Hafslund

Interim report Q1 2025

Introduction

Hafslund is a renewable energy group consisting of three business areas: Power production, with Norway's second largest hydropower business, District heating, which is Norway's largest provider of district heating, and Growth and investments, which brings together the Group's industrial ownership and growth initiatives, including ownership of Eidsiva Energi, which includes Elvia, Norway's largest grid company.

Unless otherwise specified, comparative figures from the corresponding period in the previous year are shown in brackets.

Result and result drivers Q1 2025

- Hafslund had a profit after tax in Q1 2025 of NOK 1,980 million (NOK 1,596 million), representing an increase of NOK 384 million from Q1 2024. Operating profit amounted to NOK 4,532 million, compared to NOK 4,059 million in the corresponding period last year. Hafslund delivers a higher result in Q1 2025 compared to the same period in 2024, despite the decline in power prices in Southern Norway. This is primarily due to high power production and effective production optimisation, as well as a positive change in value of power and currency derivatives.

- The achieved power price was 72 øre per kWh in Q1 2025, down 9 øre per kWh compared to the corresponding period in 2024. The achieved power price is 8 per cent higher than spot price in the production areas and must be viewed in the context of production optimisation and hedging activity and the sale of concessionary power at prices determined by the government.

- Power production has been high at 5.8 TWh, which is 0.7 TWh higher than the corresponding period last year. The production includes 0.1 TWh of wind power. Power production was 13 per cent above normal production for the quarter. District heating sales were 711 GWh (796 GWh) in Q1 2025. This is a decrease of 85 GWh compared to the same period last year, and is due to the fact that the winter of 2025 was significantly milder than 2024, resulting in reduced heating demand in the capital.

- The result in the first quarter is positively affected by unrealised changes in the value of power and currency derivatives, largely driven by changes in the exchange rate between the euro and Norwegian kroner. For the first quarter, the value of the derivatives is recognised at exchange rates as of 31 March. Currently, exchange rates are more volatile than they have been in the past.

- Operating costs, including depreciation, were NOK 1,530 million (NOK 1,437 million). The change is composed of several elements. Costs related to fuel purchases in the district heating business are NOK 105 million lower than in Q1 2024, due to lower produced volume and effective optimisation. Higher fixed costs increase transmission costs to Statnett in the power production business. The acquisition of Tonstad Vindkraft increases operating costs and depreciation compared to Q1 2024. In addition, costs increase as a result of more employees, higher activity and general price increases.

- Profit from associates and joint ventures was NOK 319 million (NOK 224 million). The profit from the ownership in Eidsiva Energi was NOK 311 million (NOK 189 million). The increase in the profit contribution from Eidsiva Energi comes mainly from the grid business Elvia in the form of increased tariff revenues and congestion revenues.

- Net financial items were NOK -169 million (NOK -119 million). The increase is mainly due to higher interest costs as a result of higher interest-bearing debt, as well as a lower foreign exchange gain compared to Q1 2024.

- The first quarter result is usually high compared to other quarters, as demand for electricity, heating and transmission capacity is high during the winter months.

Key figures

NOK million	Q1 2025	Q1 2024	2024
FINANCIAL KEY FIGURES			
Revenues and other income	5,743	5,272	14,172
EBITDA	4,858	4,298	10,321
Operating profit (EBIT)	4,532	4,059	9,130
Underlying operating profit	4,018	4,105	8,721
Profit before tax	4,364	3,940	8,729
Profit after tax	1,980	1,596	3,757
Net interest-bearing debt	11,855	8,734	13,951
-of which subordinated debt	5,421	5,421	5,421
Total assets	98,000	91,974	95,811
Capital employed	66,705	63,577	66,949
Investments in operating assets	421	290	1,502
ROE (%)[1]	8.3%	8.2%	7.8%
ROCE (%)[1]	14.4%	17.4%	13.6%
Net interest-bearing debt/EBITDA (x)	1.1	0.7	1.4
FFO/Net interest-bearing debt (%)[1,2]	37%	-20%	18%
Equity ratio (%)	51%	53%	50%
OTHER KEY FIGURES			
Number of permanent employees	926	839	902
Turnover (voluntary termination)	2.3%	4.0%	2.2%
Number of injuries per million hours worked (H2)[1,3]	6.7	10.0	6.9
Greenhouse gas emissions (Scope 1, 2 and 3) (tCO2e)[4]	257,500	247,800	691,600
Power produced (TWh)	5.8	5.1	19.8
Achieved power price (øre/kWh)	72	81	56
Nordic system price (øre/kWh)	54	74.52	42
Heat sales (GWh)	711	796	1,767

[1] 12 months rolling calculation basis.
[2] The definition of FFO/Net interest-bearing debt has been changed from taking into account interest paid to taking into account net interest paid. This is to better reflect the cash inflow the Group receives from its cash balance.
[3] H2 as of March 2024 is not directly comparable to H2 for 2024 and as of March 2025, as the calculation basis has been adjusted for greater accuracy.
[4] Greenhouse gas emissions are calculated using the market-based method.

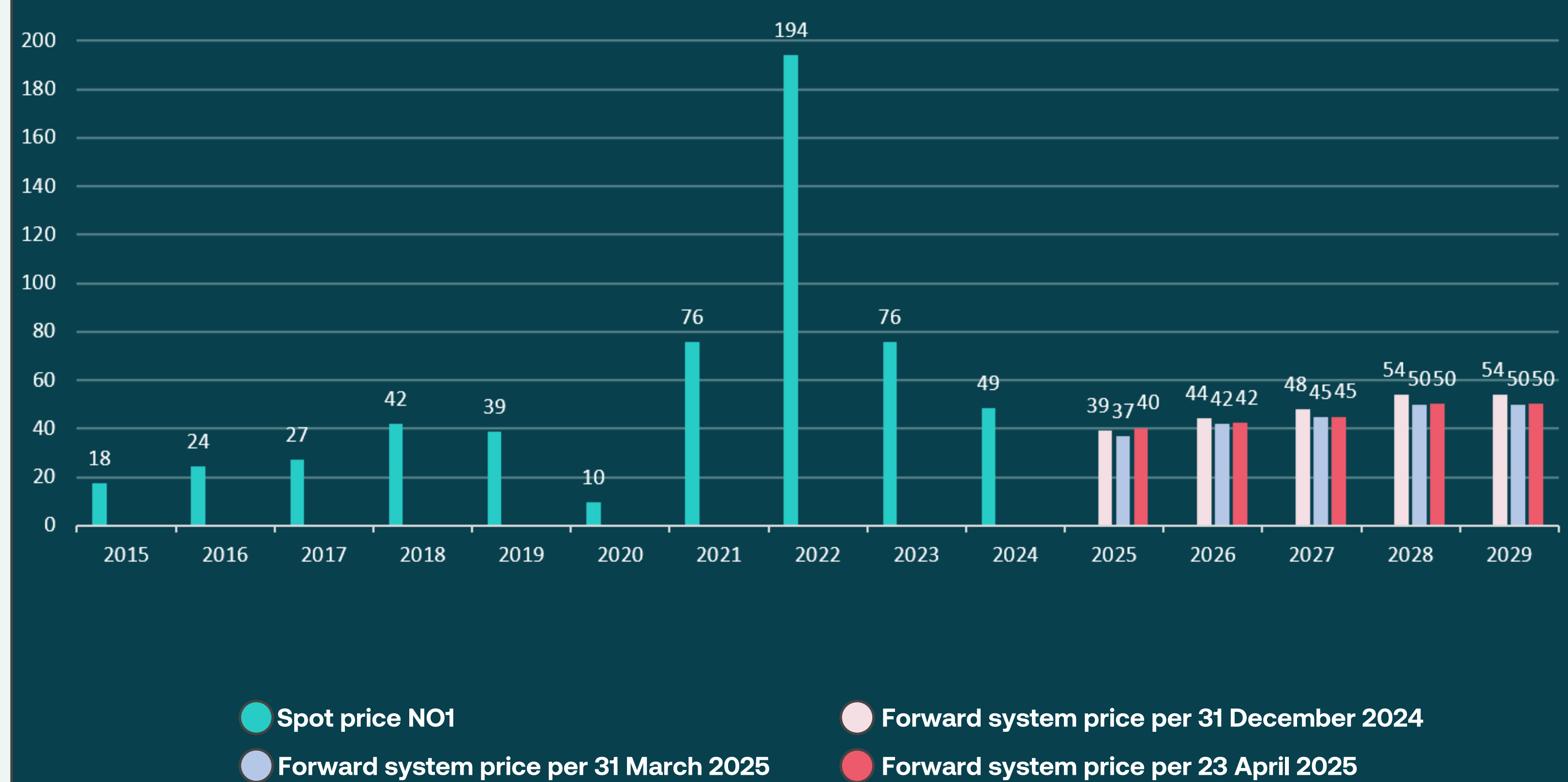
Profit after tax
NOK 1,980 mill.

Achieved power price
72 øre/kWh

Power produced
5.8 TWh

Heat sales
711 GWh

Power price development 2015 - 2029 øre per kWh



Important events in Q1 2025

Investment decision and start of construction for the carbon capture project

Hafslund Celsio has been working to resume construction of the carbon capture facility at the waste incineration plant at Klemetsrud, after the project was put on hold in the spring of 2023 to reduce costs. In January 2025, the board of Hafslund Celsio made the final investment decision for the realisation of the carbon capture project, and the state support agreement and the contract with SLB Capturi and Aker Solutions were signed. The project will reduce fossil CO_2 emissions in Oslo by 19 per cent. Construction began in January, and the project is expected to be operational in Q3 2029.

World's first sale of carbon removal from waste incineration

A key part of the basis for the investment decision for the carbon capture project is the sale of certificates for permanent carbon removal. Negotiations have been ongoing between Hafslund Celsio and the buyer group Frontier throughout Q1 2025, and on 1 April 2025, the parties entered into an agreement for a total of 100,000 tonnes of carbon removal in 2029 and 2030. This is the first known agreement on carbon removal from waste incineration, and Frontier's members are thus contributing to the realisation of the world's first full-scale carbon capture plant from waste incineration.

Acquisition of Sarpsfoss Limited

In January, Hafslund entered into an agreement with Orkla to acquire Sarpsfoss Limited. Sarsfoss Limited owns Borregaard power plant and 50 per cent of Sarp power plant located in Sarpefossen, as well as Mossefossen Kraftverk. The acquisition was approved by the Norwegian Competition Authority and the Ministry of Energy in March, and was completed on 11 April 2025. The acquisition adds 536 GWh to Hafslund's power production. Hafslund will thus consolidate all three power plants in Sarpefossen, which is Northern Europe's largest waterfall for power production.

Important breakthroughs for improving the framework conditions for district heating

The profitability of the district heating business has been challenged in recent years by negative developments in framework conditions. It is therefore positive when proposals are made and measures are taken that will help strengthen district heating and the industry's competitiveness for the future. In March, the government sent a proposal for a new law on the Norwegian Price and electricity subsidies for household customers for consultation. The consultation proposal involves equal treatment of district heating customers with electricity customers, without this being at the expense of district heating companies. In April, the government established changes to the energy label scheme for buildings with rewards for heating solutions that relieve the load on the power system. Compared to the current scheme, buildings that use district heating will be better off when the changes come into force.

Investment decision on Aker heating plant

In March, Hafslund Celsio made an investment decision to build a new heating plant at Aker hospital. After reconstruction, the heating plant will supply 52 MW of district heating and function as a peak load and reserve plant for Aker hospital, the metropolitan emergency room and district heating customers in Groruddalen in Oslo. The government's proposal to treat district heating customers equally with electricity customers in Norgespris was crucial for Hafslund Celsio to make the investment decision. Work is expected to start in April 2026.

Reconstruction of the dam at Braskereidfoss

During the extreme weather event Hans in August 2023, Hafslund experienced enormous amounts of rainfall that created a flood and water intrusion into the Braskereidfoss power plant, which eventually led to the dam breaking. The incident caused major damage to the plant, but no injuries to life or health. In February 2025, Hafslund received the necessary dispensation from the Norwegian Water Resources and Energy Agency (NVE) to rebuild the dam at Braskereidfoss power plant so that there will still be a road over the dam. A new filling dam will now be built 1.6 meters higher than the old one and will have a system for extra safety against malfunction of the flood gates. This means that the dam will now be dimensioned for a water flow equivalent to a thousand-year flood.

Business areas

Power production

NOK million	Q1 2025	Q1 2024	2024
Revenues	4,766	4,221	11,752
EBITDA	4,247	3,846	9,707
Operating profit (EBIT)	4,028	3,713	8,937

The Power production business area had revenues of NOK 4,766 million (NOK 4,221 million) in Q1 2025. The operating profit (EBIT) of NOK 4,028 million (NOK 3,713 million) is an increase of NOK 315 million from last year. Higher operating revenues and operating profit compared to last year are mainly due to high power production and positive value changes on power and currency derivatives, despite lower power prices in Southern Norway.

The achieved power price of 72 øre per kWh in Q1 2025 is down 9 øre per kWh from last year and, in isolation, contributed NOK 418 million to reduced operating profit compared to Q1 2024. The achieved power price is 8 per cent (8 per cent) higher than the spot price in the production areas and must be seen in the context of production optimisation and hedging activities, as well as the sale of concession power at prices determined by the government. Operating income includes a change in value of NOK 334 million (-NOK 123 million) related to financial power and currency derivatives that are measured at market value in profit or loss. The change in value in the first quarter is largely driven by changes in the exchange rate between the euro and Norwegian kroner, in addition to changes in the price curve and loan interest rate. Income from the sale of guarantees of origin was NOK 186 million (NOK 223 million).

Power production of 5.8 TWh, including 0.1 TWh production from Tonstad Vindkraft, is 0.7 TWh higher than last year and, in isolation, contributed NOK 521 million in increased operating profit compared to Q1 2024. Power production was 13 per cent above normal production for the quarter.

Braskereidfoss power plant is out of operation as a result of the storm "Hans" in August 2023. Preliminary assessments indicate that one power station may be in operation during 2026. Braskereidfoss has a normal production of 170 GWh, just under 1 per cent of annual normal production in the business area, of which 27 GWh is normal production for the first quarter.

Operating costs including depreciation were NOK 747 million (NOK 550 million) in Q1 2025. Increased costs from last year must be seen in the context of the fact that operating costs (including depreciation) for Tonstad Vindkraft are included, higher fixed costs for transmission costs to Statnett, more employees, increased activity and general price inflation.

Adjusted for changes in value related to financial power and currency derivatives that are valued at market value in the result, the underlying operating profit was NOK 3,694 million (NOK 3,835 million) in Q1 2025.

Hafslund aims to contribute to increased renewable production and has several projects that can provide new power. Planning for the Hemsil 3 power plant on Gol is in full swing after Hafslund Kraft was granted a licence in 2024. Construction of the Sarp 2 power plant in Sarpefossen is further actualised with the acquisition of the power plants in Sarpsfoss Ltd. A possible development would increase production in Sarpefossen by approximately 184 GWh. A license application was submitted to the NVE in April 2024.

District heating

NOK million	Q1 2025	Q1 2024	2024
Revenues	969	1,044	2,388
EBITDA	380	343	592
Operating profit (EBIT)	276	239	177

In Q1 2025, the operating profit for the district heating business was NOK 276 million, an increase of NOK 37 million compared to the corresponding period in 2024.

District heating sales were 711 GWh (796 GWh) in Q1 2025. This is a decrease of 85 GWh compared to the same period last year, and is due to the fact that the winter of 2025 was significantly milder than 2024, resulting in reduced heating demand in the capital. Power prices, and thus the sales price for district heating, have been at the same level in Q1 2025 as in the same period in 2024. Electricity is also produced from a steam turbine at Klemetsrud. Electricity production was 35 GWh (42 GWh) in Q1 2025.

The district heating business realised a sales margin of 57 per cent in Q1 2025 compared to 49 per cent in Q1 2024. Underlying operations have been good, and good energy optimisation with the utilisation of high price volatility, including through the use of the accumulator tank, has resulted in lower energy costs and a stronger sales margin. In contrast to the winter of 2024, there have also been no extreme cold periods in 2025 that require the most expensive peak-load fuels.

In 2025, other operating costs are somewhat lower than in the same period last year. This is a result of the business's improvement programme. The district heating business is working to improve profitability, which in recent years has been challenged by negative developments in framework conditions (electricity support, increased CO_2 tax, reduced electricity tax). The government's proposals in March and April to equate district heating customers with electricity customers in the Norwegian Price and to equate district heating and heating solutions based on electricity in the energy labelling scheme have contributed to increased optimism about the possibility of operating and developing the district heating business further with profitability. The signals from the government were also crucial for the investment decision in March to build a new heating plant at Aker hospital.

There has been a lot of activity in the district heating business in the first quarter related to the start of work on the realisation of the carbon capture plant at Klemetsrud after the final investment decision in January.

Growth and investments

NOK million	Q1 2025	Q1 2024	2024
Revenues	8	6	23
EBITDA	278	147	192
Operating profit (EBIT)	277	147	190

The Growth and investments business area had revenues of NOK 8 million in Q1 2025 (NOK 6 million). The revenues come from the emphasis on mobile energy solutions, as well as advisory and consulting services provided.

Operating expenses including depreciation for the period amounted to NOK 41 million (NOK 42 million), driven by the activities mentioned above as well as business development and ownership management of affiliated companies.

Profit from associates and joint ventures was NOK 311 million (NOK 182 million). The performance improvement comes from higher delivered results from all Eidsiva Energi business areas. In the grid business Elvia, the operating profit as of Q1 2025 has improved significantly compared to Q1 2024. This can largely be attributed to increased tariff revenues and congestion revenues[5] from Statnett. Elvia did not receive congestion revenues in the Q1 2024. The fluctuations in the results from Elvia will level out over time, given the revenue framework model for grid operations in Norway. Eidsiva Bioenergi and Eidsiva Digital also delivered better results in Q1 2025 compared to Q1 2024. All of Eidsiva's business areas have experienced a positive development from key framework conditions in the first quarter. In addition to the previously mentioned breakthroughs in district heating, it has also been decided that the model for calculating the NVE interest rate will be kept unchanged in the medium term, and there are no plans to regulate broadband operations.

Operating profit in Growth and investments was NOK 277 million in Q1 2025 compared to NOK 147 million in Q1 2024.

Other businesses

NOK million	Q1 2025	Q1 2024	2024
Revenues	1	1	9
EBITDA	-48	-39	-170
Operating profit (EBIT)	-49	-40	-174

Other businesses consist of the parent company Hafslund AS, including the management of Hafslund Hovedgård and group eliminations. The operating profit (EBIT) from other businesses was NOK -49 million (NOK -40 million) in Q1 2025.

[5] *Congestion revenues are revenues that arise when electricity is transferred between price areas with different electricity prices.*

Consolidated balance sheet and equity

At the end of Q1 2025, Hafslund had total assets of NOK 98,000 million (NOK 95,811 million as of 31 December 2024) and capital employed of NOK 67 billion (NOK 67 billion as of 31 December 2024). Increases in bank deposits and liquidity investments as a result of positive cash flows from operations increase total assets in the period.

The Group had net interest-bearing debt including subordinated loans of NOK 12 billion (NOK 14 billion as of 31 December 2024).

At the end of Q1 2025, the Group had an unused credit facility of NOK 3.5 billion (including an overdraft facility of NOK 1 billion), unchanged from 31 December 2024. The Group's overdraft facility of EUR 50 million to cover daily market settlements on Nasdaq OMX was unused at the end of Q1 2025. The Group's loan agreements are without covenants.

In January 2025, S&P published its official rating of Hafslund, A- with a stable outlook. Hafslund already has a rating of A- with a positive outlook from Scope Ratings. The Group aims to maintain a solid "investment grade" rating with financial key figures that support this, including an FFO/debt ratio that exceeds 20 per cent over time.

Outlook

In Q1 2025, the news landscape has been characterised by escalating uncertainty and unpredictability, largely associated with changing signals and measures from the new political administration in the United States. In the course of a few months, policies have been implemented that have disrupted the stability that has characterised the Western world in recent decades. Global tariff wars have consequences for supply chains, cost levels and inflation. Known international lines of cooperation appear uncertain, and the level of tension and threat globally is increasing.

For Norway, cooperation with the rest of Europe will become even more important in the future. The EU is Norway's most important export market for energy. Access to power is critical for the independence and strength of nations and regions. Hafslund's goal is to contribute to a stable supply of renewable energy to society, as a basis for further electrification and climate protection, and as a basis for industrial activity and jobs. The development and operation of renewable power is Hafslund's most important task.

In the future, work will continue to mature several projects that can provide new power, and importantly, capacity that ensures enough power during the hours of highest demand. This will be done as gently as possible, in order to protect nature. The most imminent is the Hemsil 3 hydropower development for which Hafslund has been granted a license (investment decision expected during 2025). Increased use of district heating is an effective and important measure to relieve the load on the electricity grid. Facilitating the utilisation of waste heat, including through the adoption of improved framework conditions for the district heating industry, will reduce the need for costly expansion of the electricity grid, and for emergency purposes, ensure heating even if the power system experiences challenges. The development of the carbon capture plant at Klemetsrud will be one of Hafslund's most important projects in the coming years, and will ensure that Oslo can handle its own waste in the future and utilise the waste heat into the district heating grid without emissions.

In the future, Hafslund will focus even more on efficient resource utilisation. In a more unpredictable world where it can be assumed that the cost level for operation and development will increase, it is natural to prioritise even harder. An increased level of tension and threat makes critical infrastructure particularly vulnerable. Work on security and emergency preparedness will also be very important for Hafslund in the coming period.

Hafslund will contribute to long-term growth and value creation, while maintaining stable returns, dividends to the owner, the City of Oslo, and financial robustness through unpredictable times.

Hafslund AS

Oslo, 9 May 2025

The Board of Directors

Consolidated statement of comprehensive income

NOK million	Q1 2025	Q1 2024	2024
Sales revenue	5,277	5,149	13,395
Other gains/losses	416	86	580
Other operating revenue	50	36	196
Revenues and other income	**5,743**	**5,272**	**14,172**
Energy purchases and transmission costs	-490	-559	-1,254
Salary and other personnel costs	-357	-305	-1,221
Property tax and other imposed costs and compensations	-164	-150	-762
Other operating costs	-194	-184	-970
Profit/loss from associates and joint ventures	319	224	356
EBITDA	**4,858**	**4,298**	**10,321**
Depreciation and amortisation	-325	-239	-1,191
Operating profit (EBIT)	**4,532**	**4,059**	**9,130**
Interest income	111	101	356
Interest expense	-287	-262	-1,104
Other finance income/costs	7	42	347
Net financial items	**-169**	**-119**	**-401**
Profit before tax	**4,364**	**3,940**	**8,729**
Income taxes	-2,383	-2,344	-4,972
Profit after tax	**1,980**	**1,596**	**3,757**
PROFIT ATTRIBUTABLE TO			
Owners of the parent company	1,583	1,276	2,955
Non-controlling interests	397	320	802

NOK million	Q1 2025	Q1 2024	2024
ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS			
Hedging reserve	122	794	890
Income tax effects	-111	-289	-337
Translation differences on associates and joint ventures	3	-	9
Total items that may be reclassified to profit or loss in subsequent periods	**14**	**505**	**562**
ITEMS THAT MAY NOT TO BE RECLASSIFIED TO PROFIT OR LOSS			
Actuarial gains (losses) on defined benefit plans	-	-	169
Income tax effects	-	-	-98
Actuarial gains (losses) on defined benefit plans in associates and joint ventures	-	-	112
Total items that may not to be reclassified to profit or loss	**-**	**-**	**183**
Other comprehensive income	**14**	**505**	**745**
Total comprehensive income	**1,994**	**2,101**	**4,502**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO			
Owners of the parent company	1,594	1,660	3,554
Non-controlling interests	400	441	948

Consolidated statement of financial position

NOK million	Note	31.03.2025	31.03.2024	31.12.2024
ASSETS				
Deferred tax assets		181	187	181
Intangible assets		41,506	37,621	41,548
Property, plant and equipment		29,851	27,665	29,693
Right-of-use assets		299	301	312
Associates and joint ventures		11,458	10,777	11,158
Non-current financial derivatives		828	736	756
Other non-current receivables		1,680	1,441	1,637
Non-current assets		**85,803**	**78,729**	**85,285**
Inventory		46	53	60
Trade receivables		578	617	669
Other interest-bearing current receivables		486	586	496
Other non-interest-bearing current receivables		621	992	653
Current financial derivatives		191	299	341
Cash and cash equivalents		10,275	10,697	8,306
Current assets		**12,197**	**13,245**	**10,525**
Assets		**98,000**	**91,974**	**95,811**

NOK million	Note	31.03.2025	31.03.2024	31.12.2024
EQUITY AND LIABILITIES				
Paid-in capital		23,594	23,594	23,594
Other equity		15,705	14,821	14,113
Non-controlling interests		10,450	10,246	10,223
Equity		**49,749**	**48,661**	**47,930**
Non-current interest-bearing debt	3	18,997	15,289	18,498
Lease liabilities		261	263	269
Deferred tax liabilities		11,505	10,705	11,295
Pension liabilities		43	29	46
Non-current financial derivatives		59	16	176
Other liabilities		5,523	2,645	5,806
Non-current liabilities		**36,388**	**28,947**	**36,089**
Trade payables		282	427	462
Lease liabilities		51	49	55
Other current non-interest-bearing liabilities		2,707	2,637	1,777
Taxes payable		5,101	6,182	5,068
Current financial derivatives		14	249	60
Current interest-bearing debt	3	3,708	4,822	4,369
Current liabilities		**11,863**	**14,367**	**11,792**
Equity and liabilities		**98,000**	**91,974**	**95,811**

Consolidated statement of cash flows

NOK million	Note	Q1 2025	Q1 2024	2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		**4,364**	**3,940**	**8,729**
Adjustments from:				
Depreciations, amortisations and impairments		325	239	1,191
Gains/losses from divestments of assets		-	2	87
Accrual of long-term contracts		-5	-	-9
Profit/loss from associates and joint ventures		-319	-224	-356
Unrealised changes in derivatives		-334	93	60
Changes in inventories		14	11	5
Changes in trade receivables and other non-interest-bearing receivables		222	115	343
Changes in trade payables and other non-interest-bearing liabilities		487	200	-437
Net settlement of futures contracts		20	452	544
Net financial items		169	119	401
Other non-cash income and expenses		-19	-19	-80
Cash flows from operating activities		**4,924**	**4,927**	**10,477**
Taxes paid		-2,252	-3,577	-7,117
Net cash flows from operating activities		**2,672**	**1,350**	**3,360**

NOK million	Note	Q1 2025	Q1 2024	2024
CASH FLOWS FROM INVESTING ACTIVITIES				
Investments in property, plant and equipment		-421	-290	-1,502
Cash paid through share issue to associates and joint ventures		-7	-144	-373
Cash paid for shares in new subsidiaries and associates and joint ventures		-	-	-1,033
Dividend received from associates and joint ventures		98	87	719
Cash received upon sale of shares in subsidiaries and associates and joint ventures		3	-	724
Interest received		111	101	356
Other investment activities		30	-24	39
Cash flows from investing activities		**-186**	**-270**	**-1,071**
CASH FLOWS FROM FINANCING ACTIVITIES				
Loan proceeds	3	1,000	-	6,746
Loan repayments	3	-1,146	-480	-6,068
Dividends paid		-137	-77	-3,824
Interest paid		-242	-238	-1,070
Other financing activities		24	119	-7
Cash flows from financing activities		**-501**	**-677**	**-4,223**
Changes in cash and cash equivalents		**1,984**	**403**	**-1,934**
Cash and cash equivalents at 1 January		8,306	10,239	10,239
Currency exchange rate effects on cash and cash equivalents		-15	56	1
Cash and cash equivalents at end of period		**10,275**	**10,697**	**8,306**

Note 1 Basis for preparation

The interim consolidated financial statements for Q1 2025 are a simplified report, and have not been prepared in accordance with the requirements of IAS 34. The preliminary financial statements do not include complete information nor disclosures that are required for annual financial statements in accordance with IFRS® Accounting Standards as adopted by the EU. Consequently, this report should be read in conjunction with the Group's consolidated financial statements of 2024. The financial statements for Q1 2025 have been prepared applying the same accounting policies and estimation methods described in the consolidated financial statements of 2024.

The consolidated financial statements per Q1 2025 have not been audited. All amounts are stated in NOK million unless otherwise stated.

New standards that have entered into force on 1 January 2025 have had no material impact on the consolidated financial statements

Note 2 Segment information

Operating segments are reported according to the same structure as the management reporting to the Group`s top decision maker - the Group management. The Group has three operating segments; Power Production, District heating, and Growth and investments. In addition to the operating segments, the segment reporting includes Other businesses, consisting of Group eliminations and parts of the Group that are not included in the other segments.

For more detailed information about segments in the Group, please refer to note 2.1 in the consolidated financial statements 2024.

Note 2 Segment information

(cont.)

NOK million	Power production Q1 2025	Power production Q1 2024	Power production 2024	District heating Q1 2025	District heating Q1 2024	District heating 2024[6]	Growth and investments Q1 2025	Growth and investments Q1 2024	Growth and investments 2024	Other businesses Q1 2025	Other businesses Q1 2024	Other businesses 2024	Group Q1 2025	Group Q1 2024	Group 2024
Sales revenues	4,312	4,127	11,047	966	1,022	2,349	-	-	-	-	-	-	5,277	5,149	13,395
Other gains/losses	415	80	600	1	6	-21	-	-	-	-	-	-	416	86	580
Other operating revenue	39	14	105	2	16	60	8	6	23	1	1	9	50	36	196
Revenues and other income	**4,766**	**4,221**	**11,752**	**969**	**1,044**	**2,388**	**8**	**6**	**23**	**1**	**1**	**9**	**5,743**	**5,272**	**14,172**
Energy purchases and transmission costs	-74	-39	-251	-414	-519	-997	-1	-1	-6	-	-	-	-490	-559	-1,254
Salary and other personnel costs	-205	-169	-671	-82	-81	-317	-25	-25	-93	-46	-30	-139	-357	-305	-1,221
Property tax and other imposed costs and compensations	-164	-149	-757	-	-1	-4	-	-	-	-	-	-1	-164	-150	-762
Other operating costs	-86	-59	-391	-92	-100	-475	-14	-15	-62	-2	-10	-42	-194	-184	-970
Profit/loss from associates and joint ventures	9	42	25	-	-	-2	311	182	330	-	-	3	319	224	356
EBITDA	**4,247**	**3,846**	**9,707**	**380**	**343**	**592**	**278**	**147**	**192**	**-48**	**-39**	**-170**	**4,858**	**4,298**	**10,321**
Depreciation and amortisation	-219	-133	-770	-104	-103	-415	-1	-1	-2	-1	-1	-4	-325	-239	-1,191
Operating profit (EBIT)	**4,028**	**3,713**	**8,937**	**276**	**239**	**177**	**277**	**147**	**190**	**-49**	**-40**	**-174**	**4,532**	**4,059**	**9,130**
Interest income	106	110	363	8	7	30	3	3	13	-6	-19	-50	111	101	356
Interest expense	-198	-179	-720	-80	-91	-355	-86	-86	-356	77	94	328	-287	-262	-1,104
Other finance income/costs	33	38	-31	-2	-9	412	-20	-16	-30	-4	30	-4	7	42	347
Net financial items	**-60**	**-32**	**-389**	**-74**	**-93**	**87**	**-102**	**-99**	**-374**	**67**	**105**	**274**	**-169**	**-119**	**-401**
Profit before tax	**3,968**	**3,680**	**8,549**	**203**	**146**	**265**	**174**	**48**	**-184**	**18**	**66**	**100**	**4,364**	**3,940**	**8,729**
Income taxes	-2,340	-2,276	-4,978	-45	-35	22	25	-	102	-23	-33	-118	-2,383	-2,344	-4,972
Profit after tax	**1,628**	**1,404**	**3,571**	**158**	**112**	**286**	**199**	**48**	**-82**	**-5**	**32**	**-18**	**1,980**	**1,596**	**3,757**

[6] *The result includes a gain from the sale of the Hafslund Fiber business amounting to 419 million NOK (Other financial income/expenses).*

Note 3 Interest-bearing debt

As of 31 March 2025, Hafslund had interest-bearing debt of NOK 22,705 million, of which NOK 3,708 million was short-term. In Q1 2025, the Group repaid loans of NOK 1,146 million and secured new loans of NOK 1,000 million. Other movements are due to currency effects when converting loans in foreign currency to Norwegian kroner.

The Group has three subordinated loans from CCS Finansiering AS, including a subordinated loan of NOK 2,075 million maturing in 2042. This loan is different from the other two loans as the debtor can make a claim for payment of an extraordinary instalment corresponding to any payment obligation that the City of Oslo or CCS Finansiering AS has in connection with the external financing of the CCS project. For this reason, the loan is classified as a short-term loan. In the comparative figures for Q1 2024, the classification of the loan has been reclassified from long-term to short-term interest-bearing debt.

Note 4 Events after the reporting period

Acquisition of Sarpsfoss Limited from Orkla ASA

In January 2025, Hafslund AS and Svartisen Holding AS entered into an agreement with Orkla ASA to acquire 90 per cent and 10 per cent of Sarpsfoss Limited, respectively. Sarpsfoss Limited has a 50 per cent ownership interest in Sarp power plant, as well as 100 per cent ownership in Borregaard power plant and Mossefossen power plant. The total average annual production is 536 GWh.

The transaction was completed on 11 April 2025 when Hafslund AS and Svartisen Holding AS acquired the shares in Sarpsfoss Limited from Orkla ASA. The acquisition will be accounted for in the second quarter of 2025.

Definitions and alternative performance measures

Measure	Definition
EBITDA	Operating profit/loss + depreciation
Net interest-bearing debt	Gross interest-bearing debt - interest-bearing receivables - bank deposit - money market funds
Capital employed	Equity + net interest-bearing liabilities + Tax payable
ROE	Profit after tax[7] / Equity
ROCE	Operating profit[7] / Capital employed
Debt/EBITDA	Net interest-bearing debt / EBITDA[7]
FFO/Debt[8]	(EBITDA[7] - net interest paid[7] - taxes paid[7]) / Net interest-bearing debt
Power production	Total production in power plants and waste incineration, in TWh
Achieved power price	Power production sold in spot market, industrial contracts and concessionary power, and realised results from financial power hedging
Heat sales	Total district heating and cooling volumes sold, in GWh
Underlying results	Result adjusted for non-recurring items and unrealised changes in value

NOK million	31.03.2025	31.03.2024	31.12.2024
GROSS AND NET INTEREST-BEARING DEBT			
Long-term interest-bearing debt	18,997	15,289	18,498
Value change loan portfolio	129	109	129
Short-term interest-bearing debt	3,708	4,822	4,369
Gross interest-bearing debt incl subordinated debt	**22,835**	**20,220**	**22,997**
Cash and cash equivalents	10,275	10,697	8,306
Other long-term interest-bearing receivables	704	789	740
Net interest-bearing debt	**11,855**	**8,734**	**13,951**
CAPITAL EMPLOYED			
Equity	49,749	48,661	47,930
Net interest-bearing debt	11,855	8,734	13,951
Taxes payable	5,101	6,182	5,068
Capital employed	**66,705**	**63,577**	**66,949**

[7] 12 months rolling calculation basis.
[8] The definition of FFO/Debt has been changed from taking into account interest paid to taking into account net interest paid. This is done to better reflect the cash inflow the Group receives from its cash balance.

Alternative performance measures

(cont.)

NOK million	Q1 2025	Q1 2024	2024
UNDERLYING PROFIT			
Operating profit (EBIT)	4,532	4,059	9,130
Value changes in power price and foreign exchange contracts[9]	-141	93	-72
Value adjustments on financial liabilities related to power production	-193	-	131
Result share Eidsiva Energi - higher or lower revenue after tax	-180	-47	-50
Sale of Hafslund Fiber			-419
Underlying operating profit	**4,018**	**4,105[10]**	**8,721**
Profit after tax	1,980	1,596	3,757
Value changes and one-offs operating profit	-514	46	-409
Tax effects adjustments and one-offs	-91	70	61
Underlying profit after tax	**1,375**	**1,712**	**3,409**
ROCE			
Operating profit (EBIT)	9,604	11,062	9,130
Capital employed	66,705	63,577	66,949
ROCE / return on capital employed	**14.4%**	**17.4%**	**13.6%**
ROE			
Profit after tax	4,141	3,988	3,757
Equity	49,749	48,661	47,930
ROE / return on equity	**8.3%**	**8.2%**	**7.8%**

NOK million	Q1 2025	Q1 2024	2024
DEBT / EBITDA			
Net interest-bearing debt	11,855	8,734	13,951
EBITDA	10,881	12,337	10,321
DEBT / EBITDA	**1.1**	**0.7**	**1.4**
FFO / DEBT			
EBITDA	10,881	12,337	10,321
Net interest paid	-707	-730	-714
Taxes paid	-5,792	-13,362	-7,117
Net interest-bearing debt	11,855	8,734	13,951
FFO / debt	**37%**	**-20%**	**18%**

[9] The line item "Fair value adjustment financial power obligations" from previous reporting has been merged with "Value changes in power price and foreign exchange contracts" to provide a more accurate representation of the effects.

[10] The figure deviates from the underlying operating profit reported for Q1 2024 due to the following adjustments: (1) an increase of NOK 412 million under "Value changes in power price and foreign exchange contracts" to ensure comparability between reporting periods, and (2) a reduction of NOK 10 million related to the result from Eidsiva Energi.

Hafslund

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