer to Note 9 Hedge activities and derivatives for further information.

Interest rate risk

The Group is exposed to interest rate risks through funding and cash management activities.

The Group's underlying assets will normally be loan-financed with long term debt obligations with floating rates, which is exposed to the risk of changes in market interest rates. An increase in interest rates will lead to higher financing costs and interest payments, which reduces the Group's profitability. Changes in interest rates also expose the Group to changes in the fair value of interest rate derivatives (fair value risk).

Management seeks to minimize the interest rate risk together with borrowing costs. The Group manages the borrowing cost and interest risk by either using long-term financing at fixed rates or using floating to fixed interest swaps.

All debt denominated in EUR, NOK and partially DKK has been swapped to fixed interest rates for periods exceeding 10 years. The profit or loss statement and future cash flows related to existing debt are therefore limitedly sensitive to changes in interest rates.

Sensitivity analysis
The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of financial assets and liabilities affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before income tax and equity is affected through the impact on floating rate borrowings, as follows:

1%-point increase in floating interest rate	2023	2022
Effect on profit before income tax	1	-
Effect on equity	86	27

1%-point decrease in floating interest rate	2023	2022
Effect on profit before income tax	(1)	-
Effect on equity	(79)	(25)

Currency risk

The Group presents its financial statements in NOK. However, Norwegian power companies sell the power through Nord Pool where EUR is the official trading currency. Electricity Certificates are traded in SEK. The Group has also invested in a large portfolio in Denmark which reports in DKK. Several of the Group's development projects in Sweden have costs which are denominated in SEK. Further, the Group's investment in Odal Vind AS and Forte Energy Norway AS is exposed to EUR in its entirety. Consequently, the Group is exposed to currency risk. Any fluctuations in exchange rates between NOK, SEK, DKK and EUR could materially and adversely affect the Group's business, results of operations, cash flows, financial condition and/or prospects.

The Group is also exposed to currency risk by having employees and operations in Sweden. Any fluctuations in exchange rates between NOK and SEK could materially and adversely affect the Group's business, results of operations, cash flows, financial condition and/or prospects.

The Group has significant contractual cash flow obligations in other currencies, especially related to investments or capital expenditures on power plants under construction, these are either in EUR (turbine suppliers) or in the local currency where the investment or construction project is located. The Group seeks to minimize the risk related to these cash flows by entering currency forward contracts that match the contractual cash out flows or buying/swapping the necessary amount to the relevant currency so that the risk of change in FX rate have limited impacts of the investment/project profitability.

The Group holds deposits in local currency (NOK, SEK, DKK and EUR) in order to match future obligations and can enter future currency swap contracts for the larger obligations to limit the exposure to future exchange rate fluctuations.

Sensitivity analysis
The Group has performed a sensitivity analysis, whereby the sensitivity of financial instruments for reasonably possible changes in exchange rates is assessed. The analysis has been performed for the main currencies to which the Group entities are exposed, namely: SEK, DKK and EUR exchange rate.

The table below shows the sensitivity to a reasonable change in the Group's consolidated financial assets and liabilities.

Currency gains and losses on monetary items in foreign currency are recognised in the income statement of the Group.

NOK million	2023	2022
Change in SEK	(5%)	(5%)
Effect on cash and cash equivalents	(2)	(4)
Effect on long-term debt	-	-
Effect on group receivables and liabilities	(28)	(14)
Change in DKK	(5%)	(5%)
Effect on cash and cash equivalents	1	-
Effect on long-term debt	39	-
Effect on group receivables and liabilities	(44)	-
Change in EUR	(5%)	(5%)
Effect on cash and cash equivalents	(3)	(1)
Effect on long-term debt	10	-
Effect on group receivables and liabilities	(10)	-

Liquidity risk

The Group manages liquidity risk by regularly reviewing future commitments and the liquidity reserves which consist of cash (see note 20 Cash, cash equivalents and corporate funding) and borrowing facilities (see note 22 Interest-bearing debt and debt facilities). Management prepares minimum quarterly cash flow forecasts extending at least 24 months ahead to handle the liquidity risk. When taking business decisions and entering into contracts the Group evaluates the liquidity needs and makes sure the liquidity levels needed are in place before entering into contracts.

As of 31 December 2023, the Group has a total of approximately NOK 426 million in contractual commitments, in addition to the current payables which are recognised in the Groups balance sheet. The obligation does not include regular employee expenses or other day-to-day costs. See note 15 Property, plant and equipment and note 23 Provisions, guarantees and other contractual obligations.

The following table shows the maturity for nominal cash outflow for the contractual obligations as per 31 December 2023:

NOK million	Carrying amount	Less than a year	2025	2026	2027	2028+	Total
Bank loan (incl. interest payments)	1 547	185	180	174	1 205	131	1 876
Lease liabilities	36	7	8	7	6	16	44
Accounts payable	147	147	-	-	-	-	147
Total non-derivatives	**1 729**	**339**	**187**	**181**	**1 211**	**147**	**2 066**
Net-settled derivatives	44	17	10	10	5	2	44
Total financial liabilities and derivatives	**1 774**	**349**	**191**	**185**	**1 215**	**169**	**2 109**

Per 31 December 2022:

NOK million	Carrying amount	Less than a year	2024	2025	2026	2027+	Total
Bank loan (incl. interest payments)	338	37	26	26	230	75	394
Lease liabilities	43	7	7	8	7	24	53
Accounts payable	135	135	0	0	0	0	135
Total non-derivatives	**516**	**179**	**34**	**33**	**237**	**99**	**582**
Net-settled derivatives	25	17	7	0	0	0	25
Total financial liabilities and derivatives	**541**	**196**	**41**	**33**	**237**	**99**	**607**

Credit risk

The Group is exposed to third party credit risk in several instances including off-take partners who have committed to buying electricity produced by or on behalf of the Group, suppliers with prepayments, banks providing financing and guarantees of the obligations of other parties, insurance companies providing coverage against various risks applicable to the Group's assets, and other third parties who may have obligations towards the Group including warranties provided under share purchase agreements.

The Group's main credit risks arise from credit exposures with deposits with financial institutions and other short-term receivables. Counterparties in derivative contracts and financial deposits are limited to financial institutions with high creditworthiness.

The Group's account receivables have low credit risk and all receivables over the past several years have been collected in full and on time. At year end Management has evaluated the account receivables credit risk to be insignificant and the account receivables are therefore recognised in the financial statements at face value.

8.5 Financial instruments

Accounting principle

Financial assets

The Group classifies its financial assets in the following measurement categories:

- Financial assets measured at amortised cost, and
- Financial assets measured at fair value (either through profit or loss, or through OCI)

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

The Group's cash and cash equivalents, accounts receivables and other financial receivables are measured at amortised cost. The interest income from these financial assets is included in finance income using the effective interest method.

For impairment losses on the accounts receivables, the Group applies the simplified approach as permitted in IFRS 9 and presents the Impairment losses as a separate line item in the statement of profit or loss.

The Group's derivative financial instruments with a positive fair value are recognised as financial assets and initially measured at fair value, with transaction costs expensed in the income statement. The method of recognising changes in the fair value of these financial assets depends on whether the derivatives are designated as hedging instruments and the nature of risks being hedged. See note 9 Hedge activities and derivatives for further details on the Group's hedging activities.

Fair value gains or losses for derivatives that are not designated as hedging instruments are recognised through profit or loss as finance income or finance expenses. Fair value gains for derivatives that are designated as hedging instruments in an effective hedge position are recognised through other comprehensive income as net movements in cash flow hedges.

Financial assets are derecognised on the date on which the Group commits to sell the asset (trade date). Any gains or losses arising on derecognition are recognised directly in profit or loss and presented in other gains/ (losses) together with foreign exchange gains and losses.

Financial liabilities

The group classifies its financial liabilities in the following measurement categories:

- Financial liabilities at amortised cost, and
- Financial liabilities at fair value (either through profit and loss, or through OCI)

All of the Group's financial liabilities (except derivative liabilities) are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method. Interest incurred on these financial liabilities is recognised as finance expenses in the income statement, except for borrowing costs directly attributable to project development, which are capitalised to the cost of those project assets.

The Group's derivative financial liabilities are initially measured at fair value, with changes in the fair value recognised through profit or loss (not designated as hedging instruments), or other comprehensive income (designated as hedging instruments in an effective hedge position). See note 9 Hedge activities and derivatives for further details on the Group's hedging activities.

Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled, or expires.

The carrying amount for financial assets and financial liabilities measured at amortised cost is believed to be approximate to fair value.

Financial instruments

The table below shows the Groups financial instruments with their carrying amounts recognised in the consolidated financial position on 31 December 2023:

FY 2023 NOK million	Note	Fianancial assets at amortised cost	Financial liabilities at amortised cost	Financial assets - fair value	Financial liabilities - fair value	Total
Financial investments		13	-	-	-	13
Derivative financial instrument		-	-	45	-	45
Other non-current assets		33	-	-	-	33
Total non-current financial assets		45	-	45	-	91
Accounts receivables		61	-	-	-	61
Other assets		260	-	-	-	260
Cash and cash equivalents	20	779	-	-	-	779
Total current financial assets		1 100	-	-	-	1 100
Lease liability		-	(7)	-	-	(7)
Interest-bearing loans and borrowings	22	-	(78)	-	-	(78)
Derivative financial instrument (included in current provisions)		-	-	-	(6)	(6)
Accounts payables and other liabilities		-	(147)	-	-	(147)
Total current financial liabilities		-	(231)	-	(6)	(237)
Lease liability		-	(30)	-	-	(30)
Interest-bearing loans and borrowings	22	-	(1 469)	-	-	(1 469)
Derivative financial instrument (included in non-current provisions)	22	-	-	-	(39)	(39)
Total non-current financial liabilities		-	(1 498)	-	(39)	(1 537)
Net financial assets (liabilities)		**1 146**	**(1 729)**	**45**	**(44)**	**(583)**

Other current assets of NOK 261m primarily consists of NOK 174m receivable from previous owners of the Odin portfolio: Skovgaard, NOK 39m in restricted cash, NOK 23m in a VAT receivable on project investments at the Sundy Vindpark, and NOK 25m related to other accruals.

Table per 31 December 2022:

FY 2022 NOK million	Fianancial assets at amortised cost	Financial liabilities at amortised cost	Financial assets - fair value	Financial liabilities - fair value	Total
Financial investments	57	-	-	-	57
Derivative financial instrument	-	-	39	-	39
Other non-current assets	9	-	-	-	9
Total non-current financial assets	66	-	39	-	105
Accounts receivables	52	-	-	-	52
Other assets	86	-	-	-	86
Cash and cash equivalents	1 538	-	-	-	1 538
Total current financial assets	1 676	-	-	-	1 676
Lease liability	-	(7)	-	-	(7)
Interest-bearing loans and borrowings	-	(12)	-	-	(12)
Derivative financial instrument (included in current provisions)	-	-	-	-	-
Accounts payables and other liabilities	-	(135)	-	-	(135)
Total current financial liabilities	-	(154)	-	-	(154)
Lease liability	-	(36)	-	-	(36)
Interest-bearing loans and borrowings	-	(327)	-	-	(327)
Derivative financial instrument (included in non-current provisions)	-	-	-	(25)	(25)
Total non-current financial liabilities	-	(362)	-	(25)	(388)
Net financial assets (liabilities)	**1 742**	**(516)**	**39**	**(25)**	**1 239**

Fair value measurement

The Group's derivative financial instruments are measured at fair value in the statement of financial position and are classified using a fair-value hierarchy (level 1, 2 or 3) that reflects the significance of the lowest level inputs used in the valuation, in accordance with IFRS 13. The group primarily utilises interest rate swaps, power purchase agreements (PPAs) and currency forward contracts as derivative financial instruments.

Valuation techniques, inputs, and processes

All derivative financial instruments held at reporting date derive their fair value primarily from market-related inputs. The measurement of these instruments is therefore classified within level 2 of the fair-value hierarchy.

- Interest rate swaps: fair value is measured at the present value of the estimated future cash flows based on observable yield curves, determined by external banks.
- Power purchase agreements (PPAs): fair value is measured as the present value of the net difference in megawatt-hour of forward energy prices determined on the inception date as well as the observed energy prices on the date of valuation. Changes in fair value relate to daily changes in market prices of the derivative contracts and the volume of contracts.

Some power purchase agreements that the Group has entered into and continues to hold, are for the purpose of delivering electricity in accordance with Cloudberry's expected sale requirements (fixed contract prices and contract volumes). These agreements meet the "own use" contract exemption and the Group elects to account for them in accordance with IFRS 15 Revenue from contracts, and not according to the financial instrument scope of IFRS 9.

The fair value hierarchy for assets and liabilities measured at fair value is presented in the following table:

	Level 1		Level 2		Level 3	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Derivative assets						
– Interest rate derivatives	-	-	35	36	-	-
– Commodity derivatives (power)	-	-	10	2	-	-
Derivative liabilities						
– Interest rate derivatives	-	-	(39)	(1)	-	-
– Interest rate derivatives	-	-	-	-	-	-
– Commodity derivatives (power)	-	-	(6)	(24)	-	-
Fair value	**-**	**-**	**1**	**14**	**-**	**-**

The fair value change of the interest rate derivative held by an associated company- Forte is included in the carrying amount of the equity accounted company. The fair value movement per 31 December 2023 is NOK -11m and is measured within level 2 of the fair-value hierarchy.

There were no transfers between fair-value hierarchy levels as of 31 December 2023 (or the prior year).

The Group's interest rate derivatives and a PPA agreement are held for hedging purposes, see note 9 Hedge activities and derivatives for further detail.

Note 9 Hedge activities and derivatives

Accounting principle

The Group utilises derivative financial instruments to hedge its market and financial risk exposures, which are primarily risks related to interest rate movements, electricity price movements and foreign currency exchange rates.

The Group manages its interest rate exposure from borrowings by entering into interest rate swaps, its electricity price risk exposure by entering into PPAs and foreign currency rate exposure by entering into foreign currency forward swaps.

The hedging derivative instruments that the Group holds are designated as either:

- Hedging instruments in a hedge accounting relationship, or
- Hedging instruments not in a hedge relationship

At inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it applies hedge accounting and the risk management objective and strategy for the undertaking.

Hedging instruments that the Group holds which meet all the qualifying criteria for hedge accounting, are accounted for, as described below under 'Cash flow hedges'.

Hedge accounting

Cash Flow Hedges

If a derivative financial interest is designated as a cash flow hedge instrument, the effective portion of the changes in the fair value of the derivative are recognised in other comprehensive income and accumulated separately in equity (cash flow hedge reserve). The gain or loss from fair value change related to the ineffective portion is recognised immediately in the income statement. Subsequently, the cumulative of the effective portion is transferred to the statement of profit or loss when the underlying forecast transaction is recognised in the income statement.

Hedge accounting is discontinued when the hedging instrument expires, is terminated, exercised or no longer qualifies for hedge accounting.

- **Interest rate swaps:**
  The interest rate swaps are a risk management tool to reduce the exposure to cash flow volatility arising from interest rate fluctuations, by swapping from floating to fixed interest rates for all long-term debt related to power plants, see note 22 Interest-bearing debt and debt facilities. The Group uses these swaps to hedge the cash flow variability due to changes in benchmark rates attributable to movements in the three-month IBOR rate (e.g. NIBOR, EURIBOR or CIBOR respectively) and by so doing, realise the desired matching of derivative results with the hedged interest rate payments. Cash flow hedge accounting is applied, as the swaps hedge interest rate payments that are expected to occur with a high degree of probability from the currently held debt facilities. The derivatives are carried on the balance sheet and their effectiveness monitored quarterly, noting that hedge ineffectiveness can arise from changes in counterparty credit risk.
- **Power purchase agreements (PPAs):**
  The Group enters into long-term, fixed price contracts to reduce the effect of electricity price fluctuations by locking in highly probable future sales of power at fixed prices per megawatt-hour of power. The volume of power is usually set at a low % of total production, shortfall exposure at a minimal, and guarantees revenue at a fixed price. Cash flow hedge accounting is applied as the PPAs hedge payments to be received from highly probable sale transactions. The derivatives are held on the balance sheet and their effectiveness monitored quarterly in relation to production volume movements.

As of 31 December 2023, the Group had the below interest rate swaps and PPAs which it accounts for as hedging instruments designated in a hedge accounting relationship:

				Carrying amount of the hedging instruments	
Risk and hedging instruments	Maturity (months)	Weighted average rate/price[1]	Nominal amount[2]	Assets	Liabilities
Cash flow hedges					
Interest rate risk - borrowings					
Interest rate swap (IRS) - NOK[3]	25-160	1 820%	355 531 834	33	(39)
Interest rate swap (IRS) - EUR	343	2 930%	200 642 925		
Interest rate swap (IRS) - DKK	58-116	3 270%	602 023 167		
Commodity price risk – Forecast transactions					
Fixed price PPA	48	133	21	10	-

1 The weighted average prices for commodity hedges are presented as the price per megawatt hour for electricity (EUR/MWh)
2 Nominal amount is the nominal value converted into NOK using the exchange rate at year end.
3 Changes in the fair value of a PPA and 2 interest rate derivatives with hedge ineffectiveness have been accounted for through profit and loss.

Related to the sale of Selselva (a hydropower plant sold on 30 June 2023- see note 7 Disposal of assets) and settlement of related bank debt, two interest rate derivatives previously accounted for as cash flow hedges were no longer qualified for hedge accounting. The Group took the decision to then close these hedges and the cumulative fair value change previously in OCI was immediately transferred to profit and loss. Upon closing of the hedge, the Group realised a fair value gain of NOK 2m as of 31 December 2023. This gain is recognised as part of finance income in profit and loss.

As of 31 December 2023, the movement of the cash flow hedge effect for the interest rate swap in the equity accounted entity: Forte, of NOK 4m and related tax effect of NOK -0.8m was recognised in other comprehensive income.

Cash flow hedge accounting impact to reserves in other comprehensive income:

NOK million	2023	2022
Opening balance	74	3
Net change in value of effective derivative hedging instruments	(44)	91
Interest rate swap (IRS) - NOK	(41)	32
Fixed price PPA	8	2
Interest rate swap (IRS) - NOK Forte	(11)	57
Deferred tax/tax credit	**10**	**(20)**
Total movement	**(35)**	**71**
Closing balance	**40**	**74**

Hedge ineffectiveness
The Group has a PPA related to Bøen Kraft and two NOK interest rate swaps that are accounted for as cash flow hedges, where the hedge has been assessed as being in an ineffective hedge position.

The changes in fair value of these derivatives are recognised directly in profit and loss and as of 31 December 2023 amounted to a gain of NOK 20m for the PPA and NOK 3m for the interest swaps, recognised in finance income in profit and loss.

During the year, the Group settled all foreign exchange forward contracts it previously held related to expected EUR capex at Sundby Vindpark and DKK expenditure for the acquisition of the Odin portfolio. The Group realised a fair value gain of NOK 100m upon settlement, recognised as finance income in profit and loss.

Statement of profit or loss and comprehensive income

Note 10 Sales revenues and other operating income

Accounting principle

The Group accounts for revenue in accordance with IFRS 15 Revenue from Contracts with Customers and applies the five-step method to all revenue streams.

Revenue

The Group derives its revenue from the three segments that develop (Development), own (Production) and operate (Operations) hydropower plants and wind farms in Norway, Denmark, and Sweden.

The three segments provide the group with multiple revenue streams, categorized as follows:

1. Power related products: the sale of hydro and wind generated electricity in the spot market, through the sale of electricity certificates, and guarantees of origin;
2. Asset management: the sale of commercial and technical management services for hydro and wind power plants;
3. Project development services: the sale of management services for development of hydro and wind assets;
4. Consultancy services: the sale of consultancy with accounting and IT management services
5. Digital services; and
6. Agency fee power trade

Revenue from power-related products is recognized at the spot price, regulated price or fixed contract price when or as the power or power related products are delivered; applying the practical expedient available, to recognize the revenue to the extent that the Group has a right to invoice.

Revenue from management, project development, consultancy and digital services is recognized at the fixed contract price, when the services are rendered, and the Group has an unconditional right to the consideration settlement.

Agency fees from power sales are recognized at the fixed fee amount, at an agreed frequency with the power producers, as and when the power is delivered to customers on their behalf.

The Group makes use of the practical expedient available, where the transaction price is not adjusted for the financing component if the period between the transfer for the goods or services and payment is less than a year.

Other income

Sale of development projects and producing assets (PPE)

The Development segment is an in-house developer for renewable power projects, held with the intention to develop and operate them as power producing assets. Where the segment identifies investment opportunities that represent a more advantageous strategy, the projects are sold off to other group entities or external parties.

The Group enters into sale agreements of ready-to-build development projects and sometimes producing assets (PPE) and assesses these sale agreements as opportunistic decisions for the group which are not in the ordinary course of business.

Therefore, the proceeds from the sales of this nature are recognized as net gains or losses in accordance with IFRS 10 and not IFRS 15.

Government grants

Government grants are received conditional to generating power using certain technologies, including electricity certificates and guarantees of origin (GOs). The right to receive the grants is obtained at the time of generation of power, at the value of 1 GO per megawatt hour of electricity produced. At grant time, electricity certificates and GOs are measured at nil and income recognized when the sale takes place.

Total revenue

The total sales revenue and other operating income are presented in the table below:

NOK million	2023	2022
Power related products	273	152
Asset Management	27	28
Project development services	3	4
Consultancy services	17	12
Digital Services	2	2
Agency fee power trade	10	11
Other revenue	1	1
Sales revenues	333	208
Net gain sale of PPE and project inventory	271	8
Public grants	6	-
Other	-	-
Other income	277	8
Total revenue	**610**	**217**

Other income for the year is primarily made up of the gain (NOK 258m) recognized on the sale of three hydropower plants, which was concluded on 30 June 2023. Please see note 7 Disposal of assets for further details on the sale.

Sales revenue and other operating income per country

In presenting information based on geographical areas, external revenues and other income from customers will be attributed to the country of the underlying legal entity recognising the sale.

For information about the revenue split between business segments, see note 4 Operating segments.

The total sales revenue and other operating income per country are presented in the table below:

NOK million	2023	2022
Norway	468	215
Denmark	138	-
Sweden	3	2
Switzerland	1	1
Total revenue	**610**	**217**

Note 11 Employee benefits and share-based payments

Accounting principle

Share-based compensation

The Group has an equity incentive plan for top management and key employees. The programme includes the issue of warrants for shares in the Company.

The Group applies the Black and Scholes model based on the market price to determine the fair value at the grant date. The grant date is determined by the Board of Directors.

Employee benefits

The table below shows the employee benefits accrued in the period and the capitalized costs related to development projects.

NOK million	2023	2022
Salaries	90	67
Social security tax	16	9
Pension costs	4	3
Share based payments	23	26
Other benefits	3	2
Gross personnel expenses	**136**	**106**
Capitalized development costs (project inventory)	(17)	(15)
Total personnel expenses	**119**	**91**
Average number of full-time equivalents (FTEs)	65	55
Number of full-time equivalents as 31.12 (FTEs)	67	62

Included in salaries are remuneration to board members, see note 25 Transactions with related parties.

Pension

The Group has an established pension scheme that is classified as a defined contribution plan. The pension scheme is in line with the requirements of the law. Contributions to the defined contribution scheme are recognised in the consolidated statement of profit or loss in the period in which the contribution amounts are earned by the employees. The defined contribution plan does not commit the Group beyond the amounts contributed.

Remuneration of Executive Group management

The remuneration of the Executive Group Management is based on a fixed salary, including personal benefits such as free telephone and health insurance, a variable group performance bonus scheme, pension benefits, and a long-term share-based incentive program.

The table below shows the remuneration in 2023

FY 2023 NOK million	Anders Lenborg (CEO)	Christian Helland (CVO)	Jon Gunnar Solli (COO)	Charlotte Bergqvist (CDO)	Stig J. Østebrøt (CTO)	Ingrid Bjørdal (CCOO)	Total
Salary	4.0	3.0	2.0	1.3	2.8	2.1	15.1
Bonus	1.9	0.9	0.6	0.4	-	0.6	4.4
Pension costs	0.1	0.1	0.1	0.3	0.1	0.1	0.8
Share-based payments	7.3	5.4	2.3	2.1	-	0.6	17.6
Total reportable benefits	**13.2**	**9.4**	**5.0**	**4.1**	**2.9**	**3.3**	**38.0**

The table below shows the remuneration in 2022

FY 2022 NOK million	Anders Lenborg (CEO)	Christian Helland (CVO)	Jon Gunnar Solli (COO)	Charlotte Bergqvist (CDO)	Stig J. Østebrøt (CTO)	Ingrid Bjørdal[1] (CCOO)	Total
Salary	3.3	2.6	1.9	1.0	2.5	0.7	12.0
Bonus	1.7	0.9	0.6	0.4	-	0.2	3.8
Pension costs	0.1	0.1	0.1	0.5	0.1	-	0.9
Share-based payments	6.2	4.8	2.1	0.8	-	-	13.9
Total reportable benefits	**11.3**	**8.4**	**4.7**	**2.7**	**2.6**	**0.9**	**30.5**

[1] Ingrid Bjørdal was hired 1.9.2022, the salary represents 4 months.

Total shares, remuneration and warrants for top management per year end:

FY 2023 NOK million	Holding Company	Shares pr 31.12.23	Total remun-aration	Warrants granted 2023	Warrants pr 01.01.2023	Warrants granted total pr 31.12.23	Warrants exercised
Anders Lenborg (CEO)	Lenco AS	1 403 546	13	3 700 000	3 395 000	7 095 000	-
Christian Helland (CVO)	Amandus Invest AS	301 758	9	2 700 000	2 550 000	5 250 000	-
Jon Gunnar Solli (COO)	Lotmar Invest AS	626 323	5	1 100 000	1 150 000	2 250 000	-
Charlotte Bergqvist (CDO)		-	4	1 100 000	600 000	1 700 000	-
Stig J. Østebrøt (CTO)		45 000	3	-	-	-	-
Ingrid Bjørdal (CCOO)		80 000	3	600 000	-	600 000	-
			38	**9 200 000**	**7 695 000**	**16 895 000**	**-**

FY 2022 NOK million	Holding Company	Shares pr 31.12.22	Total remun-aration	Warrants granted 2022	Warrants pr 01.01.2022	Warrants granted total pr 31.12.22	Warrants exercised
Anders Lenborg (CEO)	Lenco AS	1 363 546	11	700 000	2 695 000	3 395 000	-
Christian Helland (CVO)	Amandus Invest AS	452 758	8	550 000	2 000 000	2 550 000	-
Jon Gunnar Solli (COO)	Lotmar Invest AS	613 723	5	250 000	900 000	1 150 000	-
Charlotte Bergqvist (CDO)		-	3	600 000	-	600 000	-
Stig J. Østebrøt (CTO)		25 000	3	-	-	-	-
Ingrid Bjørdal (CCOO)		40 000	1	-	-	-	-
			31	**2 100 000**	**5 595 000**	**7 695 000**	**-**

Share based payments and long-term incentive program
In accordance with the terms adopted by the General Meeting of the Company on 21 March 2020, and updated by the General Meeting on 27 April 2023, the Board of Directors has established a share incentive scheme for the executive managers and key employees of the Group. The key conditions are as follows:

The equity incentive plan may cover up to 10% of the issued shares in the Company from time to time. Allocations are proposed by the Board and subject to shareholder approval. The exercise price for the warrants is determined by the Board at its reasonable discretion, considering based the fair market value of the Shares on the date of the Board of Director's proposed allocation of warrants under the program. The determined exercise price is subject to approval by the general meeting in relation with issuance of warrants. The duration of the warrants from grant date is 5 years. The vesting period is 3 years from the grant date.

The value of the warrants in the accounts are calculated at the grant date given a fair value using the Black and Scholes model. The key assumptions applied for the grants in 2023 is a 40% volatility (based on listed peer with 3 years historical data and updated with historic volatility for the Company from listing on the Main List Oslo Børs to the grant date in April 2023), 3.25% interest rate and approx. 0% dividend yield. Other inputs to the model are current stock price, exercise price and expected life of option (vesting period + one year).

The table shows the outstanding warrants as of 1 January 2023 and 31 December and movements in the year:

FY 2022	
Outstanding warrants 01.01.	10 500 000
Granted in 2023	12 700 000
Exercised in 2023	-
Expired in 2023	(300 001)
Outstanding warrants 31.12.	**22 899 999**
Vested 31.12.2023	6 766 662
Charged to profit and loss during year (NOK million)	24
Charged to equity during year (NOK million)	24

FY 2022	
Outstanding warrants 01.01.	7 700 000
Granted in 2022	3 000 000
Exercised in 2022	-
Expired in 2022	(200 000)
Outstanding warrants 31.12.	**10 500 000**
Vested 31.12.2022	3 299 995
Charged to profit and loss during year (NOK million)	25
Charged to equity during year (NOK million)	26

As of the date of the annual report the following warrants have been issued:

FY 2022 NOK million	# Warrants	Grant date	Expiry date	Weighted Average remaining contractual life	Weighted Average Strike Price	Vested instruments 31.12.2023	Weighted Average Strike Price	Share Price (grant date)
Warrant package #1	775 000	20.03.2020	20.03.2025	1.2	11.1	775 000	11.1	11.1
Warrant package #2	1 425 000	25.09.2020	25.09.2025	1.7	12.2	1 425 000	12.2	13.1
Warrant package #3	5 266 666	17.06.2021	17.06.2026	2.5	12.5	3 566 665	12.5	14.7
Warrant package #4	2 933 333	15.06.2022	28.04.2027	3.3	17.4	999 997	17.4	16.0
Warrant package #5	12 500 000	27.04.2023	26.04.2028	4.3	12.6	-	-	10.4
	22 899 999					**6 766 662**		

Per 31 December 2023, the equity incentive plan covers 7.9% of the issued shares in the Company.

Note 12 Other operating expenses

The table shows the breakdown of other operating expenses in FY 2023 and FY 2022.

NOK million	2023	2022
Lease short-term, low value and variable	23	28
External accounting and auditing fees	10	8
Legal and other fees	30	22
Operating and maintenance power plants	38	2
Project costs	2	4
Insurance premiums	4	3
Municipal property tax	6	3
Other	16	11
Total other operating expenses	**130**	**81**

Expenses related to statutory audit and other auditor services is presented below:

NOK million	2023	2022
Statutory audit	7	3
Tax counselling	-	-
Other assurance services	-	1
Total auditor costs	**7**	**4**

Note 13 Financial items

The table shows the breakdown of financial income and financial expense in FY 2023 and FY 2022.

Financial income

NOK million	2023	2022
Interest income	28	11
Other financial income	148	13
Exchange differences	130	44
Total financial income	**306**	**67**

Financial expense

NOK million	2023	2022
Interest expense	(61)	(22)
Guarantees and commitment fees	-	(1)
Other financial expense	(1)	(5)
Exchange differences	(62)	(45)
Capitalized interest	3	12
Total financial expense	**(121)**	**(61)**

Financial Income

Other financial income of NOK 148m relates to a gain on currency swap agreements of NOK 100m, gain on power price agreement swaps (PPA derivatives) of NOK 18m and the remainder mainly from money market fund remeasurements.

Exchange difference gains in financial income for the year amount to NOK 130m, of which NOK 68m relates to internal debt and receivables, and NOK 62m relates to bank deposits and foreign currency.

The cash effect of interest received amounts to NOK 23m.

Financial Expenses

Exchange losses in financial expenses for the year amount to NOK -62m, of which NOK -55m relates to internal debt and receivables, and NOK -7m relates to bank deposits and debt in foreign currency.
The cash effect of interest payments and commitment fees relating to interest-bearing debt and debt facilities was NOK -55m.

Note 14 Tax

Accounting principle

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

New tax legislations

In December 2023 the Norwegian government published a statement that they had reached a broad consensus on the resource rent tax on Norwegian onshore wind. The agreement between the parties has in 2024 been implemented by law and the resource rent tax (NO: Grunnrenteskatt) for Norwegian onshore wind is implemented with an effective tax rate of 25%. For existing wind farms, the government has proposed transition rules which is better than their initial proposal, although not achieving full investment neutrality. For new wind farms the resource tax will be structured with cash payments of negative resource tax, as is already implemented on large scale hydro, which makes the resource tax investment neutral for new projects.

In the consolidated reporting only Røyrmyra is affected, while for equity accounted entities Odal wind is affected. For 2023 the effect on the Group tax expense is related to change in deferred tax liability. This amounts to NOK 3m for Røyrmyra.

The high price contribution tax (NO: høyprisbidrag) of 23% of prices above 70 øre/kWh was introduced together with the initial resource tax proposal. This was terminated from 1 October 2023 and 2023 costs are included in opex.

Cloudberry is not within the scope of the Pilar 2 rules.

Tax expense and deferred tax

The table below show the tax expense in the income statement

NOK million	2023	2022
Tax expense in the income statement		
Income tax payable	-	1
Change in deferred tax related to recource tax	(3)	-
Change in deferred income tax	14	(1)
Tax expense in the income statement	**11**	**-**
Reconciliation of nominal tax rate and effective tax rate		
Profit before income tax	222	122
Nominal tax rate	22%	22%
Expected tax expense	(49)	(27)
Effect on taxes of:		
Permanent differences	39	34
Unrecognized tax asset related to tax losses carried forward	25	(7)
Changes related to deferred tax on excess values	-	(3)
Changes related to other deferred tax	-	2
Implementing resource tax and effect on deferred tax	(3)	-
Tax expense in the income statement	**11**	**-**

The appropriate tax rate in Norway/Denmark and Sweden is 22% and 20.6% respectively.

Resource rent tax rate on Norwegian wind is 25%.
The table shows the deferred tax asset and liability in the balance sheet.

NOK million	2023	2022
Temporary differences deferred tax asset:		
Property, plant and equipment	2	(22)
Derivatives	78	24
Other receivables	31	(3)
Tax loss carried forward	456	326
Subtotal	566	325
Of which not recognised as tax asset	(156)	(192)
Basis for deferred tax asset	**410**	**133**
Deferred tax asset	**90**	**29**
Temporary differences deferred tax liability:		
Inventory valuation	(69)	(83)
Property, plant and equipment	(592)	(542)
Intangible assets	(7)	(53)
Derivatives	(45)	(38)
Other	14	4
Resource rent tax calculations	(12)	-
Subtotal	(711)	(711)
Of which not recognised	99	-
Basis for deferred tax liability	**(612)**	**(711)**
Deferred tax liability	**(135)**	**(156)**
Reconciliation to the statement of financial position		
Net deferred tax asset presented in the statement of financial position	15	-
Net deferred tax liabilities presented in the statement of financial position	(59)	(127)
Total net deferred tax	**(44)**	**(127)**

As per 31 December 2023 the Group has recorded a valuation allowance of net NOK 57m (NOK 192m) related to tax losses carried forward, which is not included as a recognised deferred tax asset.

The table below show the movement in the deferred tax liability in the statement of financial position from 1 January 2023 to 31 December 2023.

NOK million	2023	2022
Deferred tax libility at 01.01	(127)	(83)
Change in deferred tax (in profit or loss statement)	14	1
Change in deferred tax (recognised in other comprehensive income)	-	(8)
Acquisitions and disposals of subsidiaries	56	(41)
Other and currency translation differences	1	3
Change in deferred tax realted to resource tax	(3)	-
Deferred tax libility at 31.12	**(59)**	**(127)**

Statement of financial position

Note 15 Property, plant and equipment

Accounting principle

Property, plant and equipment (PPE) are measured using the cost method of IAS 16 and capitalisation of borrowing costs is accounted for in accordance with IAS 23.

Estimated useful life of power plants

The estimated useful life of power plants is based on assumptions on expected usage, expected wear and tear, potential technical or commercial obsolescence, legal or other regulatory limitations, and lease expiry. The power plants currently in operation have an expected useful life between 20-60 years.

Significant estimates and judgement

Assessment of asset acquisition or business combination

Material management judgement is necessary to determine whether an acquired project or power plant constitutes a business combination or an asset acquisition. This assessment is conducted individually for each acquisition. If the acquisition is identified as a business combination, IFRS 3 Business combinations will be applied, while for asset acquisitions, either IAS 2 inventory or IAS 16 Property plant and equipment will be applied.

Acquisitions that consist of a single power plant ready to construct are typically considered asset transactions. Conversely, acquisitions comprising operational (producing) assets are typically accounted for as business combinations. Nevertheless, each acquisition undergoes a distinct assessment to determine the appropriate accounting treatment.

Impairment

Producing power plants and power plants under construction undergo impairment testing whenever events or changes in circumstances indicate a potential impairment, see note 18 Impairment for further details.

Property, plant and equipment

The table below shows the split of PPE into producing power plants, power plants under construction, equipment and right-to-use lease assets.

FY 2023 NOK million	Producing power plants	Power plant under construction	Equipment	Right to use - lease asset	Total
Accumulated cost 1.1.2023	1 542	118	4	46	1 710
Additions from bus.comb. and acquisitions during the year	2 453	-	-	163	2 616
Additions during the year	-	522	-	2	524
Transfer between groups	-	-	-	-	-
Transfer from inventory	-	26	-	-	26
Cost of disposed assets	(485)	-	-	(1)	(487)
Effects of movements in foreign exchange	(138)	19	1	-	(118)
Accumulated cost at 31.12.2023	**3 372**	**684**	**5**	**209**	**4 271**
Accumulated depreciations and impairment losses at 1.1.2023	106	-	2	5	113
Accumulated depreciations acquired assets during the year	37		-	7	44
Depreciations for the year	94	-	1	13	109
Impairment losses	-	-	-	-	-
Accumulated depreciations and impairment losses disposed assets	(4)	-	-	-	(4)
Effects of movements in foreign exchange	10	-	-	3	13
Accumulated depreciations and impairment losses at 31.12.2023	**243**	**-**	**3**	**28**	**274**
Carrying amount at 31.12.2023	**3 129**	**684**	**2**	**182**	**3 997**
Carrying amount beginning of period	1 437	118	2	40	1 597
Estimated useful life (years)	25-60		5-10	5-10	

FY 2022 NOK million	Producing power plants	Power plant under construction	Equipment	Right to use - lease asset	Total
Accumulated cost 1.1.2022	819	255	2	6	1 082
Additions from bus.comb. and acquisitions during the year	303	-	1	24	328
Additions during the year	6	278	1	21	306
Transfer between groups	427	(427)	-	-	-
Transfer from inventory	-	16	-	-	16
Cost of disposed assets	(16)	-	-	(5)	(22)
Effects of movements in foreign exchange	3	(4)	-	-	(1)
Accumulated cost at 31.12.2022	**1 542**	**118**	**4**	**46**	**1 710**
Accumulated depreciations and impairment losses at 1.1.2022	70	-	1	2	73
Accumulated depreciations acquired assets during the year	13	-	1	-	14
Depreciations for the year	22	-	1	5	28
Impairment losses	-	-	-	-	-
Accomulated depreciations and impairment losses disposed assets	-	-	-	(2)	(2)
Effects of movements in foreign exchange	-	-	-	-	-
Accumulated depreciations and impairment losses at 31.12.2022	**106**	**-**	**2**	**5**	**113**
Carrying amount at end of period	**1 437**	**118**	**2**	**40**	**1 597**
Carrying amount beginning of period	749	255	1	4	1 009
Estimated useful life (years)	25-60		5-10	5-50	

During the year, the Group saw a significant expansion in the number of producing power plants through the acquisition of the Odin portfolio, amounting to NOK 2 572m. See further information on the acquisition in note 5 Business combinations.

Other additions to PPE related to power plants under construction on projects: Sundby (NOK 426m), Munkhyttan (NOK 95m) and other smaller projects. The project Munkhyttan was transferred from inventory (NOK 26m) when the final investment decision was taken on 1 June 2023.

During the year, the Group also disposed of three producing hydropower plants: Nessakraft, Selselva and Åmotsfoss, reducing the PPE by NOK 481m. See further information on the disposal in note 7 Disposal of assets.

Producing power plants are pledged as security for long term debt, see note 22 Interest-bearing debt and debt facilities.

The contractual obligations at Sundby amount to EUR 50m of which EUR 47m is included in the table above, and the remaining capex is EUR 3m. The total contractual obligation related to Munkhyttan is slightly above EUR 30m, of which EUR 6m is included in the table above and the remaining obligation is EUR 24m.

The obligation related to Øvre Kvemma is a total investment of NOK 124m (enterprise value). The investment is expected to be financed with 50% debt. See note 23 Provisions, guarantees and contractual obligations.

Note 16 Intangible assets and goodwill

Accounting principle

Intangible assets are recognised in accordance with the cost method of IAS 38.

Intangible assets and goodwill

NOK million	Goodwill	Intangible assets
Accumulated cost 1.1.2023	143	95
Additions from business combinations and acquisitions during the year	95	7
Additions during the year	-	25
Effects of movements in foreign exchange	(8)	(1)
Accumulated cost at 31.12.2023	**231**	**126**
Accumulated amortizations and impairment losses at 1.1.2023	-	9
Accumulated amortizations acquired assets during the year	-	-
Amortizations for the year	-	18
Impairment losses	25	74
Effects of movements in foreign exchange	-	1
Accumulated amortizations and impairment losses at 31.12.2023	**25**	**101**
Carrying amount at end of period	**206**	**24**
Estimated useful life (years)	N/A	5-10

Intangible assets are made up of the internally developed software systems within our Operations segment, commercially operating as Captiva. The primary software systems comprise the Captiva Portal, Krasys (used in Kraftanmelding AS) and Rexonomy (a new tool for taxonomy assessment of renewable assets).

Intangible assets with definite useful life (the Group does not have any with indefinite useful life) are assessed for impairment indications. The impairment losses of (NOK 74m) on intangible assets are related to the Tyde system and the Captiva portal, see further detail in note 18 Impairment.

Goodwill additions of NOK 95m from business combinations relate to the acquisition of the Odin portfolio. The goodwill identified was associated with the portfolio having strong producing assets in the attractive DK-1 price area, along with access to development projects within the Danish market through the Skovgaard partnership.

Goodwill is tested annually for impairment. The impairment losses of (NOK 25m) relate to goodwill that was recognised on acquisition of Captiva in 2022, see further details in note 18 Impairment.

Note 17 Inventory

Accounting principle
Inventories consist of development projects and government grants of el-certificates and guarantees of origin (GoOs). Inventories are accounted for in accordance with IAS 2 Inventories.

Significant estimates and judgements
Development projects
Development costs for work the Group has technical capability, commercial viability, and resources to complete are accounted for in accordance with IAS 2.

Capitalized development costs consist of external development costs, capitalized salaries for internal employees and capitalized interest costs related to project funding.

The development projects are part of the Development operating segment and are primarily held as project opportunities and where investment opportunities arise for projects to be retained as a long-term asset; they are reclassified as held for own use. Once a project is ready for construction, and the Group makes the final investment decision (FID), the project will be reclassified from inventory to property, plant, and equipment, and accounted in accordance with IAS 16.

Inventory per year end

NOK million	31.12.2023	31.12.2022
Projects	99	106
Government grants	-	-
Total	**99**	**106**

The table below shows the split of project inventory in projects with construction permit and project backlog.

FY 2022

NOK million	Projects - with construction permit	Projects - Backlog	Total
Project inventory 01.01.2023	65	40	106
Acqusitions during the year	4	3	7
Capitalization (salary, borrowing cost, other expenses)	5	4	9
Realized	-	-	-
Transfer to PPE	(26)	-	(26)
Write down current year	-	-	-
Effects of movements in foreign exchange	2	1	3
Project inventory 31.12.2023	**51**	**48**	**99**

FY 2022

NOK million	Projects - with construction permit	Projects - Backlog	Total
Project inventory 01.01.2022	118	35	153
Acqusitions during the year	29	4	33
Capitalization (salary, borrowing cost, other expenses)	41	2	42
Realized	(104)	-	(104)
Transfer to PPE	(16)	-	(16)
Write down current year	-	-	-
Effects of movements in foreign exchange	(2)	-	(3)
Project inventory 31.12.2022	**65**	**40**	**106**

Projects with a construction permit comprise of the wind project Duvhällen, located in the Swedish SE-3 price area.

Project Munkhyttan, for which a final investment decision was taken in second quarter has been transferred from Inventory to Property, Plant and Equipment (NOK 26m) for the commencement of its construction. Please see note 15 Property, plant and equipment.

Note 18 Impairment

Accounting principle

Goodwill is tested annually towards the end of the fiscal year for impairment or whenever there is an indication that the goodwill may be impaired. Intangible assets, property, plant and equipment (PPE) and investment in associated companies or JV's are tested for impairment whenever there is an objective evidence or indication that these assets may be impaired.

An impairment loss is recognised when the recoverable amount is below carrying amount. The recoverable amount is the higher of fair value less cost of disposal and value in use.

The value in use calculation is based on discounted cash flow model (DCF) for power plants assets, while for the Operations segment the approach is a fair value model (recent transaction with valuation based on multiples and future cash flows) less cost of disposal.

Key estimates and assumptions

Future cash flows include several estimates related to future market conditions, discount rates and use of judgement for useful life and other technical assumptions.

The significant estimates which are further defined in note 3, is the long-term power price curve and the WACC. In the impairment these estimates are used in the test of Goodwill (related to producing power plants) and in identifying impairment indicators for PPE and investments in associated companies and JV's. For more information about haw management apply these estimates, please see note 3 Key accounting estimates and judgements.

The estimates applied are consistent with what is used in the Group's budgets and long-term outlook approved by management.

Annual impairment test of Goodwill

Goodwill is recognised separately as an intangible asset and is allocated to each of the Group's cash-generating-units (CGU) expected to benefit from synergies arising from the business combination. Goodwill has been allocated to the following segments:

NOK million	2023	2022
Goodwill Development	37	37
Goodwill Production	89	1
Goodwill Operations	80	105
Total	**206**	**143**

For the purpose of impairment testing of goodwill, the recoverable amount for these assets has been determined estimating the value in use or estimating a fair value of the assets and comparing against the carrying value of the CGU's.

The below table summarize the method for valuation/goodwill testing per segment and the key assumptions and estimates in the calculations:

Segment	Recovarable amout based on	Key assumptions
Developement	Discounted CF model - Value in use	Price pr MV ' and discount rate
Production	Discounted CF model - Value in use	Long term power price curve [1], change in discount rate, estimated production volumes
Operations	Fair Value less cost of disposal	Recent transaction 40% shares

[1] Average of Value and Thema base case

Goodwill Development
Goodwill related to the Development segment origins from the acquisition in February 2020 of Scanergy AS, which represent the development CGU in Cloudberry. The goodwill was determined to be related to the large pipeline of project prospects within wind on land and shallow water, the know-how and business connections (employees), the record of accomplishments over the past 10 years for the company acquired, as well as synergies.

The model for impairment testing of goodwill related to the Development segment is based om the same model as for impairment testing projects, which is value in use based on a discounted cash flow model.

The impairment test is sensitive to the following key assumptions:
- future cash flows with price per MW/GWh for development projects
- Timing of project development and concession grant,
- Discount rate of 15% applied from date to expected concession/construction permit grant.

The Group is of the view that no reasonable possible change in the key assumptions listed above would cause the carrying value to materially exceed the recoverable amount for the CGU.

No impairment loss has been recognised as the recoverable amounts exceed the carrying amount.

Goodwill Production
Goodwill related to the Production segment origins from the acquisition of the Odin portfolio in Denmark in May 2023. The acquisition represents the entry into the Danish price area for Cloudberry and establishing a partnership with Skovgaard Energy, a well reputed developer of renewable assets in the Nordic.

The goodwill was determined to be related to the following;

- Acquiring a large portfolio of assets vs acquiring one by one. When acquiring a group compared to single assets, it is often paid a premium. The premium can be explained by both control and that acquiring one by one would increase the transaction costs.
- Entering the Danish market to diversify total Group portfolio risk. By entering a new market, price area, currency and balancing technology, it will further reduce the current Group risk.
- Entering the Danish market with an established and reputable partner, Skovgaard, both on the owner side, as an asset manager with core knowledge of the portfolio and local developer gives expected opportunities and a potential larger deal flow in the same area.
- The value of the option to repower is not identified separately for each project, but because it is likely that some of the projects in the portfolio will be repowered this value is included as goodwill.

The model for impairment testing of goodwill related to the Production segment is based on the same model for value in use and a discounted cash flow model. The expected cash flow from the Odin portfolio has been assessed in the valuation model used in the purchase price allocation.

The model is sensitive to the following key assumptions:
- Discount rate (WACC applied is 5.75%)
- Future cash flows (dependent on future power price curves and expected production volumes).

When assessing the DCF from the portfolio compared with the book values of the underlying assets including goodwill, there are no impairment indicators (see section for PPE impairment indicators), and therefor on the producing assets in the CGUs are concluded to support the goodwill.

Other factors that support the goodwill in the Production segment:
- Signing Nees Hede development project.
- In October Skovgaard and Cloudberry signed a term-sheet agreement that Odin will acquire the Nees Hede project, a 210 MW (168 MW proportionate) solar and potential wind hybrid project. The Nees Hede project represents an important milestone as the first project from the development agreement with Skovgaard. The transaction illustrates that Cloudberry through the acquisition of the Odin portfolio, is perfectly positioned to take part in further development opportunities in Denmark as shown by this project.
- Other factors such as the diversification to Danish price areas and portfolio premium, is still highly relevant and supporting of the valuation. Since the valuation of the portfolio concludes that is does not have any impairment indicator, this supports that there is no impairment of the premium.

Sensitivity; the Group is of the view that no reasonable possible change in the assumptions related to WACC (+- 0.5%) would cause the carrying value to materially exceed the recoverable amount for the CGU. For the assumptions related to the long-term power price curve a change of (+-5%, assumed as a reasonable change) would cause an impairment of goodwill of DKK 1m.

No impairment has been recognized to goodwill related to the Odin portfolio in the Production segment.

Goodwill Operations

Goodwill of NOK 96m was recognized related to the acquisition of 60% of Captiva in January 2022 and at the same time establishing the Operations segment in Cloudberry.

The goodwill was related to a long record of accomplishments, business know-how, reputation and established business related to development within hydro-projects, advisory within asset management, and financial services. IT support and general operational intelligence business systems integrated in the Captiva Group, and the competence and experience of consultants within the renewable energy industry.

The identified separate CGU's in the acquisition of Captiva was as follows: (allocation of related excess value in bracket):
- Asset management including financial services (GW)
- Project development and inventory of projects (GW and project inventory)
- Consultancy services, incl investments in Enestor and Proxima Hydrotech (GW)

- Digital services with the following separate underlying CGU's
  - Digital Solutions/Captiva portal (intangible assets)
  - Broentech (intangible assets)
- Kraftanmelding (intangible assets)

The Operations segment was established from the business of the Captiva group. Within the Captiva segment the following separate CGUs are identified to support the goodwill of the segment:
- Asset management services and financial services (ARR)
- Project Development
- Consultancy services

The CGU related to software services had allocated the values to separate intangible assets and IT systems in the initial purchase price allocation. This was the Captiva portal and Tyde. Goodwill from the acquisition was not allocated to these CGU's.

Kraftanmelding is a separate CGU's with NOK 2m in goodwill from the Captiva acquisition.

The activity in Captiva is closely connected to Cloudberry's existing business (Cloudberry is customer of IT services and project development and management services and asset management service), and it is expected to generate synergies of know-how related to both Captiva and Cloudberry from closer cooperation, this is especially related to the interaction of asset management services, project development services and project management services.

In December 2023 Cloudberry acquired the remaining 40% shares in Captiva Digital Services AS (buy out of non-controlling interests in Captiva), the annual impairment test of goodwill in the Operations segment is therefore based on the transaction values which represent fair value of the assets.

The transaction of acquiring the remaining 40% shares in Captiva Digital Services AS was as follows:
- The purchase price for the shares was NOK 22.8m.
- The purchase price was based on an enterprise value of NOK 107m on 100% basis.
- Net debt in the company was MOK 50m, which equals an equity value of NOK 57m on 100% basis

The recoverable amount which the carrying value is compared with is the fair value based on the transaction, which is NOK 107m corresponding to the enterprise value.

The valuation, and enterprise value, was based on identifying and valuing the separate independent revenue streams in the Captiva business segment. Each of the revenue streams' starting points were the latest business plans (three-year sales budget, based on the assumptions that Captiva is in a ramp up phase), and for each revenue stream the appropriate valuation method was applied which gave a starting point for the valuation. The final valuation and transaction values for each of the revenue streams were an outcome of this input and negotiations with the sellers.

The valuation and transaction price were allocated to the underlying CGU's.

The carrying value of GW related to Captiva core (asset management, development and consultancy) was NOK 95.5m + NOK 7.4m related to further step up in Enestor. The allocated enterprise value of the CGUs supporting the Goodwill is NOK 84m. Other assets related to the CGS have a net book value of NOK 6m. An impairment loss of goodwill of NOK 25m is recognized to the segment.

The carrying values of goodwill related to Kraftanmelding is less that the valuation allocated (including other assets), and no impairment of GW is recognized.

Impairment test of other assets

For the purposes of assessing impairment losses, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units (CGUs)). The Group has identified the following CGUs:

Property plant and equipment (power producing assets)
- Hydropower: Power plants sharing the same water flow and/or being subject to the same infrastructure limitation are managed together to optimise power generation.
- Wind farms: The individual wind farm.

Inventory of projects
- The individual project with construction permit
- Groups of similar projects that are in concession process and are connected in progress

Equity accounted companies
- The individual associated company or joint venture

Intangible assets
- Captiva portal and related digital services
- Tyde system with related digital services
- Krasys system with related power trade agent services

Management have applied significant judgement to decide on and assess relevant impairment indicators. Factors that trigger impairment testing include, but is not limited to, changes in long power price estimates, political changes, underperforming power plants in terms of production, changes in the Group's strategy or macroeconomic fluctuations. For intangible assets impairment indicators may be underperforming sales or negative development in market conditions.

Value in use calculation is based on a discounted cash flow model. The future cash flows in the model are based on a number of significant estimates and assumptions such as future market conditions, discount rates and estimated useful life and market price for development projects with construction permit, or sales volume for services. For further information about how management applies significant estimates, see note 3 Key accounting estimates and judgements. The estimates are based on the Group's budgets and long-term outlooks approved by management.

The Group monitors changes in government legislations and regulations on a continuous basis, changes may impact key assumptions in the value in use calculations in future periods.

Property plant and equipment (PPE, producing and under construction power plants)
The Group uses an internal valuation model based on external input as the impairment indicator for PPE. This model makes use of and combines the most relevant internal and external input factors, such as long-term power price estimates, interest rate level, tax and regulatory changes and asset performance.

For all the producing power plants the valuation model concluded that there was no impairment indicator observed and no further impairment testing to calculate recoverable amount for the power plants was performed. The impairment indicator applied was based on updated long-term power prices, new/existing tax proposal, and increased interest rate levels which increases WACC.

Other observations
The final outcome of the Norwegian tax proposal was settled in December, the impairment indicator model has included the new tax in in the model, (resource tax in model for Røyrmyra and Odal of 25% implemented from 2024). No impairment indicator was observed for these assets despite new regulations implemented.

For producing and under construction power plants there is an active market. In June 2024 Cloudberry sold three hydro power plants to an external party with a valuation slightly above NOK 9kr pr KWh. This can also be used as a reference for fair value and again serve as supporting documentation for the carrying value of the power plants in PPE.

Investments in associated companies and joint ventures
With application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associated companies. At each reporting date, the Group determines whether there is an impairment indicator observed which indicates the need for impairment testing. If so, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and the carrying value, and then recognises the loss as "net income/loss" from associated companies and joint ventures in the statement of profit or loss. The same method as for recoverable amount and value in use is used as for producing/ under construction power plants or project inventory is applied.

For the investments related to producing power plants, there was no relevant impairment indicator observed, and no further impairment testing was performed.

Intangible assets
The Group's intangible assets are related to IT systems and customer portfolio. The IT systems are related to the Captiva portal, TYDE and Krasys, a software developed and used in Kraftanmelding AS.

The valuation model applied for these software systems are software as a service and annual recurring revenue multiples with future sales estimates and discounted cash flow models. Relevant impairment indicators which would trigger impairment testing include significant fall in observed market multiples, underperformance in sales compared with forecasts, IT system development delays.

During the 2023 the mentioned multiples have fallen, and hence an objective impairment indicator was observed, and the Group has therefore tested the intangible assets for impairment.

The model for impairment testing is based on a multiple valuation for software as a service and annual recurring revenue.

The impairment test is sensitive to the following key assumptions and estimates:

- Software as a service and annual recurring revenue multiples are used as impairment indicators and as a valuation method. The multiples are based on a peer of comparable companies.
- Applied future sales forecast for three years, and the multiple valuations is based on the second year.

After the updated assessment an impairment loss on NOK 74m has been recognized and the book value is now the recoverable amount. For the Captiva portal this is NOK 10m, while for Tyde system the amount is NOK nil.

No impairment loss is recognised for Krasys.

Inventory (development projects)
For project inventory impairment is performed if net sales value is less than the carrying value of the asset. The Group has a quarterly routine to go through all projects to secure satisfying progress and attention. If a project does not qualify for internal prioritization, but the projects is put on hold or discontinued, the book value is impairment tested and a sales value is assessed. If the sales value, less cost of disposal is less than book value, an impairment loss classified as a write down is recognized over the profit or loss statement.

Net realizable amount for projects with construction permit is set to an estimated market price per MW or per GWh that is reasonable to expect if the projects was to be sold. The price is compared with recent observable market transactions.

No impairment loss is recognized for development projects per 31 December 2023.

Projects are reported in the Development segment.

Note 19 Investments in associated companies and joint ventures

Accounting principle

Investments in associated companies and joint arrangements are accounted for using the equity method in accordance with IAS 28.

Accounting policies of equity accounted investees have been changed were necessary to ensure consistency with the policies adopted by the Group.

Associates and joint ventures

The table shows the summarized investments classified as associated companies and joint ventures as of 31 December 2023:

Name of Entity		Place of business	Consolidated economic interest per 31.12.23	Segment	Princippal Activities
Forte Energy Norway AS with SPV's.	Associated company	Norway	34.0%	Production	Hydro power
Odal Vind AS	Associated company	Norway	33.4%	Production	Wind power
Odin portfolio (80% ownership):					
Fåre Vindmøllelaug I/S	Associated company	Denmark	47.5%	Production	Wind power
Fløvej 33 I/S	Joint Venture	Denmark	50.0%	Production	Wind power
Nørgaard Vind I/S	Joint Venture	Denmark	50.0%	Production	Wind power
Østergaard Vindkraft I/S	Associated company	Denmark	20.0%	Production	Wind power
P/S Tændpibe Vind	Associated company	Denmark	15.0%	Production	Wind power
Stakroge Vindkraft I/S	Associated company	Denmark	25.9%	Production	Wind power
Stakroge VM4 I/S	Joint Venture	Denmark	50.0%	Production	Wind power
Vindtved Vindkraft I/S	Associated company	Denmark	37.6%	Production	Wind power
Volder Mark Vindkraft I/S	Associated company	Denmark	15.8%	Production	Wind power
Orreholmen Vindkraft AB	Joint Venture	Sweden	50.0%	Production	Wind power
Vetteberget Vindkraft AB	Joint Venture	Sweden	50.0%	Production	Wind power
Fossum Sol AS	Associated company	Norway	33.3%	Development	Solar power in construction permit process
Stenkalles Holding AS	Joint Venture	Sweden	50.0%	Development	Development project
Simpevarp AB	Joint Venture	Sweden	50.0%	Development	Development project
Proxima Hydrotech AS	Associated company	Norway	33.3%	Operations	Management hydro

Forte Energy Norway AS (Forte)

Forte was acquired by the Group in November 2020. Forte owns 14 producing hydro power assets and one power offtake agreement in Norway, with a combined normalized annual production of 87 GWh net to Cloudberry. The hydro power assets have an average license life of minimum 50 years. Cloudberry Production is the local manager of the Forte portfolio and delivers management services, which for 2023 amounted to NOK 3m.

Odal Vind AS (Odal)
Odal was first acquired in December 2020 with 15% ownership, and Cloudberry further increased its ownership to 33.4% in July 2021. The other owners of Odal Vind AS are Akershus Energi Vind AS and KLP, owning 33.4% and 33.2% respectively. Odal windfarm was constructed during 2021 and 2022, and all turbines have been taken over by Odal in 2023. The windfarm has a normalized annual production of 176 GWh net to Cloudberry and the remaining concession is 27 years.

Odin portfolio of JV and associated companies (Odin portfolio)
The Odin portfolio of joint ventures and associated entities includes producing power plants that represent only the entities within the larger acquired Odin portfolio that we do not own a controlling share. We therefore account for their results using the equity accounting method in the consolidated Group accounts. Of the total 311 GWh proportionate share from the total Odin portfolio net to Cloudberry, these entities represent approximately 49 GWh proportionate to Cloudberry.

Stenkalles Holding AS (Stenkalles project)
The Stenkalles project was a 100MW (50MW) proportionate, 18-turbine offshore project on Sweden's largest lake, Vänern (SE-3), owned 50/50 by Hafslund and Cloudberry. The parties have decided not to move forward with the Stenkalles project in its current form, and the book values related to the development of the offshore wind project have been impaired in 2023. Instead, the project group is evaluating how to use the strategically positioned gird connection for a potential battery/solar project, where the associated capex costs have decreased. The remining book values in the project are related to a transformer under construction. The Stenkalles project is included in "Other" in the reported figures in this note.

The table show the summarised financial information in the Group accounts for equity accounted companies.

FY 2023

NOK million	Forte Energy Norway AS	Odal Vind AS	Odin Portfolio	Other[1]	Total
Book value beginning of year	317	555	-	18	890
Additions of invested capital	-	-	-	-	-
Conversion of debt to equity	-	-	-	84	84
Additions from business combinations	-	-	339	-	339
Share of profit/loss for the year	2	(10)	13	(67)	(62)
Depreciation of excess value	(3)	(1)	(5)	(1)	(10)
Dividend paid to the owners	-	(73)	(12)	-	(85)
Correction from previous years result	-	-	-	-	-
Currency translation differences	8	40	(22)	-	26
Items charged to equity	(9)	-	-	-	(9)
Book value at reporting date	**316**	**511**	**313**	**35**	**1 175**
Excess value beginning of year	134	19	-	1	154
Excess value 31 December 2023	131	18	217	-	366
Book value of equity at 31 December associated company/JV	185	494	96	35	809

The cash paid for the acquisition of the associated companies and joint ventures within the Odin portfolio was paid as part of the total purchase price for the entire business combination transaction. Of the total purchase price of NOK 1278m, NOK 339m was attributable to the investment in associates and joint ventures. See note 5 Business combinations for further details.

FY 2022

NOK million	Forte Energy Norway AS	Odal Vind AS	Odin Portfolio	Other[1]	Total
Book value beginning of year	254	423	-	-	677
Additions of invested capital	-	31	-	19	50
Conversion of debt to equity	-	-	-	-	-
Additions from business combinations	-	-	-	-	-
Share of Profit/loss for the year	41	74	-	-	114
Depreciation of excess value	(3)	-	-	-	(3)
Dividend paid to the owners	9	-	-	-	9
Correction from previous years result	(31)	-	-	-	(31)
Currency translation differences	2	27	-	-	29
Items charged to equity	45	-	-	-	45
Book value at reporting date	**317**	**555**	**-**	**18**	**890**
Excess value beginning of year	137	19	-	-	156
Excess value 31 December 2022	134	19	-	1	154
Book value of equity at 31 December associated company/JV	183	536	-	17	736

1 'Other' in the prior year consisted of the financial information for Stenkalles Holding AS and Proxima Hydrotech AS, which were presented separately and in the current year whose results are presented in summary with information for Fossum Sol AS and Simpevarb AB.

The tables below show the summarized financial information for Forte, Odal and the Odin portfolio of associates and joint ventures respectively. The figures represent 100% of the companies' reporting in the first two columns (FY2023 and FY2024 respectively) and the two columns to the right (FY 2023 and FY 2022 respectively) show Cloudberry's share of the summarized financial information (excluding excess values and related depreciation) on a line-by-line basis:

Forte

	Based on 100%		Cloudberry share	
NOK million	2023	2022	2023	2022
Revenue	117	337	40	114
EBITDA	62	170	21	58
Profit for the period	5	153	2	52
Total assets	1 329	1 468	452	499
Total cash and cash equivalents	134	242	45	82
Non-current Interest-bearing loans and borrowings	704	687	239	234
Total equity	543	538	185	183

Odal

	Based on 100%		Cloudberry share	
NOK million	2023	2022	2023	2022
Revenue	270	405	90	135
EBITDA	129	307	43	102
Profit for the period	(26)	219	(9)	73
Total assets	2 615	2 717	873	908
Total cash and cash equivalents	66	83	22	28
Non-current Interest-bearing loans and borrowings	952	907	318	303
Total equity	1 476	1 604	493	536

Odin Portfolio - Associates and joint ventures	Based on 100%		Cloudberry share	
NOK million	2023	2022	2023	2022
Revenue	105	-	25	-
EBITDA	88	-	20	-
Profit for the period	59	-	11	-
Total assets	552	-	144	-
Total cash and cash equivalents	3	-	1	-
Non-current Interest-bearing loans and borrowings	170	-	57	-
Total equity	352	-	78	-

Note 20 Cash, cash equivalents and corporate funding

Accounting principle

Cash and cash equivalents consist of bank deposits and money market funds. The Group considers all highly liquid investments such as deposits with an original or remaining maturity of three months or less to be cash equivalents.

Restricted cash is not considered as cash and cash equivalents but is classified as other current assets.

The Group has a corporate account agreement with SpareBank 1 SR-Bank for the Norwegian companies. This agreement includes a credit facility, however, a larger facility has been established with SpareBank 1 SR-Bank, see note 22 Interest-bearing debt and debt facilities.

NOK million	2023	2022
Bank deposits	468	541
Money market funds	311	998
Total cash and cash equivalents	**779**	**1 538**

Investments in money market funds consist of investments in KLP fund and Fondsforvaltning. These placements are short term placements and readily convertible to cash.

Of the total bank deposits, NOK 81m (NOK 96m) relate to Kraftanmelding AS, which is a company owned 50.1% in the Operations segment. The company is a power trade agent and receives settlements from spot sales before it settles with power producers. Therefore, the cash position must be seen in relation to other short-term positions, current accounts payable, current provisions and other current debt and assets.

Note 21 Share capital and shareholder information

Share capital

The table below show the share capital, share premium and number of shares as of 31 December 2023:

NOK million	2023	2022
Share capital	73	73
Share premium	3 496	3 495
Share capital and premium at 31 December	**3 569**	**3 568**
Number of shares at 31 December	291 467 341	291 299 905

The shares are at par value of NOK 0.25.

Cloudberry has one share class and each share in the Company carries one vote at the Company's general meeting. All shares carry equal rights, including the right to participate in general meetings.

The following capital increases has taken place in 2023:

NOK	Date	Number of shares	Share capital
Number of shares 1 January 2023		291 299 905	72 824 976
Capital increase	11.05.2023	70 199	17 550
Number of shares and share capital 31 December 2023		**291 370 104**	**72 842 526**

Share buy-back program

The Group initiated a share buy-back program to repurchase up to 3 000 000 of its shares in order to enhance shareholder value by returning capital to shareholders. The buy-back program was authorized by the board of directors at the general meeting held on 28 September 2023 for the purchase of up to NOK 14.60 per share.

During the fourth quarter, The Group acquired 2 807 500 shares at an average price of NOK 10.32 per share. The total cost of ~NOK 29m was deducted from shareholder equity and presented as treasury shares in the statement of changes in equity.

Given the potential value creation in the Nees Hede project (fully financed 140 MW solar net to Cloudberry), the buy-back program has not at present been prolonged into 2024 for capital preservation purposes. However, going forward Cloudberry sees share buy backs as an effective and accretive tool for value creation which will be continuously evaluated based on inter alia current market price and market opportunities. It is expected that Cloudberry will ask the general meeting in 2024 for a prolongation of a share buy-back authorization.

The table below show the 20 largest shareholders of Cloudberry as of 31 December 2023:

	Number of shares	Share of ownership	Share of voting rights
Ferd AS	35 454 343	12.2%	12.2%
Joh Johannson Eiendom AS	29 512 098	10.1%	10.1%
Havfonn AS (Bergesen family)	24 761 554	8.5%	8.5%
Snefonn AS (Bergesen family)	16 203 725	5.6%	5.6%
The Northern Trust Comp, London	15 749 182	5.4%	5.4%
HSBC Continental Europe	14 321 384	4.9%	4.9%
Farvatn Capital As	10 007 145	3.4%	3.4%
Clearstream Banking S.A.	9 565 686	3.3%	3.3%
Caceis Bank	8 061 534	2.8%	2.8%
State Street Bank and Trust Comp (Swedbank Robur)	8 002 590	2.7%	2.7%
Skandinaviska Enskilda Banken AB	7 000 000	2.4%	2.4%
Danske Invest Norge Vekst	6 207 098	2.1%	2.1%
Morgan Stanley & Co. Int. Plc.	5 536 352	1.9%	1.9%
Citibank Europe plc	5 371 077	1.8%	1.8%
CCPARTNER AS	4 212 412	1.4%	1.4%
Gjensidige Forsikring ASA	4 023 469	1.4%	1.4%
Verdipapirfondet Storebrand Norge	3 902 320	1.3%	1.3%
J.P. Morgan SE	3 628 482	1.2%	1.2%
MP Pensjon PK	2 996 230	1.0%	1.0%
Cloudberry Clean Energy ASA	2 502 000	0.9%	0.9%
Other	74 351 423	25.5%	25.5%
Total number of shares	**291 370 104**	**100.0%**	**100.0%**

Cloudberry Clean Energy ASA acquired 2 807 500 shares in 2023. The difference to the number in the overview above does not show up at list due to the trade taking place at or about the latest trade date in 2023 and is first settled in 2024 through delivery vs payment at t+2 as is customary.

Note 22 Interest-bearing debt and debt facilities

The Group has the following interest-bearing loans and borrowings as per 31 December 2023:

NOK million	31.12.2023	31.12.2022
Non-current interest-bearing debt and borrowings	1 469	327
Non-current derivative liability related to hedge accounting	39	(1)
Total non-current interest-bearing loans and borrowings	1 507	326
Current interest-bearing loans and borrowings	78	12
Total interest-bearing loand and borrowings to banks	**1 585**	**338**

The table below shows a reconciliation of opening balance, movements and closing balance of the interest-bearing loans and borrowings for the year 2023:

NOK million	In cash flow statement	
Opening balance interest-bearing loans and borrowings 01.01.23		338
Debt take over in acqusitions	non-cash	336
Repayment of term loan	cash outflow	(207)
Drawn from new facility	cash inflow	1 200
Downpayments	cash outflow	(54)
Change in interest swap derivatives	non cash	39
Effects of movements in foreign exchange	non-cash	(67)
Closing balance interest-bearing debt and borrowings 31.12.23		**1 585**
Of which:		
Drawn from new facility with refinanced		1 200
Proceeds from new term loans 2023		**1 200**
Repayment of term loan		(207)
Downpayments		(54)
Total repayment of term loan 2023		**(261)**

In July 2023 the Group increased its credit facility with a bank syndicate comprising Sparebank 1 SR-Bank, Sparebank 1 Nord-Norge and Sparebank 1 Østlandet, securing an additional NOK 800m. As of reporting date, the total facility stands at NOK 2 200m, with the potential to increase it by an additional NOK 300m. The facility can be utilized for both construction and producing assets in Norway, Sweden and Denmark. The remaining consolidated debt is held within the Danish companies acquired under the Odin portfolio with local banks. The total amount drawn from the term loan facility as of 31 December 2023 is a total of NOK 1 250m.

The interest rate on the term loans has a margin of less than 2% plus the benchmark rate (NIBOR/STIBOR/CIBOR). The Group has a strategy to enter into interest swap agreements, swapping floating rates to fixed. All debt denominated in EUR, NOK and partially DKK has been swapped to fixed interest rates for periods generally at or above 10 years. As of reporting date DKK loans amounting to a consolidated debt of DKK 312m remain on floating rates. The Group applies hedge accounting to account for its interest rate derivatives, see note 9 Hedge activities and derivatives.

The term loan with the bank syndicate in Cloudberry Production AS is subject to the following financial covenants and collateral:

1. Group consolidated equity ratio: minimum 30%
   Cloudberry Production AS equity ratio: minimum 30%
   Minimum Group equity: NOK 1 800m
   Minimum equity Cloudberry Production AS: NOK 900m

2. Liquidity reserves Group level: minimum NOK 80m consolidated,
   of which NOK 70m will have to be in the SR Bank cash pool.

3. Minimum secured 75% share of principal per loan of 5 years.

4. Main securities granted under the credit facility:

   Pledge related to Cloudberry Production AS:
   Pledge in shares in all subsidiaries with producing assets (SPV's).
   Pledge in shares in associated companies.
   Pledge in cash, inventory and receivables.

   Pledge applied for subsidiaries with producing assets:
   Pledge in cash and bank accounts.
   Pledge in property plant and equipment.
   Pledge in inventory and receivables.
   Pledge in lease agreements for land and water/fall rights.
   Pledge in shares in Cloudberry Development AS

The Group was not in any breach of covenants as per 31 December 2023.

Note 23 Provisions, guarantees and other contractual obligations

Accounting principle

The Group recognises an obligation to dismantle and remove hydro and wind power plants and to restore the site after the concession period is over.

Long term provisions

The Group has NOK 114m in long term provisions, of which NOK 64m relates to asset retirement obligations, and the remainder NOK 50m to other general long-term provisions.

Asset retirement obligation relates to Hån Vindpark, Sundby Vindpark, Røymyra Vindpark, and entities within the Odin portfolio, and all payable between 15-30 years.

Current liabilities and provisions

NOK million	2023	2022
Accounts payables	142	131
Advance tax withholdings and taxes payable	5	4
Total account payables and other liabilities	**147**	**135**
Accrued salary and bonus	15	14
Provision for project costs	6	5
Public duties payable	6	3
PPA contract termination	5	5
Accrued fall lease	24	48
Derivative financial instrument- current liability	6	-
Other	14	55
Total Provisions	**76**	**129**

Of the total Accounts payables, NOK 94m is related to Kraftanmelding, as a power trade agent that receives settlements from spot sales before it settles with power producers. See also note 20 Cash, cash equivalents and corporate funding for additional information on cash movements within Kraftanmelding.

Guarantees and other contractual obligations

The Group has the following guarantees and bank deposits:

NOK million		Balance sheet item	Maturity date	2023	2022
Sundby wind farm	Parent guarantee to supplier	off-balance	Q1 2024	11	311
Munkhyttan wind farm	Parent guarantee to supplier	off-balance	H2 2024	191	-
Stenkalles Vind AB	Parent guarantee	off-balance	Q2 2024	5	-
Guarantee Hån wind farm	Bank deposit restricted	other current asset	FY 2051	3	3
Guarantee Munkhyttan wind farm	Bank deposit restricted	other current asset	FY 2053	3	-
Guarantees for office rent	Escrow account	non-current financial asset	February 2029	2	2
Total guarantees and deposits				**215**	**316**

The Sundby and Munkhyttan guarantees pertain to Vesta's, securing the respective wind turbines.

The Group has as of 31 December 2023 signed a sale and purchase agreement for the acquisition of the Øvre Kvemma power plant:

NOK million	Expected settlement	Equity financed	Debt Financed	Total
Øvre Kvemma Kraftverk	H1 2024	62	62	124
Total		**62**	**62**	**124**

The power plant is under construction and risk of the assets has not yet transferred to the Group. As the risk is not transferred and there are conditions precedent until the takeover, such as ensuring that the power plant operate as per agreements, the assets and the obligations are not recognised on the balance sheet.

Other information

Note 24 Earnings per share

Earnings per share is calculated as profit/(loss) attributable to the equity holders of the parent company divided by the number of shares outstanding.

Diluted earnings per share is affected by the warrant program for equity settled share-based payments transactions, see note 11 Employee benefits and share based payments.

NOK million	2023	2022
Profit/(loss) attributable to the equity holders of the company	272	118
Weighted average number of shares outstanding for the purpose of basic earnings per share	291 342 409	253 292 752
Earnings per share for income attributable to the equity holders of the company - basic NOK	0.93	0.47
Effect of potential dilutive shares		
Weighted average number of shares outstanding for the purpose of diluted earnings per share	291 917 409	254 067 752
Earnings per share for income attributable to the equity holders of the company - diluted NOK	0.93	0.47

For information about share capital on 31 December see note 21 Share capital and shareholder information.

Note 25 Transactions with related parties

The Group's related parties include the Company and its subsidiaries, as well as members of the Board of Directors, members of Management and their related parties. Related parties also include companies in which the individuals mentioned in this paragraph have significant influence.

All transactions are at arm's length basis and done in the ordinary course of business.

In 2023 there was one new agreement entered into with a related party. The sellers of the remaining shares of Captiva Digital Services AS, of which the owners of the seller, CCP AS are many of the current employees in Captiva, see note 6 Acquisition of 40% shares in Captiva Digital Services AS for further information about the transaction.

There have been no other new related party agreements entered in 2023.

The Board of Directors ensures that any material transaction between the Company and Shareholders, a Shareholder's parent company, members of the Board of Directors, executive personnel, or close associates of any such parties will be entered into on arm's length terms. The Board of Directors has adopted rules of procedures for the Board of Directors which inter alia includes guidelines for notification by members of the Board of Directors and executive management if they have any material direct or indirect interest in any transaction entered into by the Company.

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are eliminated in the consolidated accounts.

The Group has had transactions with the following related parties:

NOK million

Related party	Relation for Cloudberry	Nature of transaction	2023	2022
CCP AS	Owners are employees in the Group	Acqusition of 40% of Captiva Group	23	-
Bergehus Holding AS	Board member and indirect shareholder	Office lease	4	3
Forte Energy Norway AS	Associated company	Management fee revenue	3	3
CCPartners AS	Chairman of the Board	Acqusition of 60% of Captiva Group	-	33

[1] Captiva Asset Management AS part of Cloudbery Group from 07 January 2022. Intercompanmy transactions are eliminated in group accounts.

See note 11 Employee benefits and share based payment for information about management remuneration. See note 19 Investments in associated companies and JV's for information about management fee to Forte.

As per 31 December there were no employee or shareholder loans.

Remuneration to the Board of Directors

FY 2022	Function	Served since	Term expires	Remuneration paid in 2023 (NOK)	Warrants pr 31.12.23	Shares pr 31.12.23	Holding Company/ Associated Company
Tove Feld	Chairperson of the Board	2023	2024	-	-	19 188	
Petter W. Borg	Board Member	2019	2024	361 500	-	2 262 547	Caddie Invest AS /Kewa AS
Benedicte H. Fossum	Board Member	2020	2024	329 500	-	145 344	Mittas AS/ Jeshol AS
Stefanie Witte	Board Member	2022	2024	319 500	-	9 044	
Henrik Joelsson	Board Member	2022	2024	332 500	-	49 044	HJ Business Development AB
Nicolai Nordstrand	Board Member	2022	2024	332 500	-	41 019 323	Havfonn AS/ Snefonn AS
Alexandra Koefoed	Board Member	2023	2024	-	-	9 594	
Frank J Berg	Past Chairperson - no longer BoD member after 2023 AGM	2020	2023	645 000	-	4 212 412	CCPartner AS
Liv E. Lønnum	No longer BoD member after 2023 AGM	2020	2023	319 500	-	7 765	
				2 640 000	**-**	**47 734 261**	

FY 2022	Function	Served since	Term expires	Remuneration paid in 2022 (NOK)	Warrants pr 31.12.22	Shares pr 31.12.22	Holding Company
Frank J Berg	Chairman of the Board	2020	2023	260 000	-	3 202 040	CCPartner AS
Petter W. Borg	Board Member	2019	2023	257 500	-	2 253 503	Caddie Invest AS & Kewa AS
Benedicte H. Fossum	Board Member	2020	2023	245 000	-	100 103	Mittas AS
Liv E. Lønnum	Board Member	2020	2023	205 000	-	7 765	
Stefanie Witte	Board Member	2022	2023	-	-	0	
Henrik Joelsson	Board Member	2022	2023	-	-	0	
Nicolai Nordstrand	Board Member	2022	2023	-	-	31 264	
Morten S. Bergesen	Board Member	2019	2022	255 000	-	40 965 279	Havfonn AS & Snefonn AS
				1 222 500	**-**	**46 559 954**	

The remuneration to the Board is proposed by the nomination committee to the Company general meeting. The remuneration is paid after the next Company general meeting when the remuneration is earned.

The remuneration for the period 2022/2023 was paid in April 2023. Due to change in routines, the remuneration for 2020/2021 was paid in 2022 (while the remuneration for the period 2021/2022 was paid in 2021). The remuneration for the period 2023/2024 will be paid after the Company general meeting in April 2023.

The Group have a share purchase program for Board members implemented by the Company general meeting in 2021. The Board members shall use 30% of the fixed gross remuneration (prior to tax) per year to acquire shares in the Company, until the value of the shares of each individual member reaches a threshold of two years of board remuneration. The Board members shall after the threshold of two years board remuneration has been achieved, be offered to use up to 30% of the gross board remuneration (prior to tax) to acquire shares.

Please refer for further information to the Remuneration report for 2023 that will be presented at the annual Company general meeting and published on the website.

Note 26 List of subsidiaries and equity accounted companies

The following companies are fully consolidated (subsidiaries) or accounted for using the equity method (associated companies or joint ventures) as per 31 December 2023.

Name of Entity	Accouned as	Place of business	Consolidated economic interest per 31.12.23	Part of Group from date	Segment
Cloudberry Clean Energy ASA	Parent company	Norway	100%	24.11.2017	Corporate
Cloudberry Production AS	Subsidiary	Norway	100%	15.02.2020	Production
Røyrmyra Vindpark AS	Subsidiary	Norway	100%	15.02.2020	Production
Finnesetbekken Kraftverk AS	Subsidiary	Norway	100%	15.02.2020	Production
Hån Vindpark AB	Subsidiary	Sweden	100%	15.02.2020	Production
Hån 22kV AS	Subsidiary	Norway	100%	15.02.2020	Production
Forte Energy Norway AS	Associated Company	Norway	34%	15.11.2020	Production
Odal Vind AS	Associated Company	Norway	33.4%	23.12.2020	Production
Skåråna Kraft AS	Subsidiary	Norway	100%	24.02.2021	Production
Bjørgelva Kraft AS	Subsidiary	Norway	100%	30.06.2021	Production
Usma Kraft AS	Subsidiary	Norway	100%	20.08.2021	Production
Tinnkraft AS	Subsidiary	Norway	100%	01.02.2022	Production
Ramsliåna Kraftverk AS	Subsidiary	Norway	100%	31.03.2022	Production
Re Energi AS	Subsidiary	Norway	100%	31.03.2022	Production
Bøen Kraft AS	Subsidiary	Norway	100%	10.06.2022	Production
Cloudberry Production Holding ApS	Subsidiary	Denmark	100%	31.05.2023	Production
Cloudberry Production Aps	Subsidiary	Denmark	100%	31.05.2023	Production
Odin Energy Holding P/S	Subsidiary	Denmark	80%	31.05.2023	Production
Odin Energy General Partner ApS	Subsidiary	Denmark	80%	31.05.2023	Production
Odin Invest I P/S	Subsidiary	Denmark	80%	31.05.2023	Production
Odin Invest II P/S	Subsidiary	Denmark	80%	31.05.2023	Production
Odin Invest III P/S	Subsidiary	Denmark	80%	31.05.2023	Production
Lem Kær Vindkraft I/S	Subsidiary	Denmark	61%	31.05.2023	Production
Nørh-Hjortmose Vind 11 I/S	Subsidiary	Denmark	72%	31.05.2023	Production
Skræddergaard Vindkraft I/S	Subsidiary	Denmark	48%	31.05.2023	Production
Tornbygård Vindkraft I/S	Subsidiary	Denmark	65%	31.05.2023	Production
Trikelshøj Vindkraft I/S	Subsidiary	Denmark	48%	31.05.2023	Production
Vemb Vindkraft I/S	Subsidiary	Denmark	43%	31.05.2023	Production
Volder Mark M5 Erhverv I/S	Subsidiary	Denmark	68%	31.05.2023	Production
Fåre Vindmøllelaug I/S	Assosiated company	Denmark	38%	31.05.2023	Production
Fløvej 33 I/S	Joint Venture	Denmark	40%	31.05.2023	Production
Nørgaard Vind I/S	Joint Venture	Denmark	40%	31.05.2023	Production
Stakroge Vindkraft I/S	Assosiated company	Denmark	21%	31.05.2023	Production
Stakroge VM4 I/S	Joint Venture	Denmark	40%	31.05.2023	Production
Østergaard Vindkraft I/S	Assosiated company	Denmark	16%	31.05.2023	Production
Vindtved Vindkraft I/S	Assosiated company	Denmark	30%	31.05.2023	Production
P/S Tændpibe Vind	Assosiated company	Denmark	12%	31.05.2023	Production
Volder Mark Vindkraft I/S	Assosiated company	Denmark	13%	31.05.2023	Production
Orreholmen Vindkraft AB	Joint Venture	Sweden	40%	31.05.2023	Production
Vetteberget Vindkraft AB	Joint Venture	Sweden	40%	31.05.2023	Production

Name of Entity	Accouned as	Place of business	Consolidated economic interest per 31.12.23	Part of Group from date	Segment
Cloudberry Develop AS	Subsidiary	Norway	100%	15.02.2020	Development
Cloudberry Utveckling AB	Subsidiary	Sweden	100%	15.02.2020	Development
Cloudberry Utveckling II AB	Subsidiary	Sweden	100%	15.02.2020	Development
Cloudberry Utveckling III AB	Subsidiary	Sweden	100%	15.02.2020	Development
Cloudberry Wind AB	Subsidiary	Sweden	100%	15.02.2020	Development
Cloudberry Offfshore Wind AB	Subsidiary	Sweden	100%	15.02.2020	Development
Rewind Offshore AB	Subsidiary	Sweden	100%	15.02.2020	Development
Cloudberry Projekt AB	Subsidiary	Sweden	100%	15.02.2020	Development
Kånna Vindpark AB	Subsidiary	Sweden	100%	15.02.2020	Development
Ljunga Vindpark AB	Subsidiary	Sweden	100%	15.02.2020	Development
Duvhällen Vindpark AB	Subsidiary	Sweden	100%	15.02.2020	Development
Skogvind AS	Subsidiary	Norway	100%	31.08.2020	Development
Sundby Vindpark AB	Subsidiary	Sweden	100%	21.12.2021	Development
Munkhyttan Vindkraft AB	Subsidiary	Sweden	100%	03.02.2022	Development
Stenkalles Holding AS	Joint Venture	Norway/Sweden	50%	19.09.2022	Development
Fossum Sol AS	Assosiated company	Norway	33%	15.03.2023	Development
Bjornejarnsberget Vindpark AB	Subsidiary	Sweden	100%	01.04.2023	Development
Simpevarp Havsvindpark AB	Joint Venture	Sweden	50%	03.10.2023	Development
Captiva Digital Services AS	Subsidiary	Norway	100%	07.01.2022	Operations
Captiva Asset Management AS	Subsidiary	Norway	100%	07.01.2022	Operations
Caprtiva Financial Services AS	Subsidiary	Norway	100%	07.01.2022	Operations
Captiva Digital Services GmbH	Subsidiary	Switzerland	100%	07.01.2022	Operations
Captiva Digital Solutions AS	Subsidiary	Norway	100%	07.01.2022	Operations
Kraftanmelding AS	Subsidiary	Norway	50%	07.01.2022	Operations
Broentech Solutions AS	Subsidiary	Norway	56%	07.01.2022	Operations
Captiva Energi AS	Subsidiary	Norway	100%	07.01.2022	Operations
Captiva Digital Solutions AB	Subsidiary	Sweden	100%	01.04.2023	Operations
Enestor AS	Subsidiary	Norway	51%	01.06.2022	Operations

Acqusitions with takeover in 2023/2024

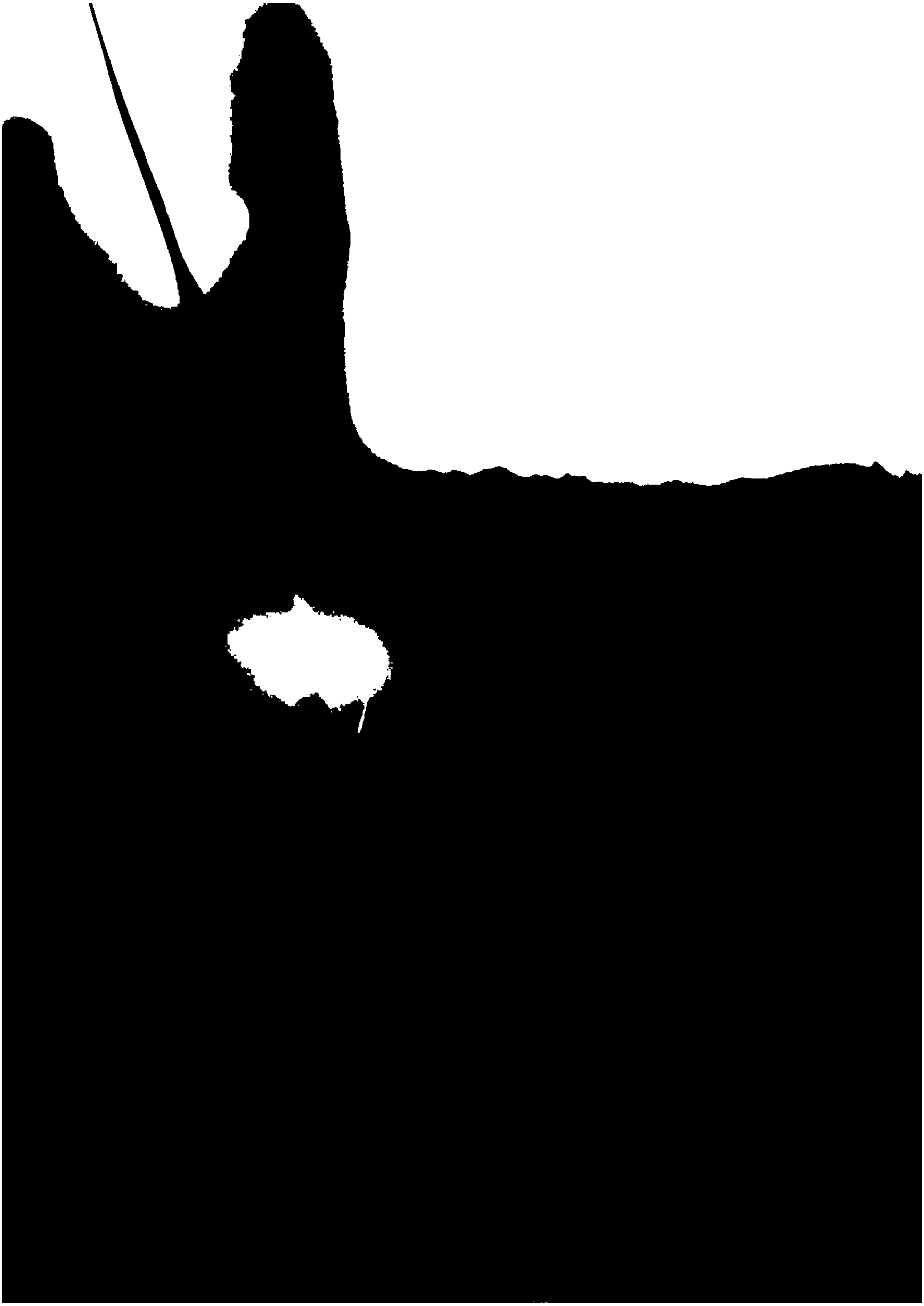
Name of Entity	Accouned as	Place of business	Consolidated economic interest per 31.12.23	Part of Group from date	Segment
Øvre Kvemma Kraftverk AS	Subsiduary	Norway	100%	H1-2024	Production

Note 27 Subsequent events

Subsequent to year end 2023, Cloudberry through its subsidiary Odin Energy Holding P/S acquired Nees Hede project comprising of 175 MW permitted solar capacity (140 MW proportionate). Nees Hede is a climate park with a favorable ESG footprint and local acceptance, situated on the western part of Jutland in the attractive DK 1 price area.

Given the rapid decline in the capex for solar panels and hence the favorable project economics, Cloudberry will push towards an FID for the solar project which can be taken as soon as in 2024. The project is expected to be financed through existing cash at hand and project debt.

The purchase price of the project is agreed to be EUR 8m, where EUR 1.6m was paid at closing of the transaction in February 2024, while EUR 4.8 million and EUR 1.6 million is payable at FID and COD respectively - all numbers proportionate to Cloudberry.



Parent company financial statements

Statement of profit or loss

1 January - 31 December

NOK 1 000	Note	FY 2023	FY 2022
Revenue	3	2 401	-
Total revenue		2 401	-
Cost of goods sold		-	-
Salary and personnel expenses	4	(53 248)	(51 124)
Other operating expenses	5	(18 884)	(19 509)
EBITDA		(69 732)	(70 633)
Depreciation and amortizations	8	(279)	(233)
Operating profit (EBIT)		(70 010)	(70 867)
Financial income	6	236 774	113 221
Financial expenses	6, 14	(72 121)	(19 844)
Profit/(loss) before tax		94 642	22 511
Income tax expense	7	-	-
Profit/(loss) after tax		94 642	22 511
Allocation of profit/(loss) for the period			
Transfer to/(from) other equity		94 642	22 511
Total allocation of profit/(loss) for the period		94 642	22 511

Statement of financial position

NOK 1 000	Note	31.12.2023	31.12.2022
ASSETS			
Non-current assets			
Property, plant and equipment	8	769	1 022
Investment in subsiduaries	9	2 445 602	1 363 441
Other non current receivables		2 496	2 478
Loan to group companies	14	609 715	508 907
Total non-current assets		3 058 581	1 875 848
Accounts recivables		**2 999**	-
Other current assets		132	1 328
Receivables group companies	14	189 611	348 113
Cash and cash equivalents	10	403 587	1 404 638
Total current assets		596 329	1 754 078
TOTAL ASSETS		**3 654 910**	**3 629 926**

Statement of financial position

NOK 1 000	Note	31.12.2023	31.12.2022
EQUITY AND LIABILITIES			
Equity			
Share capital	11	72 843	72 825
Other paid-in capital	11	3 495 220	3 495 270
Total paid in capital		3 568 063	3 568 095
Other equity	11	70 009	(19 921)
Total equity		**3 638 071**	**3 548 173**
Current liabilities			
Interest-bearing short term liabilities	12, 14	-	56 932
Accounts payable	12, 14	2 286	14 036
Public duties payable	12	1 695	1 251
Other current liabilities	12	12 858	9 534
Total current liabilities		16 839	81 753
Total liabilities		**16 839**	**81 753**
TOTAL EQUITY AND LIABILITIES		**3 654 910**	**3 629 926**

Oslo, 19 March 2024

The Board of Directors of Cloudberry Clean Energy ASA

Tove Feld
Chair of the Board

Petter W. Borg
Board member

Benedicte Fossum
Board member

Henrik Joelsson
Board member

Nicolai Nordstrand
Board member

Stefanie Witte
Board member

Alexandra Koefoed
Board member

Anders J. Lenborg
CEO

Statement of cash flows

NOK 1 000	Note	FY 2023	FY 2022
Cash flow from operating activeties			
Profit/(loss) before tax		94 642	22 511
Depreciation	8	279	233
Write-down of long-term investments		66 708	-
Net interest paid/received		(69 014)	(26 529)
Share based payment - non cash to equity		19 483	25 773
Change in accounts payable	12	(11 750)	(9 322)
Change in accounts receivabe		(2 999)	-
Change in other accruals		4 564	19 591
Net cash flow from operating activities		**101 913**	**32 258**
Cash flow from investing activeties			
Intrest received	6	73 749	31 105
Investments in property, plant and equipment	8	(25)	(338)
Acquisition of shares in subsidiaries, net liquidity outflow	9	(1 148 869)	(101 037)
Net increase loans to subsidiaries		62 210	(401 912)
Net cash flow from (used in) investing activities		**(1 012 935)**	**(472 181)**
Cash flow from financing activeties			
Net cash from change in short term intrestbearing debt	12	(56 932)	56 932
Interest paid	6	(4 735)	(4 576)
Share capital increase	11	670	833 208
Payment for shares bought back		(29 031)	-
Net cash flow from financing activities		(90 028)	885 564
Total change in cash and cash equivalents		**(1 001 050)**	**445 640**
Effect of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at start of period	10	1 404 638	958 998
Cash and cash equivalents at end of period	**10**	**403 587**	**1 404 638**

Notes to the parent company financial statements

Note 1 General information

Corporate information

Cloudberry Clean Energy ASA, "the Company" is incorporated and domiciled in Norway. The address of its registered office is Frøyas gate 15, NO-0273 Oslo, Norway. Cloudberry Clean Energy ASA was established on 10 November 2017. The Company is listed on Oslo Børs' Main List with ticker CLOUD.

Cloudberry Clean Energy ASA ("the Company"), its subsidiaries (wholly and partly owned) and investments in associated companies and joint ventures ("the Group" or "Cloudberry") is an independent power producer, developing, owning and operating renewable assets in the Nordics. The Company has an integrated business model across the life cycle of renewable power plants including project development, financing, construction (normally outsourced), ownership, management, and operations.
The financial statement of the Company and the consolidated statements of the Group, presented earlier in this report, was approved by the Board of Directors on 19 March 2024. The statements have been prepared under the assumption that the Cloudberry Group is a going concern, and that this assumption was appropriate at the date of approval of the Financial Statements.

Note 2 General accounting policies and principles

Statement of compliance

The financial statements of Cloudberry Clean Energy ASA are prepared in accordance with the Norwegian Accounting Act of 1998 and Norwegian Generally Accepted Accounting Principles (NGAAP).

Basis for preparation

The financial statements have been prepared on a historical cost basis.

Accounting estimates and judgements

In preparing the financial statements, assumptions and estimates that have had effect on the amounts and presentation of assets and liabilities, income and expenses and contingent liabilities must be made. Actual results could differ from these assumptions and estimates.

Foreign currency translation

The functional currency and presentation currency of the Company is Norwegian kroner (NOK). Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical cost expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated using the exchange rate applicable on the balance sheet date.

Employee benefits

Wages, salaries, bonuses, pension and social security contributions, paid annual leave and sick leave are accrued in the period in which the associated services are rendered by employees of the Company. The Company has pension plans for employees that are classified as defined contribution plans. Contributions to defined contribution schemes are recognized in the statement of profit or loss in the period in which the contribution amounts are earned by the employees.

Cloudberry has an equity incentive plan for top management and key employees. The programme includes the issue of warrants for shares in the company.

Interest income and expenses

Interest income and expenses are recognized in the income statement as they are accrued, based on the effective interest method.

Income tax expense

The tax charge in the profit or loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net. The net deferred tax receivable is entered on the balance sheet to the extent that it is likely that it can be utilised.

Classification and valuation of fixed assets

Fixed assets consist of assets intended for long-term ownership and use. Fixed assets are valued at acquisition cost less depreciation and write-downs. Long-term liabilities are entered on the balance sheet at the nominal amount at the time of the transaction.

Plant and equipment is capitalised and depreciated over the economic lifetime of the asset. Significant items of plant and equipment that consist of several material components with different lifetimes are broken down in order to establish different depreciation periods for the different components. Direct maintenance of plant and equipment is expensed on an ongoing basis under operating costs, while additions or improvements are added to the asset's cost price and depreciated in line with the asset. Plant and equipment is written down to the recoverable amount in the event of a fall in value that is not expected to be temporary. The recoverable amount is the higher of the net sales value and the value in use. Value in use is the present value of future cash flows related to the asset. The write-down is reversed when the basis for the write-down is no longer present.

Classification and valuation of current assets and liabilities

Current assets and short-term liabilities consist normally of items that fall due for payment within one year of the balance sheet date, as well as items related to the stock cycle. Current assets are valued at the lower of acquisition cost and fair value. Short-term liabilities are entered on the balance sheet at the nominal amount at the time of the transaction.

Subsidiaries and investment in associated companies

Subsidiaries and associated companies are valued using the cost method in the company accounts. The investment is valued at acquisition cost for the shares unless a write-down has been necessary. A write- down to fair value is made when a fall in value is due to reasons that cannot be expected to be temporary and such write-down must be considered as necessary in accordance with good accounting practice. Write- downs are reversed when the basis for the write-down is no longer present.

Dividends, group contributions and other distributions from subsidiaries are posted to income in the same year as provided for in the distributor's accounts. To the extent that dividends/ group contributions exceed the share of profits earned after the date of acquisition, the excess amounts represent a repayment of invested capital, and distributions are deducted from the investment's value in the balance sheet of the parent company.

Receivables

Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables.

Short term investments

Short-term investments (shares and interests valued as current assets) are valued at the lower of acquisition cost and fair value on the balance sheet date. Dividends and other distributions received from the companies are posted to income under other financial income.

Statement of cash flow

The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of cash, bank deposits and other short-term, liquid investments.

Events after the reporting period

New information on the Company's financial position on the end of the reporting period which becomes known after the reporting period, is recorded in the annual accounts. Events after the reporting period that do not affect the Company's financial position on the end of the reporting period, but which will affect the Company's financial position in the future, are disclosed if significant.

Note 3 Sales revenues and other operating income

NOK 1 000	2023	2022
Income from sub lease of offices	2 401	-
Total revenue	**2 401**	**-**

Note 4 Employee benefits and share based payments

Employee benefits are accrued in the period in which the associated services are rendered by the employees of the Company. The table below shows the employee benefits accrued in the period

NOK 1 000	2023	2022
Salaries	(25 432)	(23 824)
Social security tax	(5 893)	(1 563)
Pension costs	(827)	(724)
Share based payment	(19 483)	(24 504)
Other benefits	(1 612)	(509)
Total personell expenses	**(53 248)**	**(51 124)**
Average number of full-time equivalents (FTEs)	8	8
Number of full-time equivalents as 31.12 (FTEs)	8	9

Included in salaries are fees to board members.

Pension

The Company has an established pension scheme that is classified as a defined contribution plan, the pension scheme is in line with the requirements of the law. Contributions to the defined contribution schemes are recognised in the consolidated statement of profit and loss in the period in which the contribution amounts are earned by the employees. The defined contribution plan does not commit the Company beyond the amounts contributed.

Remuneration of Executive Group management

The renumeration of the Executive Group Management is based on a fixed salary, including personal benefits such as free telephone and health insurance, a variable group performance bonus scheme, pension benefits, and a share-based long term incentive program.

The table below shows the renumeration in 2023

NOK 1 000	Anders Lenborg (CEO)	Christian Helland (CVO)	Jon Gunnar Solli (COO)	Ingrid Bjørdal (CCOO)	Total
Salary	4 000	3 000	2 000	2 050	11 050
Bonus	1 860	900	600	615	3 975
Pension costs	105	98	97	103	403
Other	4	4	4	4	16
Share based payment	7 276	5 431	2 326	551	15 584
Total reportable benefits 2023	**13 245**	**9 433**	**5 027**	**3 322**	**31 027**

The table below shows the remuneration in 2022

NOK 1 000	Anders Lenborg (CEO)	Christian Helland (CVO)	Jon Gunnar Solli (COO)	Ingrid Bjørdal[1] (CCOO)	Total
Salary	3 300	2 600	1 900	650	8 450
Bonus	1 650	867	633	216	3 366
Pension costs	100	90	90	3	283
Share based payment	6 235	4 812	2 050	-	13 097
Total reportable benefits paid 2022	**11 285**	**8 369**	**4 673**	**869**	**25 196**

[1] Ingrid Bjørdal was hired 1 September, the remuneration represent 4 months' salary.

The Board of Directors have set the target KPI for the group performance bonus scheme that was applicable for achievements in 2023. The Group has a compensation committee which will set the targets for 2024.

Total remuneration, warrants and shares for top management

Executive group management

FY 2023 NOK 1 000	Holding Company	Shares pr 31.12.23	Total remun-eration	Warrants granted 2023	Warrants pr 01.01.23	Warrants granted total pr 31.12.23	Warrants exercised
Anders Lenborg (CEO)	Lenco AS	1 403 546	13 245	3 395 000	3 700 000	7 095 000	-
Christian Helland (CVO)	Amandus Invest AS	301 758	9 433	2 550 000	2 700 000	5 250 000	-
Jon Gunnar Solli (COO)	Lotmar Invest AS	626 323	5 027	1 150 000	1 100 000	2 250 000	-
Ingrid Bjørdal (CCOO)		80 000	3 322	-	1 100 000	1 100 000	-
			31 027	**7 095 000**	**8 600 000**	**15 695 000**	**-**

FY 2022 NOK 1 000	Holding Company	Shares pr 31.12.22	Total remun-eration	Warrants granted 2022	Warrants pr 01.01.22	Warrants granted total pr 31.12.22	Warrants exercised
Anders Lenborg (CEO)	Lenco AS	1 323 546	11 285	700 000	2 695 000	3 395 000	-
Christian Helland (CVO)	Amandus Invest AS	452 758	8 369	550 000	2 000 000	2 550 000	-
Jon Gunnar Solli (COO)	Lotmar Invest AS	600 498	4 673	250 000	900 000	1 150 000	-
Ingrid Bjørdal[1] (CCOO)		40 000	869	-	-	-	-
			25 196	**1 500 000**	**5 595 000**	**7 095 000**	**-**

[1] Ingrid Bjørdal was hired 1 September, the remuneration represent 4 months' salary.

Board of Directors

FY 2023

NOK 1 000	Function	Served since	Term expires	Remun-eration in 2023	Warrants pr 31.12.23	Shares pr 31.12.23	Holding Company
Tove Feld	Chairperson of the Board	2023	2024	-	-	19 188	
Petter W. Borg	Board Member	2019	2024	361 500	-	2 262 547	Caddie Invest AS /Kewa AS
Benedicte H. Fossum	Board Member	2020	2024	329 500	-	145 344	Mittas AS/ Jeshol AS
Alexandra Koefoed	Board Member	2023	2024	-	-	9 594	
Stefanie Witte	Board Member	2022	2024	319 500	-	9 044	
Henrik Joelsson	Board Member	2022	2024	332 500	-	49 044	HJ Business Development AB
Nicolai Nordstrand	Board Member	2022	2024	332 500	-	41 019 323	Havfonn AS/ Snefonn AS
Frank J Berg	Past Chairperson - no longer BoD member after 2023 AGM	2020	2023	645 000	-	4 212 412	CCPartner AS
Liv E. Lønnum	No longer BoD member after 2023 AGM	2020	2023	319 500	-	7 765	
				2 640 000	**-**	**47 734 261**	

FY 2022

NOK 1 000	Function	Served since	Term expires	Remun-eration in 2022	Warrants pr 31.12.22	Shares pr 31.12.22	Holding Company
Frank J Berg	Chairperson of the Board	2020	2023	260 000	-	3 202 040	CCPartner AS
Petter W. Borg	Board Member	2019	2023	257 500	-	2 253 503	Caddie Invest AS & Kewa AS
Benedicte H. Fossum	Board Member	2020	2023	245 000	-	100 103	Mittas AS
Liv E. Lønnum	Board Member	2020	2023	205 000	-	7 765	
Stefanie Witte	Board Member	2022	2023	-	-	-	
Henrik Joelsson	Board Member	2022	2023	-	-	-	
Nicolai Nordstrand	Board Member	2022	2023	-	-	31 264	
Morten S. Bergesen	Board Member	2019	2022	255 000	-	40 965 279	Havfonn AS & Snefonn AS
				1 222 500	**-**	**46 559 954**	

In 2023 the renumeration to the Board of Directors was paid amounting to a total of NOK 2.6m (NOK 1.2m).

The nomination committee will propose the renumeration for the board members for 2024 at the Company general meeting in April 2024.

Share based payments and long-term incentive program

In accordance with the terms adopted by the General Meeting of the Company on 21 March 2020, the Board of Directors has established a share incentive scheme for the executive managers and key employees of the Group. The key conditions are as follows:

The equity incentive plan may cover up to 10% of the issued shares in the Company from time to time. Allocations are proposed by the Board and subject to shareholder approval. The exercise price for the warrants is determined by the Board in its reasonable discretion based on fair market value of the Shares on the date of the Board of Directors proposed allocation of warrants under the program. The determined exercise price is subject to approval by the general meeting in relation with issuance of warrants. The duration of the warrants from grant date is 5 years. The vesting period is 1-3 years from the grant date.

The value of the warrants in the accounts are calculated at the grant date given a fair value using the Black and Scholes model. The key assumptions applied for the grants in 2023 are 40% volatility (based on listed peer with 3 years historical data and updated with historic volatility for the Company from listing on the Main List Oslo Børs to the grant date in April 2023), 3.25% interest rate and approx. 0% dividend yield. Other inputs to the model are current stock price, exercise price and expected life of option (vesting period + one year).

The table shows the outstanding warrants as of 1 January 2023 and 31 December and movements in the year:

FY 2023	
Outstanding warrants 01.01.	10 500 000
Granted in 2023	12 700 000
Exercised in 2023	-
Expired in 2023	(300 001)
Outstanding warrants 31.12.	**22 899 999**
Exircisable 31.12.	6 766 662
Charged to profit and loss statement 2023 (NOK million)	19 483
Charged to equity 2023 (NOK million)	23 616

The table shows the outstanding warrants as of 1 January 2022 and 31 December 2022 and movements in the year:

FY 2022	
Outstanding warrants 01.01.	7 700 000
Granted in 2022	3 000 000
Exercised in 2022	-
Expired in 2022	(200 000)
Outstanding warrants 31.12.	**10 500 000**
Exircisable 31.12.	3 299 995
Charged to profit and loss statement 2022 (NOK million)	24 780
Charged to equity 2022 (NOK million)	25 780

As of the date of the annual report the following warrants have been issued:

FY 2023 NOK million	# Warrants	Grant date	Expiry date	Weighted Average remaining contractual life	Weighted Average Strike Price	Vested instruments 31.12.2023	Weighted Average Strike Price	Share Price (grant date)
Warrant package #1	775 000	20.03.2020	20.03.2025	1.2	11.1	775 000	11.1	11.1
Warrant package #2	1 425 000	25.09.2020	25.09.2025	1.7	12.2	1 425 000	12.2	13.1
Warrant package #3	5 266 666	17.06.2021	17.06.2026	2.5	12.5	3 566 665	12.5	14.7
Warrant package #4	2 933 333	15.06.2022	28.04.2027	3.3	17.4	999 997	17.4	16.0
Warrant package #5	**12 500 000**	**27.04.2023**	**26.04.2028**	**4.3**	**12.6**	**-**	**-**	**10.4**
	10 399 999					**6 766 662**		

Note 5 Other operating expenses

The table shows the breakdown on other operating expenses in 2023 and 2022.

NOK 1 000	2023	2022
Rental of office and equipment	(5 171)	(2 509)
External accounting and auditing fees	(3 192)	(3 899)
Legal and other fees	(6 198)	(8 245)
Other	(4 323)	(4 857)
Total other operating expenses	**(18 884)**	**(19 509)**

Expenses related to statutory audit and other auditor services is presented below:

NOK 1 000	2023	2022
Statutory audit	(2 724)	(2 641)
Other assuranse services	-	(610)
Total auditor costs	**(2 724)**	**(3 251)**

Note 6 Financial items

Financial income

NOK 1 000	2023	2022
Income from subsidiaries	39 235	50 904
Interest income from subsidiaries	34 988	27 217
Intrest income	38 761	3 889
Other financial income and exchange differences	123 790	17 801
Increase in market value of financial current assets	-	15 597
Total financial income	**236 774**	**115 407**

Financial expense

NOK 1 000	2023	2022
Write-down of long-term investments	(66 708)	-
Interest expense	(786)	(893)
Interest expense - group companies	(3 949)	(3 683)
Other financial expense and exchange differences	(678)	(15 267)
Total financial expense	**(72 121)**	**(19 844)**

Note 7 Income tax expense

NOK 1 000	2023	2022
Tax expense in the income statement		
Changes in deferred tax assets	-	-
Tax expense on ordinary profit/loss	**-**	**-**
Taxable income:		
Ordinary result before tax	94 642	22 511
Permanent differences	(43 447)	(9 048)
Changes in temporary differences	7	(3 549)
Received group constubution	39 235	-
Use of tax losses	(90 436)	(9 914)
Taxable income	**-**	**-**
Payable tax in the balance:		
Payable tax on this year's result	-	-
Payable tax on received Group contribution	-	-
Total payable tax in the balance	**-**	**-**

The tax effect of temporary differences and loss to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary difference.

NOK 1 000	2023	2022	Difference
Deferred tax asset			
Property, plant and equipment	-	6	6
Other	583	3 099	2 516
Accumulated tax loss carried forward	(45 573)	(136 009)	(90 436)
Not included in the deferred tax calculation	44 990	139 114	94 124
Basis for deferred tax asset in the balance sheet	**-**	**6 210**	**6 210**
Basis for calculation of deferred tax asset	**-**	**-**	**(6 210)**
Deferred tax asset	**-**	**-**	**1 366**

Deferred tax asset is not recognised in the balance sheet.

Note 8 Property, plant and equipment

NOK 1 000	Equipment	Total
Accumulated cost 1.1.2022	1 049	1 049
Additions during the year	338	338
Accumulated cost at 31.12.2022	**1 387**	**1 387**
Accumulated depreciations and impairment losses at 1.1.2022	132	132
Depreciations for the year	233	233
Accumulated depreciations and impairment losses at 31.12.2022	**365**	**365**
Carrying amount at 31.12.2022	**1 021**	**1 021**
Estimated useful life (years)	3-5	

NOK 1 000	Equipment	Total
Accumulated cost 1.1.2023	1 387	1 387
Additions during the year	26	26
Accumulated cost at 31.12.2023	**1 413**	**1 413**
Accumulated depreciations and impairment losses at 1.1.2023	365	365
Depreciations for the year	279	279
Accumulated depreciations and impairment losses at 31.12.2023	**644**	**644**
Carrying amount at 31.12.2023	**769**	**769**
Estimated useful life (years)	3-5	

Note 9 Subsidiaries and investment in associated companies

The following subsidiaries are fully consolidated in the financial statement as of 31 December 2023

Name of Entity		Place of business	Owner share	Share of votes	Purchase cost (NOK 1 000)	Equity (NOK 1 000)	Profit (NOK 1 000)
Cloudberry Production AS	Subsidiary	Oslo, Norway	100%	100%	2 182 922	2 546 772	367 382
Cloudberry Develop AS	Subsidiary	Oslo, Norway	100%	100%	205 465	217 502	117 450
Captiva Digital Services AS	Subsidiary	Oslo, Norway	100%	100%	57 215	8 876	66
Total					**2 445 602**	**2 773 150**	**484 898**

Note 10 Cash, cash equivalents and corporate funding

NOK 1 000	2022	2021
Free cash	92 787	407 018
Money market funds	310 801	997 620
Total cash	**403 587**	**1 404 638**

Placement in money market fund is a short-term placement. The placement is made to receive interest and is cash equivalent.

Cash deposits for tax deduction account (restricted funds) and deposit for rent are not included as cash.

Note 11 Equity capital, share capital and shareholder information

The table below show the changes in equity in 2023 and 2022:

NOK 1 000	Share capital	Share premium	Total paid in capital	Other Equity	Retained earnings	Total other equity	Total equity capital
Equity as at 01.01 2022:	58 811	2 676 075	2 734 886	5 639	(73 844)	(68 205)	2 666 681
Sharecapital increase	14 014	819 194	833 208	-	-	-	833 208
Profit/(Loss) for the period	-	-	833 208		22 511	22 511	22 511
Share based payment	-	-	833 208	25 773		25 773	25 773
Equity as at 31.12 2022	**72 825**	**3 495 270**	**3 568 095**	**31 412**	**(51 333)**	**(19 921)**	**3 548 174**
Equity as at 01.01 2023:	72 825	3 495 270	3 568 095	31 412	(51 333)	(19 921)	3 548 174
Sharecapital increase	18	653	671	-	-	-	671
Profit/(Loss) for the period	-	-	-	-	94 642	94 642	94 642
Share based payment	-	-	-	23 616	-	23 616	23 616
Repurchase own shares	-	(703)	(703)	(28 329)	-	(28 329)	(29 032)
Equity as at 31.12 2023	**72 843**	**3 495 220**	**3 568 062**	**26 700**	**43 309**	**70 009**	**3 638 071**

The table below show the share capital, share premium and number of shares as of 31 December 2023 and 31 December 2022.

NOK 1 000	2023	2022
Share capital	72 843	72 825
Share premium	3 495 220	3 495 270
Share capital and premium at 31 December	**3 568 062**	**3 568 095**
Number of shares at 31 December	291 370 044	291 299 905

The shares are at par value NOK 0.25.

The following capital increases has taken place in 2023

NOK 1 000	Date	Number of shares	Share capital
Number of shares 1 January 2023		291 299 905	72 824 976
Capital increase	11.05.2023	70 199	17 550
Number of shares and share capital 31 December 2023		**291 370 104**	**72 842 526**

The table below show the largest shareholders of Cloudberry as of 31 December 2023

20 largest shareholders as of 31 December	Number of Shares	Share of ownership	Share of voting rights
Ferd AS	35 454 343	12.2%	12.2%
Joh Johannson Eiendom AS	29 512 098	10.1%	10.1%
Havfonn AS (Bergesen family)	24 761 554	8.5%	8.5%
Snefonn AS (Bergesen family)	16 203 725	5.6%	5.6%
The Northern Trust Comp, London	15 749 182	5.4%	5.4%
HSBC Continental Europe	14 321 384	4.9%	4.9%
Farvatn Capital As	10 007 145	3.4%	3.4%
Clearstream Banking S.A.	9 565 686	3.3%	3.3%
Caceis Bank	8 061 534	2.8%	2.8%
State Street Bank and Trust Comp (Swedbank Robur)	8 002 590	2.7%	2.7%
Skandinaviska Enskilda Banken AB	7 000 000	2.4%	2.4%
Danske Invest Norge Vekst	6 207 098	2.1%	2.1%
Morgan Stanley & Co. Int. Plc.	5 536 352	1.9%	1.9%
Citibank Europe plc	5 371 077	1.8%	1.8%
CCPARTNER AS	4 212 412	1.4%	1.4%
Gjensidige Forsikring ASA	4 023 469	1.4%	1.4%
Verdipapirfondet Storebrand Norge	3 902 320	1.3%	1.3%
J.P. Morgan SE	3 628 482	1.2%	1.2%
MP Pensjon PK	2 996 230	1.0%	1.0%
Cloudberry Clean Energy ASA[1]	2 502 000	0.9%	0.9%
Other	74 351 423	25.5%	25.5%
Total number of shares	**291 370 104**	**100.0%**	**100.0%**

[1] Fotnote?

Note 12 Short term debt and provisions

NOK 1 000	2023	2022
Interest-bearing short term liabilities	-	56 932
Trade creditors	2 286	14 036
Accrued salary and bonus	8 560	8 808
Public duties payable	1 695	1 251
Other	4 299	726
Total short term debt provisions	**16 839**	**81 753**

Note 13 Earnings per share

Earnings per share is calculated as profit/(loss) attributable to the equity holders of the Company divided by the number of shares outstanding.

Diluted earnings per share is affected by the warrant program for equity settled share-based payments transactions, see note 4 Employee benefits

NOK 1 000	2023	2022
Profit/(loss) attributable to the equity holders of the company	94 642	22 511
Wheighted average number of shares outstanding for the purpose of basic earnings per shaer	291 342 409	253 292 752
Earnings per share for income attributable to the equity holders of the company - basic NOK	0.32	0.09
Effect of potential dilutive shares		
Wheighted average number of shares outstanding for the purpose of diluted earnings per share	291 917 409	254 067 752
Earnings per share for income attributable to the equity holders of the company - diluted NOK	0.32	0.09

For information about share capital at 31 December see note 11 Equity capital, share capital and shareholder information.

Note 14 Intercompany items between companies in the same group

The Company has the following balance sheet item related to group companies

NOK 1 000	2023	2022
Receivabls		
Loans to companies in the same group	609 715	508 907
Other short-term receivables within the group	189 611	348 113
Total	**799 326**	**857 020**
Liabilities		
Other short-term liabilities within the group	-	56 931
Total	**-**	**56 931**

As per 31 December there were no employee or shareholder loans.

Note 15 Subsequent events

There are no material events subsequent to 31 December 2023 per reporting date.

Responsibility statement

We declare to the best of our knowledge that

- the Cloudberry Clean Energy ASA consolidated financial statements for 2023 have been prepared in accordance with IFRS and IFRICs as adopted by the European Union, and additional Norwegian disclosure requirements in the Norwegian Accounting Act, and that
- the financial statements for the parent company, Cloudberry Clean Energy ASA, for 2023 have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting practice in Norway, and that
- the information presented in the financial statements gives a true and fair view of the assets, liabilities, financial position and results for Cloudberry Clean Energy ASA and the Cloudberry Group for the period as a whole, and that
- the Board of Directors' Report includes a true and fair view of the development, performance and financial position of Cloudberry Clean Energy ASA and the Cloudberry Group, together with a description of the principal risks and uncertainties that they face

Oslo, 19 March 2024

The Board of Directors of Cloudberry Clean Energy ASA

Tove Feld Chair of the Board	**Petter W. Borg** Board member	**Benedicte Fossum** Board member	**Henrik Joelsson** Board member
Nicolai Nordstrand Board member	**Stefanie Witte** Board member	**Alexandra Koefoed** Board member	**Anders J. Lenborg** CEO

Alternative performance measures

The alternative performance measures (abbreviated APMs) that hereby are provided by Cloudberry are a supplement to the financial statements that are prepared in accordance with IFRS. This is based on the Group's experience that APMs are frequently used by analysts, investors, and other parties for supplement information.

The purpose of the APMs, both financial and non-financial, is to provide an enhanced insight to the operations, financing, and future prospect for the Group. Management also uses these measures internally for key performance measures (KPIs). They represent the most important measures to support the strategy goals. Financial APMs should not be considered as a substitute for measures of performance in accordance with IFRS. APMs are calculated consistently over time and are based on financial data presented in accordance with IFRS and other operational data as described below. The Group uses the following financial APMs:

Financial APMs

Measure	Description	Reason for including
EBITDA	EBITDA is net earnings before interest, tax, depreciation, amortisation & impairments.	Shows performance regardless of capital structure, tax situation or effects arising from different depreciation methods. Management believes the measurement enables an evaluation of operating performance.
EBIT	EBIT is net earnings before interest and tax.	Shows performance regardless of capital structure and tax situation. Management believes the measurement enables an evaluation of operating performance.
Net interest-bearing debt (NIBD)	Net interest-bearing debt is interest-bearing debt, less cash and cash equivalents. IFRS 16 leasing liabilities are not included in the net interest-bearing debt.	Shows the interest-bearing debt position of the company adjusted for the cash position. Management believes the measure provides an indicator of net indebtedness and risk.
Equity ratio	Equity ratio equals total equity divided by total assets	Shows the equity relative to the assets. Management believes the measurement enables an evaluation the financial strength and an indicator of risk.

Reconcilliation of financial APMs (consolidated figures)

NOK million	FY 2023	FY 2022
EBITDA	263	151
EBIT	37	116
Equity ratio	69%	82%
Net interest bearing debt (NIBD)	806	(1 200)

NOK million	FY 2023	FY 2022
Non-current Interest-bearing loans and borrowings	1 507	327
Current interest-bearing financial liabilities	78	12
Cash and cash equivalent	(779)	(1 538)
Net interest bearing debt (NIBD)	806	(1 200)

NOK million	FY 2023	FY 2022
Operating profit (EBIT)	37	116
Depreciations and amortizations	225	35
EBITDA	263	151

Reconcilliation of financial APMs (proportionate figures)

NOK million	FY 2023	FY 2022
Interest bearing debt	2 098	926
Cash and cash equivalent	(797)	(1 587)
Net interest bearing debt (NIBD)	1 301	(661)

NOK million	FY 2023	FY 2022
Total revenue	711	646
Operating expenses	(310)	(265)
EBITDA	401	381

Proportionate Financials

The Group's segment financials are reported on a proportionate basis.

The Group introduces Proportionate Financials, as the Group is of the opinion that this method improves transparency and earnings visibility, and also aligns with internal management reporting.

The key differences between the proportionate and the consolidated IFRS financials are that all entities are included with the Group respective ownership share:

- Associated companies (ownership between 20%-49%) or joint ventures (ownership 50%) are included in the financial accounting lines, the profit or loss statement and share of assets and net debt, with the respective proportionate ownership share. In the consolidated financials associated companies and joint ventures are consolidated with the equity method.
- Subsidiaries that have non-controlling interests (ownership between 50%-99%) are presented with only the Group controlled ownership share, while in the consolidated financials they are included with 100%.
- Group internal revenues, expenses and profits are eliminated in the consolidated financial statements, while in the proportionate financials, internal revenue and expenses, are retained.
- Proportionate interest-bearing debt and NIBD does not include shareholder loans

From the consolidated IFRS reported figures, to arrive at the proportionate figures for the respective periods the Group has:

"Other eliminations group":

- Added back eliminated internal profit or loss items and internal debt and assets.

"Elimination of equity accounted entities":

- Replaced the equity accounted net profit from associated companies in the period. / Replaced the investment in shares in associated companies including historical share of profit or loss (asset value) with balance sheet items.
- Reclassified excess value items included in the equity method to the respective line in the Profit or loss statement, and in the balance sheet.
- Included the proportionate share of the line in the profit or loss statement items (respectively: revenues, operating expenses, depreciations and amortizations and net finance items) and the balance sheet items (total assets, interest bearing debt and cash) for the respective associated company.

"Residual ownership":

- Excluded residual ownership share related to non-controlling interest in the respective accounting lines.

The tables below reconcile the consolidated Group figures with the proportionate financial for the periods FY 2023 and FY 2022:

FY 2023

NOK million	Total Consolidated	Other eliminations group	Proportionate share of line items ass. comp.	Residual ownership fully consolidated entitied	Total proportionate
Total revenue	610	22	159	(80)	711
Operating expenses ex depreciations and amortisations	(276)	(20)	(75)	61	(310)
Net income/(loss) from associated companies	(72)	-	72	-	-
EBITDA	263	1	156	(19)	401
Depreciation and amortisation	(225)	-	(116)	69	(272)
Operating profit (EBIT)	37	1	40	50	128
Net financial items	185	-	(25)	2	162
Profit/(loss) before tax	222	1	15	52	291
					-
Total assets	6 691	264	723	(315)	7 363
Interest bearing debt	1 585	-	626	(112)	2 098
Cash	779	-	80	(62)	797
Net interest bearing debt (NIBD)	806	-	546	(50)	1 302

FY 2022

NOK million	Total Consolidated	Other eliminations group	Proportionate share of line items ass. comp.	Residual ownership fully consolidated entitied	Total proportionate
Total revenue	217	218	254	(43)	646
Operating expenses ex depreciations and amortisations	(186)	(25)	(94)	40	(265)
Net income/(loss) from associated companies	120	-	(120)	-	-
EBITDA	151	193	40	(3)	381
Depreciation and amortisation	(35)	-	(18)	5	(48)
Operating profit (EBIT)	116	193	22	2	333
Net financial items	6	-	10	(2)	14
Profit/(loss) before tax	122	193	32	1	348
Total assets	4 603	695	595	(23)	5 870
Interest bearing debt	339	-	591	(4)	926
Cash	1 538	-	122	(73)	1 587
Net interest bearing debt (NIBD)	(1 200)	-	469	69	(661)

Non-financial APMs

Measure	Description	Reason for including
Power Production	Power delivered to the grid over the defined time period (one year). Units are measured in GWh. Example A typical 4 MW turbine produces 3 000 full-load hours during a year. 4 MW x 3 000 hours = 12 000 MWh or 12 GWh. For illustration, according to the International Energy Agency[1] ("IEA") the electrical power consumption per capita in Europe is approximately 6 MWh per year. For power production estimates it is used normalized annual level of power production (GWh). This may deviate from actual production within a single 12-month period but is the best estimate for annual production over a period of several years. Defined as "Normalized production".	Shows Cloudberry's total production in GWh for the full year including the proportionate share of the production from Cloudberry's associated companies.
Production & under construction, secured	At the time of measure, the estimated power output of the secured production and under construction portfolio. The measure is at year-end. Units are measured in MW.	Shows Cloudberry's total portfolio of secured projects that are either producing or under construction.
Construction Permits	At the time of measure, the estimated total power output to be installed in projects with construction permit. Construction Permit is at the stage when concession has been granted, but before a final investment decision has been made. The measure is at year-end. Units are measured in MW.	Shows Cloudberry's total portfolio of projects with construction permit.
Backlog	At the time of measure, the estimated total effect to be installed related to projects that are exclusive to the Group and in a concession application process. The measure is at year-end. Units are measured in MW	Shows Cloudberry's portfolio of project where Cloudberry has an exclusive right to the projects. The projects are still under development.
Direct emissions	Measure in tons of CO2 equivalents. The use of fossil fuels for transportation or combustion in owned, leased or rented assets. It also includes emission from industrial processes.	Shows Cloudberry's direct emissions (Scope 1, GHG emissions) for the full year.
Indirect emissions	Measure in tons of CO2 equivalents. Related to purchased energy; electricity and heating/cooling where the organisation has operational control. The electricity emission factors used are based on electricity production mixes from statistics made public by the IEA. Emissions from value chain activities are a result of the Group's upstream and downstream activities, which are not controlled by the Group. Examples are consumption of products, business travel, goods transportation and waste handling.	Shows Cloudberry's indirect emissions (Scope 2 and Scope 3, GHG emissions) for the full year.
CO_2 reduction	Refers to the reduction of greenhouse gas emissions relative to baseline emissions from the European electricity mix (EU-27 electricity mix, IEA 2020[2]).	Shows Cloudberry's reduction of greenhouse gases for the full year relative to the European Electricity mix after the direct and indirect emissions from Cloudberry's operation is subtracted

[1] https://www.iea.org/data-and-statistics/?country=WEOEUR&fuel=Energy%20consumption&indicator=ElecConsPerCapita (accessed 14 June 2021).

[2] https://www.iea.org/data-and-statistics/charts (accessed 6 May 2021).

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Statsautoriserte revisorer
Ernst & Young AS

Stortorvet 7, 0155 Oslo
Postboks 1156 Sentrum, 0107 Oslo

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Cloudberry Clean Energy ASA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Cloudberry Clean Energy ASA (the Company), which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company comprise the statement of financial position as at 31 December 2023 and the statement of profit or loss, and the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The consolidated financial statements of the Group comprise the statement of financial position as at 31 December 2023, the statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable legal requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway,
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 4 years from the election by the general meeting of the shareholders on 18 June 2020 for the accounting year 2020.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Business Combination and Purchase Price Allocation

Basis for the key audit matter
During 2023 the Company has finalized acquisition of the Odin Portfolio as disclosed in note 5 – Business Combinations. The acquisition is accounted for as described in note 2 in sections Basis and Principles for Consolidation and Note 5 - Business Combinations.

In relation to the acquisition, the Company has assessed whether the transaction resulted in an acquisition of assets or a business in line with IFRS 3, allocated purchase price, and determined the date from when control is transferred to the Company. The purchase price allocation, the valuation and identification of net fair value of identifiable assets and liabilities, and the assumptions used in the allocation of the purchase price require significant judgement by management.

The business combination and related purchase price allocation is considered a key audit matter due to the significant judgment and assumptions involved in these assessments.

Our audit response
As part of our audit procedures, we obtained an understanding of the acquisition, the agreements in place in relation to the acquisition, the valuation process, the valuation methods used to determine purchase price allocations, the determination of the date from when control is transferred to the company, and the consideration of whether assets were acquired or a business. In addition, we assessed the design and implementation of controls and the competence and capability of management.

We further reviewed the share purchase agreement, tested assumptions and amounts in the valuations to underlying supporting documentation or external evidence where applicable, and challenged management on the assumptions within the purchase price allocation.

We evaluated the identification of net fair value of identifiable assets and liabilities and the principles used for recognition and allocation of the purchase price. As part of evaluation of the principles used, we obtained an understanding that the principles are in accordance with the description in note 2 – General Accounting Policies and Principles. We evaluated the presentation of the Company's disclosures in note 5 – Business Combinations of the 2023 consolidated financial statements.

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Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the general manager) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report, the corporate governance report, the responsibility statement and the sustainability report contains the information required by legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, board of directors' report, the corporate governance report, the responsibility statement and the sustainability report are consistent with the financial statements and contains the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Cloudberry Clean Energy ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name Cloudberry-2023-12-31-en.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF Regulation.

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Management's responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation. We conduct our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

As part of our work, we perform procedures to obtain an understanding of the company's processes for preparing the financial statements in accordance with the ESEF Regulation. We test whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 19 March 2024
ERNST & YOUNG AS

Asbjørn Ler
State Authorised Public Accountant (Norway)

About the report

Principles for reporting

The enclosed Financial Statements and Board of Directors' report, together with the accompanying notes, fulfills Cloudberry Clean Energy ASA's Norwegian statutory requirements for annual reporting.

Regarding our ESG reporting, Cloudberry Clean Energy ASA aims to provide its key stakeholders insight into its ESG management and performance, and the Company strives to be consistent and transparent in this reporting. Cloudberry is preparing for the European Sustainability Reporting Standards (ESRS) required by the Corporate Sustainability Reporting Directive (CSRD) and the report is inspired by the standard. The standard is based on the ESG structure Environment, Social and Governance. Including an updated report on the Company`s performance in implementing the Task Force on Climate-related Financial Disclosures (TCFD).

Design and production: Arttbox AS

Cloudberry Clean Energy ASA
Frøyas gate 15
0273 Oslo, Norway

contact@cloudberry.no
www.cloudberry.no

Cloudberry