

Orrön Energy announces strategic transaction to create a leading Nordic IPP

Orrön Energy AB (“Orrön Energy” or “the Company”) is pleased to announce that it has entered into an agreement with Cloudberry Clean Energy ASA (“Cloudberry”) to combine the Company’s Nordic renewable energy platform and organisation, excluding the Karskröv windfarm, with Cloudberry (the “Transaction”), creating a leading Nordic independent power producer (“IPP”). As consideration for the Transaction, Orrön Energy will receive 27.01 percent of the shares in the enlarged Cloudberry, becoming its largest shareholder. In addition, loan balances and accrued interest of approximately MEUR 93 as of year-end 2025 will be settled or assumed by Cloudberry, and Orrön Energy will receive MEUR 4.2 in cash. Orrön Energy will take an active role in Cloudberry’s future growth through Board representation, bringing Orrön Energy’s and the Lundin Group’s experience of value creation into the combined entity. Orrön Energy will continue to own the Karskröv windfarm and its large-scale European development business, consisting of data centres, solar and battery projects.

This combination of complementary assets and capabilities establishes a leading Nordic IPP in Cloudberry, with Orrön Energy’s significant ownership providing its shareholders with continued exposure to Nordic power markets through a larger and more diversified IPP. Cloudberry is a renewable energy company, listed on the Oslo Børs, which owns, operates and develops wind, hydro, solar and battery projects across the Nordics. Since inception, Cloudberry has successfully scaled its business, delivering consistent year-on-year growth, and established a diversified portfolio of assets. This latest Transaction marks a step-change in scale for Cloudberry, increasing the annual proportionate power generation to approximately 2.1 TWh, representing more than a doubling of Cloudberry’s production compared to the end of 2025.

Transaction highlights

- The Transaction creates a leading Nordic IPP by combining Orrön Energy’s Nordic renewable energy platform and organisation, excluding the Karskröv windfarm, with Cloudberry’s platform for a combination of cash and shares
- Orrön Energy becomes the largest shareholder in Cloudberry with a 27.01 percent shareholding, Board representation, and will take an active role in future growth, leveraging the strong industrial expertise and track record of value creation from the Lundin Group of Companies
- Orrön Energy will receive shares representing 27.01 percent of the total number of shares and votes in Cloudberry, and MEUR 4.2 in cash as compensation for cash balances and working capital. Outstanding loan balances and accrued interest of approximately MEUR 93 as at year-end 2025 will be settled or assumed by Cloudberry at closing
- Orrön Energy expects to have close to zero net debt at closing, with a committed MEUR 50 debt facility in place to support future growth
- Orrön Energy will continue to own its European development business, which offers significant growth potential and cash flow from its large-scale pipeline of solar, battery, and data centre projects
- Orrön Energy will retain the high-quality Karskröv wind farm, with around 290 GWh average annual production in the SE4 price area, delivering long-term cash flows

Daniel Fitzgerald, CEO of Orrön Energy comments;

“This is a compelling transaction for both companies that combines highly complementary assets to create a fantastic platform for continued growth in Cloudberry as a leading Nordic IPP. The enlarged platform will be more diversified and well positioned to create long-term value, where we will take an active role as the largest shareholder, including Board representation, to support Cloudberry’s next phase of growth. For Orrön Energy’s shareholders, the transaction creates four clear pillars of value: a significant shareholding in an enlarged Cloudberry platform, continued ownership of our European development business with attractive growth opportunities, long-term cash flows from the high-quality Karskröv asset, and increased financial flexibility as we expect to be in a close to zero net debt position at closing, supported by a EUR 50 million committed credit facility. Together, these elements provide Orrön Energy with a strong foundation to pursue further growth and long-term value creation.”

Anders Lenborg, CEO of Cloudberry comments;

“This transaction is a pivotal milestone for Cloudberry, becoming the leading Nordic IPP and significantly accelerating on our growth strategy. We also welcome a new, experienced industrial shareholder in the Company. By combining two complementary portfolios and teams, we will reduce cost per kWh, strengthen our financing and trading platform and unlock substantial value for shareholders.”

Orrön Energy post Transaction

The Transaction creates four clear value drivers for Orrön Energy’s shareholders:

- a significant strategic shareholding in Cloudberry;
- continued ownership of the European development business;
- long-term cash flows from the high-quality Karskröv asset; and
- increased financial flexibility as the Company will have close to zero net debt following closing of the Transaction.

The Company’s Board of Directors and Group management remain unchanged, and around 30 employees will remain employed by Orrön Energy following closing of the Transaction.

Strategic shareholding in Cloudberry

Cloudberry is a renewable energy company that owns, develops, and operates hydropower plants, wind farms, solar assets and batteries in the Nordics and is listed under the ticker CLOUD on the Oslo Børs.

The Transaction establishes Orrön Energy as the largest shareholder in the enlarged Cloudberry, with a 27.01 percent ownership stake, and the Company will take an active ownership role, with two Board representatives. This provides Orrön Energy’s shareholders with continued exposure to the Nordic power markets through a diversified Nordic IPP, with a broad asset base and additional growth opportunities. The Transaction will increase Cloudberry’s annual proportionate power production to 2.1 TWh, and the addition of Orrön Energy’s Nordic platform and organisation is highly complementary, providing operational and strategic synergies.

European development business

The Company’s European development business consists of around 12 GW of large-scale solar, battery and data centre projects across the UK, Germany, and France, which are some of Europe’s most attractive renewable energy and data centre markets. The Company’s main strategy is to progress projects to key milestones and monetise before incurring significant development costs. Since 2025, the Company has entered into agreements to sell a total of 400 MW for a total consideration of up to MEUR 23, with MEUR 14 of the proceeds being contingent and subject to achieving future development milestones. In 2026, the Company has generated revenues of MEUR 5 from project sales, and is currently running sales processes in the UK for a 300 MW data centre project and a 1.8 GW portfolio of solar projects. The Company’s Nordic development business will be transferred to Cloudberry as part of the Transaction.

Karskruv wind farm

The Karskruv wind farm is a newly constructed asset, which was completed in 2023. The wind farm is situated in the attractive price region of SE4, with an external technical and commercial management in place. Karskruv consists of 20 Vestas turbines, with a total of 86 MW installed capacity with an estimated annual power generation of around 290 GWh, assuming average long-term meteorological conditions and excluding curtailment.

Financial impact

The updated expenditure guidance and power generation outlook for Orrön Energy following closing of the Transaction is shown below, which replaces the guidance for 2026 that the Company has previously issued. The guidance is subject to timing of closing and may be subject to change. An update will be provided as part of the Company's half-year report on 5 August 2026.

Expenditure guidance FY 2026¹ MEUR	Previous guidance	Updated guidance
Operating expenses	19	4 to 5
G&A expenses ²	8	4 to 5
Sudan legal costs ³	4	4.5
Capital expenditure ⁴	11	8

¹ Previous guidance is presented based on proportionate (net) ownership in assets and related financial results, and updated guidance is presented based on the consolidated financial reporting and excludes the contribution from the Company's shareholding in Cloudberry.

² Excludes non-cash items and costs in relation to the Sudan legal case

³ Legal costs in relation to the defence of the Company and its former representatives in the Sudan legal case, where the District Court trial concluded in the second quarter of 2026, with judgement expected in December 2026.

⁴ Excluding acquisitions.

Production FY 2026	Pre-Transaction	Post-Transaction¹
Proportionate power generation	800-950 GWh	210-270 GWh
Installed capacity	380 MW	86 MW

¹ Excludes the proportionate power generation and installed capacity arising from the Company's shareholding in Cloudberry.

Following closing of the Transaction, Orrön Energy's 27.01 percent shareholding in Cloudberry will be consolidated in accordance with the equity method in the Company's consolidated financial statements.

Transaction structure and purchase price

The Transaction comprises the sale to Cloudberry of all shares in Orrön Energy Sweden AB ("Orrön Sweden"), all shares in Metsälamminkangas Wind Oy ("MLK") not already owned by Cloudberry, and all shares in Orrön Energy Greenfield Finland Holding Oy ("Orrön Finland", and together with Orrön Sweden's, MLK's and Orrön Finland's underlying assets and subsidiaries, the "Target Companies").

The purchase price in the Transaction implies an enterprise value of the Target Companies of EUR 234.6 million on a cash and debt free basis. The consideration to be paid by Cloudberry consists of approximately MEUR 4.2 in cash and shares representing 27.01 percent of the total number of shares and votes in Cloudberry following closing of the Transaction (the "Consideration Shares").

As part of the Transaction, Cloudberry shall also repay all outstanding intragroup debt, including accrued interest, owed by the Target Companies to the Company's subsidiary Orrön Energy Finance AB under existing loan facilities as of the date of the closing of the Transaction. Cloudberry will also assume the Target Companies' external debt, which as of 31 December 2025 amounted to approximately MEUR 3. As of 31 December 2025, the outstanding debt and accrued interest that is subject to repayment in connection with closing of the Transaction amounted to approximately MEUR 90. This amount will be applied towards repayment to Orrön Energy's lending banks which is expected to leave the Company with close to zero net debt following closing of the Transaction.

Listing of the Consideration Shares and lock-up undertaking

Due to prospectus requirements under Norwegian laws and regulations, a part of the Consideration Shares will be admitted to trading on Oslo Børs at closing of the Transaction, and the remaining portion of the Consideration Shares will be admitted to trading on Oslo Børs when Cloudberry has prepared and published a listing prospectus regarding the admission to trading of such Consideration Shares on Oslo Børs. The prospectus is expected to be published by Cloudberry shortly after closing of the Transaction. Orrön Energy has, subject to customary exemptions, undertaken towards Cloudberry not to sell, transfer or otherwise dispose any Consideration Shares during a period ending twelve months after the date of the closing of the Transaction (lock-up period).

Conditions for closing of the Transaction

Closing of the Transaction is conditional upon clearance under applicable foreign direct investment (FDI) legislation and the approval by Cloudberry's extraordinary general meeting (the "Cloudberry EGM") of an authorisation for the Board of Directors of Cloudberry to issue the Consideration Shares to Orrön Energy, and the election of Daniel Fitzgerald (CEO of Orrön Energy) and Henrika Frykman (General Counsel of Orrön Energy) as members of the Board of Directors of Cloudberry.

The Cloudberry EGM's approval of the share issue authorisation requires support by at least two-thirds of the votes cast and the share capital represented at the Cloudberry EGM. For the election of Board members, the proposed Board members who receive most votes are elected.

The Board of Directors of Cloudberry has unanimously approved the Transaction and shareholders holding in aggregate 47 percent of the total number of shares and votes in Cloudberry have irrevocably undertaken to vote in favour of the share issue authorisation and the election of Orrön Energy's two representatives on the Cloudberry Board of Directors at the Cloudberry EGM.

Preliminary timetable

The Cloudberry EGM will be held no later than 7 August 2026.

The Transaction is, subject to satisfaction of the above-mentioned closing conditions, expected to be completed in the second half of 2026.

Webcast

Orrön Energy will host a webcast on Friday 26 June 2026 at 11.00 CEST, to present the Transaction in more detail and to comment on the future of the Company, followed by a question-and-answer session.

The webcast is available on the Company's website and the link below:

<https://orron-energy.events.inderes.com/investor-call-june-2026>

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This is information that Orrön Energy AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the contact person set out above, at 23.45 CEST on 25 June 2026.

Orrön Energy is an independent, publicly listed (Nasdaq Stockholm: "ORRON") renewable energy company within the Lundin Group of Companies. Orrön Energy's core portfolio consists of high quality, cash flow generating assets in the Nordics, coupled with greenfield growth opportunities in the Nordics, the UK, Germany, and France. With significant financial capacity to fund further growth and acquisitions, and backed by a major shareholder, management and Board with a proven track record of investing into, leading and growing highly successful businesses, Orrön Energy is in a unique position to create shareholder value through the energy transition.

Forward-looking statements

Statements in this press release relating to any future status or circumstances, including statements regarding future performance, growth and other trend projections, are forward-looking statements. These statements may generally, but not always, be identified by the use of words such as "anticipate", "believe", "expect", "intend", "plan", "seek", "will", "would" or similar expressions. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that could occur in the future. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements due to several factors, many of which are outside the company's control. Any forward-looking statements in this press release speak only as of the date on which the statements are made and the company has no obligation (and undertakes no obligation) to update or revise any of them, whether as a result of new information, future events or otherwise.