EUROPEAN ENERGY

INVESTOR PRESENTATION

AUGUST 2022

Disclaimer (I/II)

Limitations: This investor presentation (this "**Presentation**") has been produced by European Energy A/S (the "**Issuer**") and its subsidiaries (together the "**Group**") solely for use in connection with the contemplated offering of bonds (the "**Bonds**") by the Issuer and may not be reproduced or redistributed in whole or in part to any other person. The Bonds are expected to be issued in September 2022. The net proceeds of the Bonds are expected to be applied towards financing or refinancing of eligible projects in accordance with the Issuer's Green Finance Framework dated June 2021, including, if applicable, refinancing in whole or in part of any amounts outstanding under certain bridge facilities entered into in May 2022 (the "**Bridge Facilities**").

The bookrunners of the Bonds are Danske Bank A/S ("**Danske**") and Nordea Bank Abp ("**Nordea**"), together the "**Joint Bookrunners**".

This Presentation is for information purposes only and does not in itself constitute an offer to sell or a solicitation of an offer to buy any of the Bonds, and it does not constitute any form of commitment or recommendation in relation thereto.

No representation or warranty (expressed or implied) is made as to, and no reliance should be placed on, the fairness, accuracy or completeness of the information in this Presentation.

By attending a meeting or conference call where this Presentation is presented, or by reading or otherwise being in possession of this Presentation, you agree to be bound by the following terms, conditions and limitations. This Presentation is strictly confidential and has been prepared exclusively for the benefit and internal use of the addressee and no part of this Presentation or the information it contains may be disclosed, reproduced or redistributed to any other party unless expressly agreed in writing by the Joint Bookrunners.

Information Sources and Limitation of Liability: All information provided in this Presentation has been obtained from the Issuer or is publicly available material and has been produced by the Issuer assisted by the Joint Bookrunners exclusively for information purposes. Only a limited due diligence has been carried out in connection with the preparation of this Presentation. Thus, there may be risks related to the Issuer which are not included in this Presentation and which could have a negative effect on the Issuer's operations, financial position, earnings and/or result. Neither the Joint Bookrunners, the Issuer or any other member of the Group nor any of their respective direct or indirect shareholders, parents or subsidiaries or any such company's directors, officers, employees, advisors or representatives (collectively the "**Representatives**") shall have any liability whatsoever arising directly or indirectly from the use of this Presentation and/or any information contained herein. The information contained in this Presentation has not been independently verified and neither the Joint Bookrunners, the Issuer nor any other member of the Group nor any of the Issuer's direct or indirect shareholders assume any responsibility for, nor do the Joint Bookrunners, the Issuer, any other member of the Group or any direct or indirect shareholder of the Issuer make any representation or warranty (express or implied) as to, the accuracy, completeness or verification of the information contained in this Presentation.

Actuality: This Presentation is dated 30 August 2022. Neither the delivery of this Presentation nor any further discussions of the Issuer, the Group or the Joint Bookrunners with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Group since such date. The Issuer does not undertake any obligation to review or confirm, or to release publicly or otherwise to investors or any other person, any revisions to the information contained in this Presentation to reflect events that occur or circumstances that arise after the date of this Presentation.

No Financial, Credit or Business Advice: An investment in the Bonds involves a high level of risk and several factors could cause the actual results or performance of the Issuer, the Group or the Bonds to be different from what may be expressed or implied by statements contained in this Presentation. By attending a meeting or conference call where this Presentation is presented, or by reading or otherwise being in possession of this Presentation, you acknowledge that you will be solely responsible for and rely on your own assessment of the financial and market position of the Issuer and the Group and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance (financial, credit, business or otherwise) of the Issuer, the Group and the Bonds.

The content of this Presentation is not to be construed as legal, credit, business, investment or tax advice. Each recipient should consult with its own legal, credit, business, investment and tax advisers to receive legal, credit, business, investment and tax advice. Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should: 1) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Presentation; 2) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact other securities will have on its overall investment portfolio; 3) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds; 4) understand thoroughly the final terms and conditions for the Bonds; and 5) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the relevant risks.

General Distribution Restrictions: Neither this Presentation nor any copy of it or the information contained herein is being issued, nor may this Presentation, any copy of it or the information contained herein be distributed directly or indirectly, to or into Canada, Australia, Hong Kong, Italy, New Zealand, the Republic of South Africa, Japan, the Republic of Cyprus, the United Kingdom or the United States (or to any U.S. person (as defined in Rule 902 of Regulation S under the Securities Act)), or to any other jurisdiction in which such distribution would be unlawful, except as set forth herein and pursuant to appropriate exemptions under the laws of any such jurisdiction. Neither the Issuer or the Group nor the Joint Bookrunners or any other Representatives have taken any actions to allow the distribution of this Presentation in any jurisdiction where any action would be required for such purposes. The distribution of this Presentation and any purchase of or application/subscription for Bonds or other securities of the Group may be restricted by law in certain jurisdictions, and persons into whose possession this Presentation comes should inform themselves about, and observe, any such restriction. Any failure to comply with such restrictions may constitute a violation of the applicable securities laws of any such jurisdiction. None of the Issuer, the Group or the Joint Bookrunners or any of their Representatives shall have any liability (in negligence or otherwise) for any loss howsoever arising from any use of this Presentation or its contents or otherwise arising in connection with the Presentation. Neither the Issuer or the Group nor the Joint Bookrunners have authorised any offer to the public of securities, or has undertaken or plans to undertake any action to make an offer of securities to the public requiring the publication of an offering prospectus, in any member state of the European Economic Area in which the EU Prospectus Regulation (EU) 2017/1129 applies (the "**Prospectus Regulation**') and this Presentation is not a prospectus for purposes of the Prospectus Regulation.

Disclaimer (II/II)

United Kingdom Distribution Restrictions: In the event that this Presentation is distributed in the United Kingdom, it shall be directed only at persons who are either (a) "investment professionals" for the purposes of Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), (b) high net worth companies, unincorporated associations and other persons to whom it may lawfully be communicated in accordance with Article 49(2)(a) to (d) of the Order, or (c) persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any Bonds may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**Relevant Persons**"). Any investment or investment activity to which this Presentation relates will be available only to Relevant Persons and will be engaged in only with Relevant Persons. This Presentation is not a prospectus for the purposes of Section 85(1) of the UK Financial Services and Markets Act 2000, as amended ("**FSMA**"). Accordingly, this Presentation has not been approved as a prospectus by the UK Financial Conduct Authority ("**FCA**") under Section 87A of FSMA and has not been filed with the FCA pursuant to the UK prospectus rules nor has it been approved by a person authorised under FSMA.

United States Distribution Restrictions: This Presentation does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction in the United States. Accordingly, the Bonds may not be offered, sold (directly or indirectly), delivered or otherwise transferred within or into the United States or to, or for the account or benefit of, U.S. Persons, absent registration or under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered and sold by the Joint Bookrunners only to non-U.S. Persons located outside the United States in reliance upon Regulation S under the Securities Act ("**Regulation S**"). As used herein, the terms "United States" and "U.S. person" have the meanings as given to them in Rule 902 of Regulation S under the Securities Act. By accepting receipt of this Presentation, you represent and warrant that you are not located within the United States and/or a U.S. Person.

Please note specifically that Nordea Bank Abp's ability to engage in U.S. securities dealings is limited under the U.S. Bank Holding Company Act and it may not underwrite, offer or sell securities that are offered or sold in the United States. Nordea Bank Abp will only underwrite, offer and sell the securities that are part of its allotment solely outside the United States.

Conflicts of Interest: The Joint Bookrunners and/or their respective Representatives may hold shares, options or other securities of any issuer referred to in this Presentation and may, as principal or agent, buy or sell such securities. Furthermore, the Joint Bookrunners have engaged in, or may in the future engage in, investment banking and/or commercial banking or other services for the Issuer or the Group in their ordinary course of business (including the Bridge Facilities that, to the extent drawn, will be repaid, in whole or in part, with the net proceeds of the Bonds). Accordingly, conflicts of interest may exist or may arise as a result of the Joint Bookrunners engaging, having previously engaged, or will in the future engage, in transactions with the Group or other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

MIFID II Product Governance / Retail Investors, Professional Investors and Eligible Counterparties Target Market: Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, "**MIFID II**"); (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Bonds to retail clients are appropriate - investment advice, portfolio management, and non-advised sales or execution with appropriateness test, subject to the distributor's (as defined below) suitability and appropriateness obligations under MiFID II, as applicable. Any person subsequently offering, selling or recommending the Bonds (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable. The target market assessment indicates that Bonds are incompatible with the needs, characteristic and objectives of clients which are fully risk averse or are seeking on-demand full repayment of the amounts invested.

Forward-Looking Statements: Certain information contained in this Presentation, including any information on the Group's plans or future financial or operating performance and other statements that express the Group's management's expectations or estimates of future performance, constitute forward-looking statements (when used in this document, the words "anticipate", "believe", "estimate" and "expect" and similar expressions, as they relate to the Group or its management, are intended to identify forward-looking statements). Such statements are based on a number of estimates and assumptions that, while considered reasonable by management at the time, are subject to significant business, economic and competitive uncertainties. The Group cautions that such statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of the Group to be materially different from the Group's estimated future results, performance or achievements expressed or implied by those forward-looking statements.

Audit Review of Financial Information: Certain financial information contained in this Presentation has not been reviewed by the Group's auditor or any other auditor or financial expert. Hence, such financial information might not have been produced in accordance with applicable or recommended accounting principles and may furthermore contain errors and/or miscalculations. The Group is the source of the financial information, and none of the Issuer, the Group, the Joint Bookrunners or any of their Representatives shall have any liability (in negligence or otherwise) for any inaccuracy of the financial information set forth in this Presentation.

PRIIPs Regulation: As the Bonds are not deemed to fall within the scope of Regulation (EU) No 1286/2014 (as amended), no PRIIPs key information document (KID) has been prepared.

Governing Law: This Presentation is subject to Danish law (disregarding any conflict-of-laws rules which might refer the dispute to the laws of another jurisdiction), and any dispute arising in respect of this Presentation is subject to the exclusive jurisdiction of Danish courts with the City Court of Copenhagen as the court of first instance.

ANY POTENTIAL INVESTOR INVESTING IN THE BONDS IS BOUND BY THE FINAL TERMS AND CONDITIONS OF THE BONDS WHICH THE INVESTOR ACKNOWLEDGES HAVING ACCEPTED BY SUBSCRIBING FOR SUCH BONDS.

Agenda

Presenters

Jens-Peter Zink
Executive Vice-President and Chairman

With EE since 2005

Jonny T. Jonasson
Chief Financial Officer

With EE since 2012

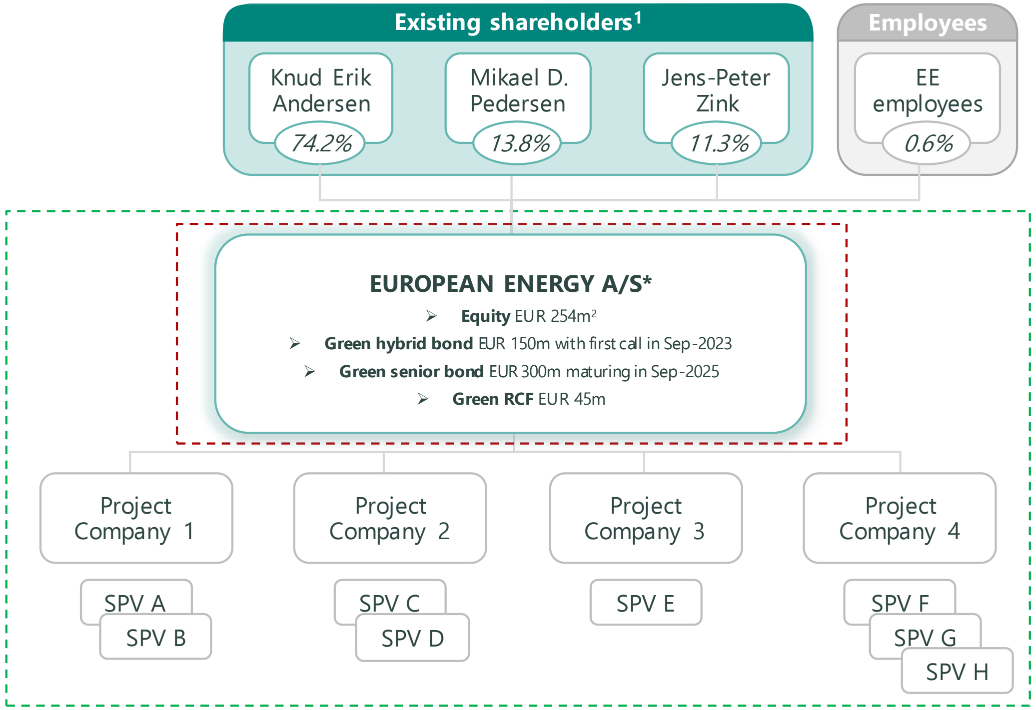
1

Transaction Overview

PALO
18 MW
ITALY

The proposed transaction will position European Energy for future growth

- European Energy (EE) is looking to issue a new senior unsecured green bond of expected EUR 75m, to position the company for further growth, provide additional funding and for liquidity management purposes
- The terms will include minor changes from our existing EUR 300m unsecured senior bond, including but not limited to
    - Adjustments to certain baskets to reflect growth in EBITDA
    - Ability to incur short term bank liquidity facilities
- EE's Green Finance Framework includes green bonds, green loans and other types of debt instruments which are used to finance, or re-finance, eligible assets which includes development and construction of renewable energy projects (such as solar and wind power), and R&D projects related to solar and wind power (e.g. Risø Test Centre)
- EE operates with a two-layered capital structure. The issuer (European Energy A/S) constitutes the top-layer of the capital structure providing equity-like financing (unsecured and structurally subordinated) to the projects and project companies. Parent debt funding is mainly raised in the unrated Nordic high yield market in senior unsecured and hybrid capital format but also includes a EUR 45m RCF
- EE and certain subsidiaries have also entered into several bridge facilities for a total amount of EUR 150m with the Joint Bookrunners. The facilities can be used to finance eligible projects in accordance with the Green Finance Framework and the net proceeds from the bond will be used to refinance these facilities to the extent the facilities are drawn at the time of issuance of the bond
- The project-level financing is predominantly financed by banks and secured by SPV shares/assets under a non-recourse structure if the asset is operational. The project level debt is typically 60-90% of the construction costs. For projects under construction, recourse to European Energy A/S via a parent guarantee or similar is common
- Sometimes several projects in the same project company group are financed with a joint financing if it results in more favourable financing terms



**Parent debt serviced by i) profit from sale of farms / asset management, ii) cash flow from operating assets (IPP) and EPC fees*

Group covenant: Project Debt to PPEI ≤ 75%

Parent covenants: Equity ratio ≥ 25%, Minimum Liquidity ≥ Interest payment on the bond for next 3 quarters

Notes: 1) Holdings split by voting rights; 2) As per H1 2022

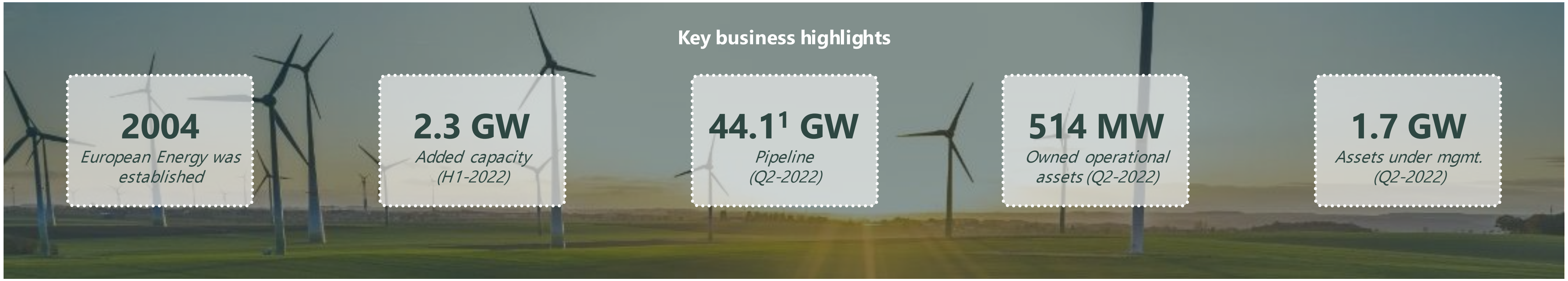
Indicative key terms of the new senior unsecured bond

Issuer:	European Energy A/S
Country:	Denmark
Rating:	Unrated
Status:	Senior Unsecured
Amount:	Expected EUR 75m under a framework of EUR 200m
Maturity:	September 2026 (4.0 years)
Call Schedule:	Make whole during the first 24 months after First Issue Date thereafter callable @ 100% of the Nominal Amount plus 50/37.5/25/12.5/0 % of margin after 24/30/36/42/45 months
Interest rate:	3m Euribor + [•] bps, paid quarterly in arrear (zero EURIBOR floor), act/360
Financial Undertakings:	Maintenance Covenants • Equity Ratio (parent company): ≥ 25% • Project Debt to PPEI Ratio: ≤ 75% • Minimum liquidity (parent company) corresponding to aggregate estimated amount of interest payable in respect of the bonds for the next three (3) Interest Periods Incurrence Test (parent company): • Equity Ratio: ≥ 35% • ICR: ≥ 2.75x
General Undertakings:	Standard general undertakings pursuant to the terms and conditions, including *inter alia*: • Distributions • Financial Indebtedness • Negative Pledge • Financial Support • Nature of Business
Put option:	101% upon a change of control event or a listing failure event
Docs:	Standalone, Danish law
Denomination:	EUR 0.01 (minimum trading unit EUR 100k)
Listing:	Nasdaq Copenhagen or other regulated market subsequent to the placing, intention to list within 4 months after the First Issue Date
Use of Proceeds:	The Net Proceeds from the issuance of the Initial Bonds shall be used for financing or refinancing of eligible projects in accordance with the Green Finance Framework (including for refinancing of the Bridge Facilities (including accrued interest))
Agent:	Nordic Trustee
Joint Bookrunners:	Danske Bank & Nordea
Target market:	Eligible counterparties, professional clients and certain retail investors (contact Bookrunners for full target market assessment)

2

Introduction to European Energy

EE is a leading independent renewable energy platform



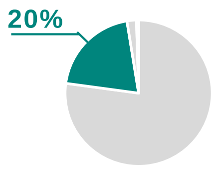
Technology split (pipeline and added capacity)

Solar Power

Active predominantly in Europe (>90%) as well as the US, Brazil & Australia

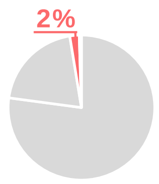
Onshore Wind

Active predominantly in Europe (>95%) as well as in Brazil



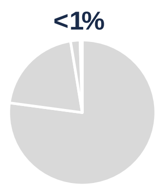
Offshore Wind

Active in Europe



Power-to-X[2]

Active in Europe



Notes: 1) Incl. 0.2 GW primarily related to a Lithuanian asset divested in 2021 where European Energy provides EPC services until COD in 2022; 2) Includes storage technology

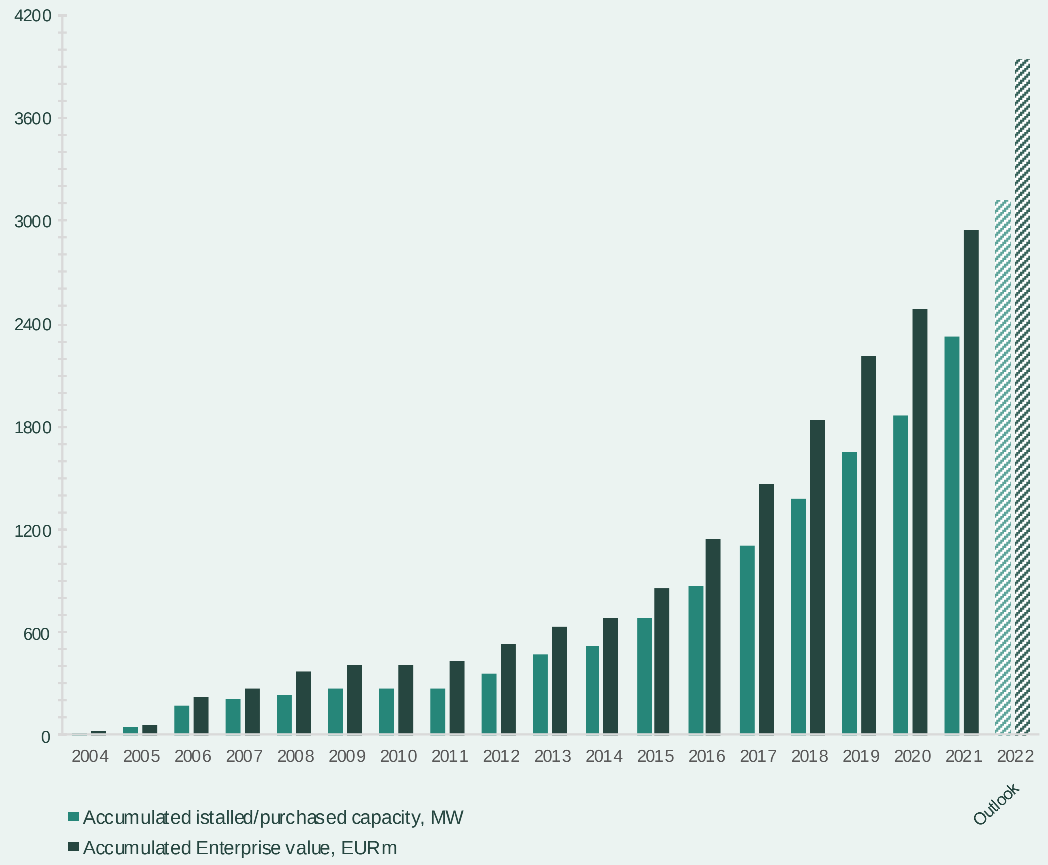
The growth history of European Energy

Since being founded in 2004, European Energy has grown considerably. By the end of 2021, the company had acquired, developed or grid-connected more than 2.2 GW of renewable energy capacity since inception. During Q2 2022, the company was engaged in developing, structuring, constructing or operating projects in 18 countries.

European Energy has also entered the downstream value chain via Power-to-X and green heating, and the first green hydrogen and e-methanol projects are expected to be ready to build in 2022.

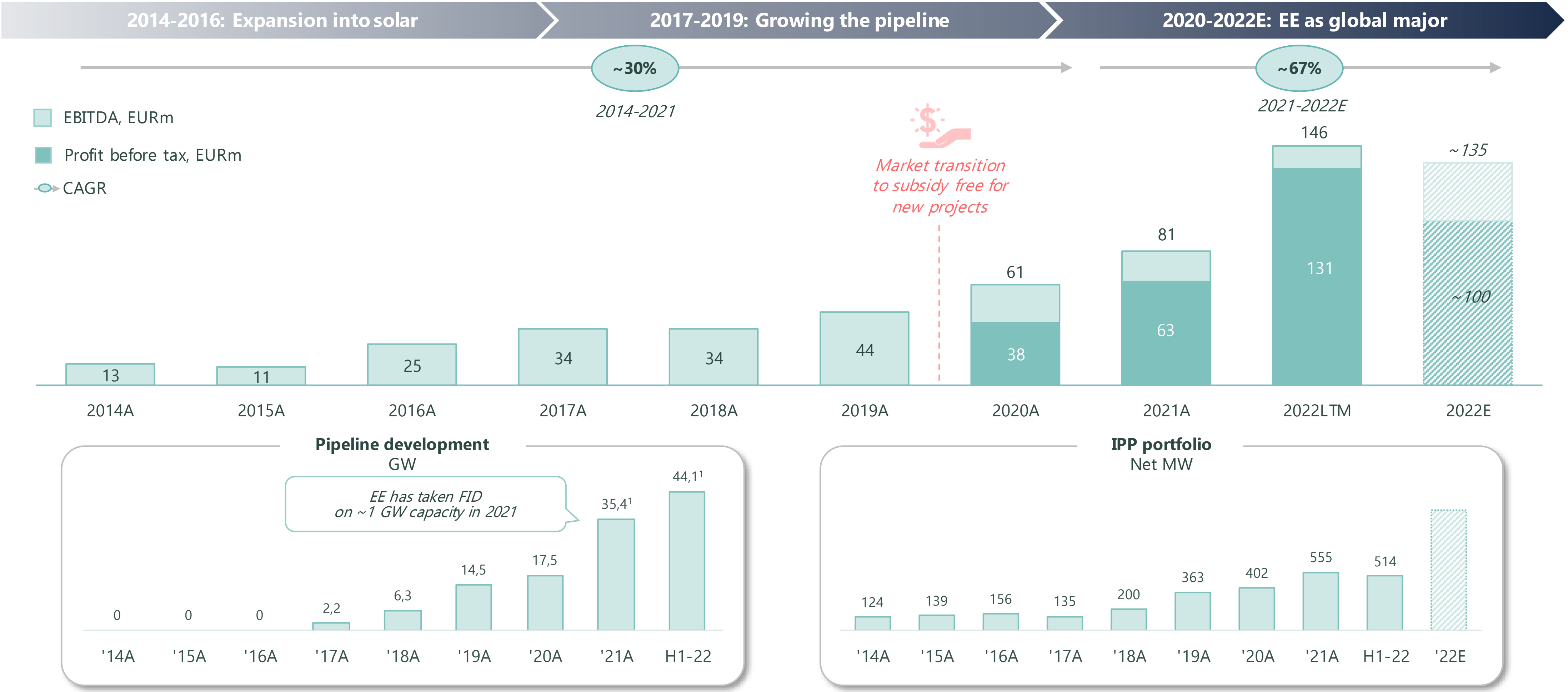
In 2021, European Energy made various investments, entered an important partnership and enjoyed significant growth which is expected to continue and gain even more momentum in the years ahead. With a project pipeline of 44.1[1] GW and an EBITDA guidance of EUR 135m, 2022 is expected to be successful for European Energy. By the end of 2022, European Energy expects the MW under construction to grow towards 1.5 GW, compared to 1.0 GW[1] by year-end 2021 and 0.6 GW by year-end 2020.

Developed, constructed & acquired power generation assets 2004-2021[2]



Notes: 1) Incl. 0.2 GW primarily related to a Lithuanian asset divested in 2021 where European Energy provides EPC services until COD in 2022; 2) Including 3rd-party equity interests

The growth has led to consistent EBITDA increases



Notes: 1) Incl. 0.2 GW primarily related to a Lithuanian asset divested in 2021 where European Energy provides EPC services until COD in 2022

Highlights of European Energy

EUROPEAN ENERGY

1. In order to keep the 1.5 °C temperature target, 11.1 TW needs to be installed within the next 10 years, and 44.9 TW within the next 30 years. In comparison, 1.5 TW has been installed in the past 15 years
2. Electrification drives demand for significant long-term build-out of renewable energy – this is expected to result in electricity prices remaining attractive

Market / Megatrends

3. Stable and high EBITDA margins due to IPP focus, with 514 MW operational assets owned by European Energy at the end of H1 2022, which generated approx. EUR 53m in gross profit in H1 2022
4. Around 200 projects successfully completed with approx. EUR 3.0bn of cumulative investments, all resulting in positive results
5. Strong and continuously increasing investor appetite for operational assets. Since 2019, European Energy has divested projects with an aggregated enterprise value of approx. EUR 0.9bn, of which the profit margin is ~25%
6. Short value-creation processes from ready-to-build to grid connection and potential divestment
7. Large and diversified development and construction portfolio will support EE's growth targets in all major markets
8. Increased demand for long term PPAs driven by corporate demand for reduction in CO_2 emissions and cost savings

Business

9. Strong recent performance with financial guidance maintained throughout 2021 and strong EBITDA development expected for 2022 (EUR ~135m)
10. Solid financial profile with a strong equity story, having grown with a CAGR of 28% p.a. since 2019[1)]

Financials

Note: 1) Excluding Hybrid Capital

The Business Model

Developing renewable energy:

Wind:
We are developing, constructing, managing, and divesting onshore, offshore, and nearshore wind farms.

Solar:
We are developing, constructing, managing, maintaining, and divesting large scale solar farms on land, low-land, and as floating PV.

1. Screening:
We secure the land/project rights either through own greenfield activities or through development agreements with local partners. The project's key value drivers and risk profile are assessed, and the project is only progressed if it has sufficient potential to meet financial hurdle rates

2. Development:
In this phase, we apply for the necessary permits to realize the project and as part of that we conduct a number of studies and analysis, while we also ensure to obtain a grid agreement allowing us to feed the electricity into the grid. The yield of the project is also investigated and a business case for the project is built

3. Power Purchase Agreements:
Today, an increasing number of companies choose Power Purchase Agreements (PPAs). PPAs are long-term, fixed-price energy supply contracts that guarantee the delivery of renewable power from an energy farm to a business. PPAs are often made before the construction of a project begins but can also occur after a project has launched grid connected

4. Engineering & Procurement:
Our competences in design and engineering ensure the strong operational performance of our assets. Our experienced procurement team selects suppliers via thorough evaluation and closely monitors their delivery. In this stage the prices of key inputs are agreed as part of the procurement process

5. Financing:
Funding is raised at both parent company and project level. We have an experienced central treasury team that design and optimise group capital structure, parent funding, liquidity, and financial risk management. External financing at project level is normally secured before entering construction and is overseen by our project financing specialist, who has a strong track record in securing financing for projects across all markets

The Business Model

Enabling downstream technologies:

Power-to-X:
We are commercialising a production technology that produces green e-methanol at competitive prices. The production is based on renewable energy sources from our wind and solar farms and CO_2 from bio-waste. As part of the process, we use electrolysis to produce green hydrogen by splitting water.

Green Heating:
We convert natural energy and waste energy into useable heating. The heat pumps prevent and minimise wasted energy streams by offering cooling solutions and by transferring the renewable energy from our wind and solar farms into heating solutions.

6. Construction:
With rights and permits secured and procurement, off-take and financing ready, we initiate construction of the project. We have a strong track record in managing contractors and suppliers on-site and, as the final step of construction, connect the asset to the grid providing renewable energy

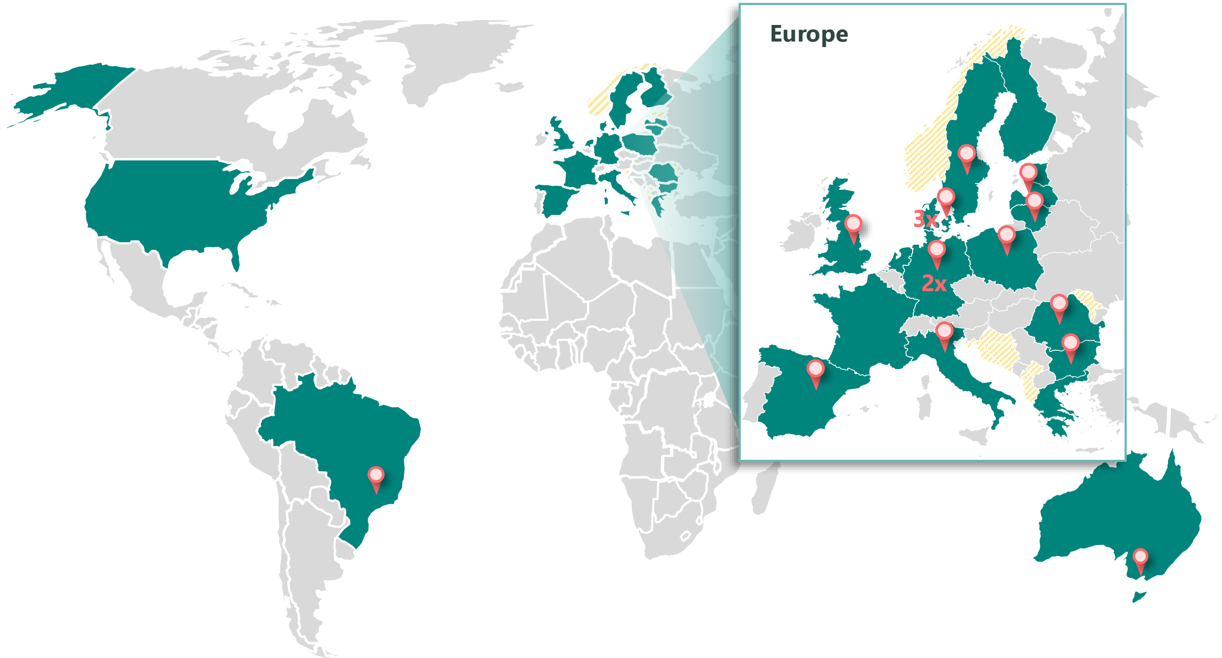
7. Divestment:
We assess each project individually and take risk-and-reward profiles into consideration. In some cases, we divest the energy farm to long-term investors at the optimal price. Often, we continue managing the assets for the investor to optimise production output and minimise operating costs

8. Independent Power Sale:
At other times, it may be advantageous for us to keep ownership of an energy farm and sell the renewable power as an independent power producer

9. Asset Management & Operations:
We consider managing the assets as part of our core business. This involves 360-degree asset management services delivered by in-house competencies in the technical, commercial, and financial aspects of managing renewable energy farms. Additionally, we deliver O&M services for PV plants in Denmark, including scheduled preventive maintenance, corrective maintenance, technical support and monitoring of plants

Global footprint across four continents with core focus on Europe

As a leading renewable developer, EE has activities in 18 countries and is delivering green power to consumers in 9 EU countries, the United Kingdom and Brazil



EE has its **core focus on low-risk markets in Europe** and has established **15 local offices across 13 countries** for broad geographical reach with local presence being a key enabler of securing new projects

Established activities
Preliminary activities
EE offices

Activities[1]

	Country	Development activity	Solar installed	Wind installed	Power-to-X	Asset management	Offices
Europe	DK	✓	✓	✓	✓	✓	✓
	DE	✓	✓	✓		✓	✓
	IT	✓	✓	✓		✓	✓
	ES	✓	✓			✓	✓
	SE	✓		✓		✓	✓
	BG	✓		✓		✓	✓
	LT	✓				✓	✓
	GB	✓	✓	✓		✓	✓
	PL	✓		✓		✓	✓
	FI	✓		✓		✓	
	NL	✓		✓		✓	
	LV	✓					✓
	RO	✓					✓
	GR	✓					
	FR	✓					
Other	BR	✓	✓			✓	✓
	US	✓					
	AU	✓					✓

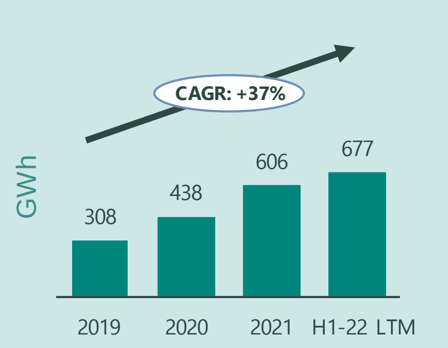
Wind installed
Solar installed
Offices
Asset management
Development activity
Power-to-X

Notes: 1) Wind and solar illustrates operational assets only whilst development activities may be for all technologies

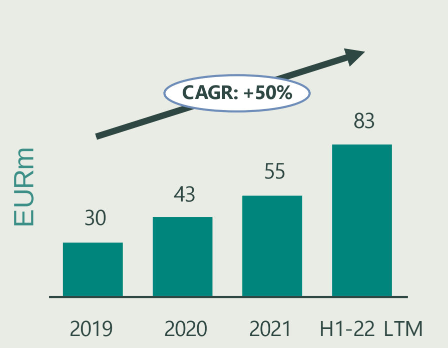
Stable recurring income from electricity sale and asset management

- In H1 2022, European Energy reported a record high sale of electricity. Compared to the full year of 2021, consolidated power sales increased from EUR 55m to EUR 83m by H1 2022 LTM, or by 51%. European Energy's net share of electricity production has since 2019 grown by 37% p.a. to 677 GWh in H1 2022 LTM
- The increase in electricity production over the years is primarily related to the higher number of power generating assets kept in European Energy's own books, in line with our IPP strategy. This brings stability into our earnings. In H1 2022, power sales were positively impacted by the highest average prices on power ever recorded
- In 2021, European Energy closed 11 PPAs, including the largest to date in the Baltics with Eesti Energia for 3.8 TWh over 10 years. The majority of the IPP portfolio is linked to a hedged instrument being either a PPA, FiT or a similar power price instrument. However, almost all projects have an element of merchant price exposure, whereby EE's IPP portfolio is positively impacted by the current high power prices
- Asset Management continued to grow and at the end of H1 2022, European Energy managed 1.7 GW (Q4 2021: 1.6 GW) of assets divided between 1,056 MW wind power (998 MW) and 678 MW solar power (620 MW). European Energy owned 514 MW (555 MW) and the remainder was managed on behalf of investors
- European Energy recorded a high level of sales activities of energy plants throughout 2021 and during H1 2022. In total, European Energy divested 4 solar and wind farms in H1 2022 (2021: 10) with a combined capacity of 200 MW and an enterprise value (EV) of EUR ~234m

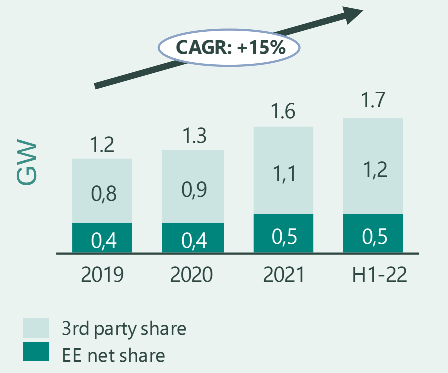
EE share of electricity production



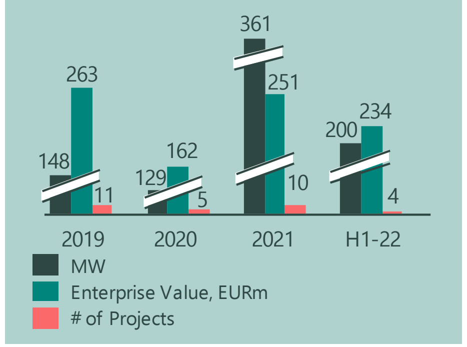
Sale of electricity



Assets under management

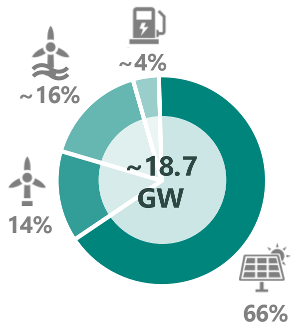


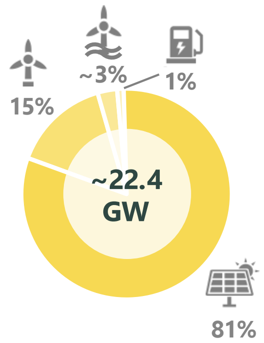
Energy plants sold, incl. 3rd party share

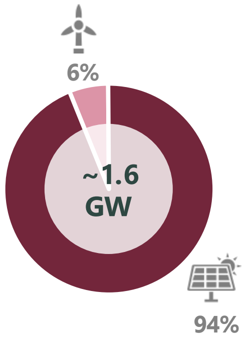


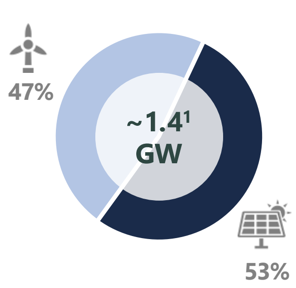
Strong project pipeline of 44.1[1] GW across all project phases

Screening phase	Development phase	Structuring phase	Construction phase
Includes **projects where EE has not yet secured all land or project rights**	Includes all **projects where EE has secured rights and where the permit process is started**	Includes **all projects where essential permits are in place**	Includes **all projects where a final investment decision has been made**
Key activities include: – Securing land rights – Analysis of site and commercial viability – Analysis of required permits	**Key activities include:** – Obtain all required permits – Secure access to grid – Initiate site design and engineering	**Key activities include:** – Securing offtake – Obtain financing – Procure main components – Build an attractive business case	**Key activities include:** – Install wind turbines / solar panels – Connect to grid All historic construction projects have resulted in **positive financial results**









EE operational assets by geography, top 10[2]

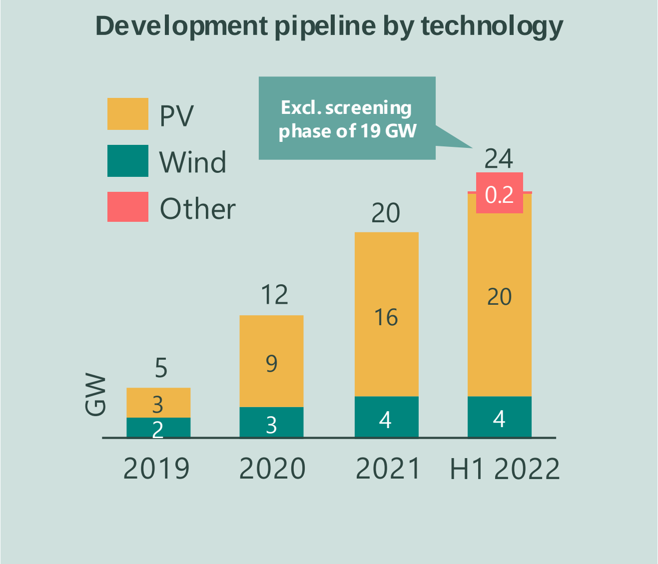
DE	38%
DK	29%
IT	10%
BR	7%
SE	3%
UK	3%
FI	3%
PL	2%
BG	1%
ES	1%

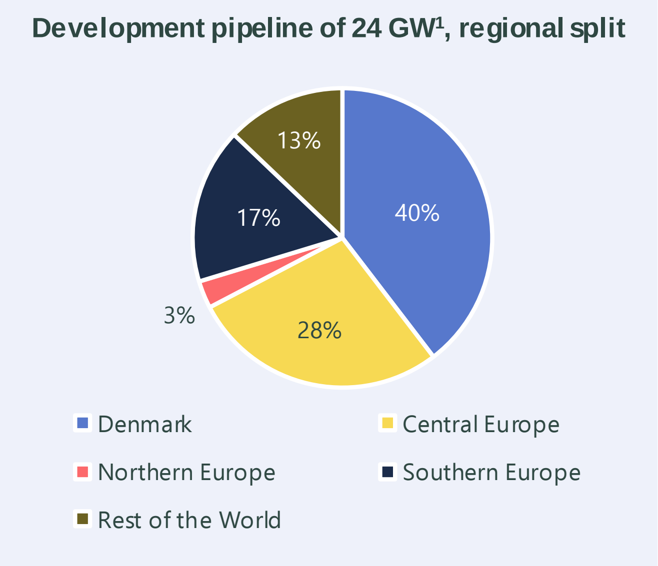
As of June 2022, EE has an **attractive, sizeable project pipeline of 44.1 GW** (gross capacity) **with diversification** in terms of both technology and geography

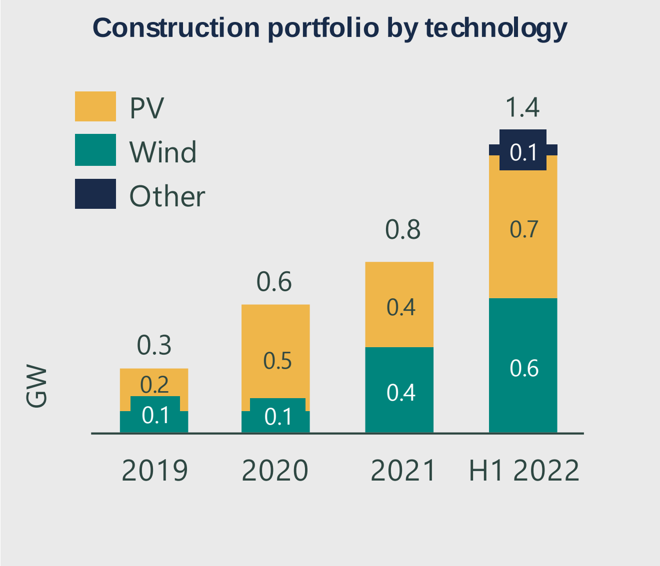
Solar Offshore wind Onshore wind Power-to-X

Notes: 1) Incl. 0.2 GW primarily related to a Lithuanian asset divested in 2021 where European Energy provides EPC services until COD in 2022; 2) Operational asset split based on MW

The pipeline has significantly increased over the recent years due to our strong local presence







- During H1 2022, European Energy grew the development pipeline to 24.1 GW (Q4 2021: 20.0 GW), with a core focus on low-risk European markets
- In 2021, European Energy was active in project development in 18 countries
- During 2022, European Energy expects to continue the significant growth in the development pipeline, which is a key value driver securing stable earnings growth

- In H1 2022, the pipeline across all markets developed from 20 GW at year-end 2021 to 24 GW
- By the end of H1 2022, the development pipeline was split on Denmark (40%), Northern Europe (3%), Central Europe (28%), Southern Europe (17%) and the rest of the world (13%)
- The growth stemmed mainly from solar PV

- During H1 2022, EE was engaged in construction activities at 28 different sites across 9 European countries and Brazil (2021: 23 sites, 5 European countries and Brazil)
- Total MW under construction amounted to 1.4 GW at end-H1 2022[2,3]
- Strong growth in construction assets during H1 2022 underlining continued future growth
- We aim to grow our construction pipeline to 1.5 GW by end 2022 to support our continued strong results into 2023 and beyond

Note: 1) Development pipeline consists of ~22.4 GW from development phase and ~1.6 GW from structuring phase; 2) Incl. 0.2 GW primarily related to a Lithuanian asset divested in 2021 where European Energy provides EPC services until COD in 2022; 3) Including PtX

European Energy successfully entered into downstream electrification

Offtakers

MÆRSK
Finalised in Mar-22

Unnamed partner — **Tier 1 corporate** — *Pending finalisation in 2022*

Unnamed partner — **Tier 1 corporate** — *Pending finalisation in 2022*

PtX setup

Power-to-X
(c. 25 FTE)

- Project Execution & Development
- EPC
- Technology

Office locations

Søborg   *Støvring*

PtX pipeline

Hanstholm Havn (LOI)
- COD: 2025/2026
- 32t MeOH[1] p.a.

GreenLab Skive — Permit delayed
- COD: 2023
- 16t MeOH[1] p.a.

Måde — Permit 2022
- COD: 2023
- 730t H_2[2] p.a.

Kassø — Permit 2022
- COD: 2023
- 32t MeOH[1] p.a.

Dialogue in markets

Current status

- ✓ **EUR ~125m** offtake contracts pending finalisation in 2022 with several offtake agreements having a minimum of 5 years tenor
- ✓ **Strongly positioned** to utilise existing experience within wind and solar based renewable energy plants to scale-up operations within the PtX segment
- ✓ **Front-runner position** secured with Kassø being one of the largest PtX facilities globally once completed in 2023
- ✓ **Strategic partnership** entered with Maersk with the intent of delivering 200-300k tons of e-methanol starting in 2025/26

Note: 1) Methanol; 2) Hydrogen

3

Megatrends

GRZMIACA
6 MW
POLAND

Future renewable power prices are expected to be determined by seven key drivers

Trends **increasing** the power price from renewable sources

- **Electricity demand** is expected to grow significantly driven largely by new demand from currently fossil-fuelled industries and by European governmental desire for independence from fossil fuels
- Price for CO_2 emission quotas expected to increase due to **emission reduction targets (e.g. 55% in 2030 in EU[1])**
- **Increased grid build-out** across EU consequently increasing potential demand for renewable energy
- **Intelligent demand** will be more prevalent (transferring demand towards sources with lower marginal costs such as variable renewable energy)

Key drivers of power prices

Trends **decreasing** the power price from renewable sources

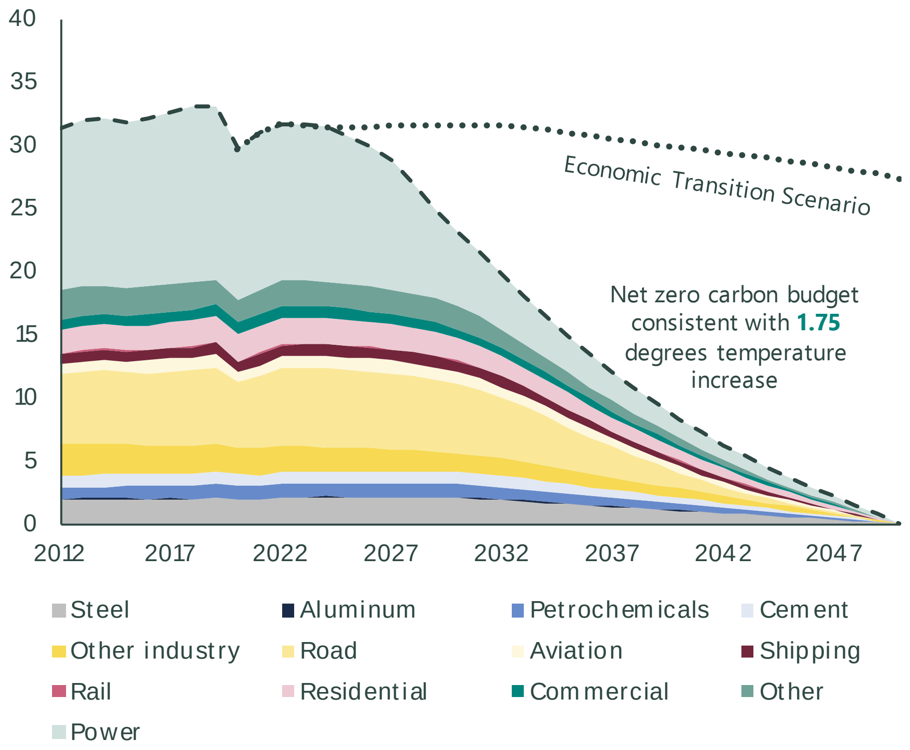
- Higher penetration of renewable energy sources, e.g. wind and solar, replaces more expensive energy sources but also **creates higher volatility**
- Notwithstanding expected upward cost pressures short-term, LCOE is expected to **drop significantly going forward** largely driven by innovations to increase output
- Grid integration expected to **smoothen out structural price differences** between markets, i.e. markets will become more efficient

Disruptive technologies, such as PtX and storage, will likely **support high power prices for renewable energy in the future**

Notes: 1) Source: European Commission 2030 Climate Target Plan

A global acceleration of decarbonisation needed to reach global net zero

- Based on current trends, the world is **running out of emission budget to stay within 2 degrees of warming in 2044**. Following current emission trends, the 1.5 degree limit will be reached by 2028
- To achieve global net zero, **every sector of the energy economy needs to eliminate emissions completely by 2050**. Even the hardest-to-abate sectors will need to adopt carbon-free solutions, only turning to carbon removals where absolutely necessary



Getting on track by 2030

- **The upcoming years towards 2030 are critical in the race to net zero** and there needs to be an immediate, unprecedented acceleration in deployment of existing technologies, such as renewable energy and electric vehicles
- In parallel, new technologies need to be commercially demonstrated and scaled up during this decade
- More than 75% of the abatement effort towards 2030 falls to the power sector and the **faster deployment of wind and solar**

Getting to zero in 2050

- **The switch to electricity reduces direct emissions in transport, buildings and industry**, and despite increasing electricity demand and emissions upstream in the power sector, electricity generation is generally cleaner than downstream fossil-fuel use, resulting in a net reduction
- In Bloomberg's Green Scenario[1], clean electricity accounts for 61% of total abatement to 2050. Greater electricity use in the form of electric vehicles, heat pumps and lower-temperature industrial processes adds another 23%. Hydrogen in the end-use economy accounts for a further 10% of total abatement. **Combining hydrogen in power generation and the end-use economy adds up to 19% of total emissions reduction**

Electrification will drive the green transition

- The electrification will be driven by **direct and indirect electrification**
- Direct electrification is where the direct energy source is transformed to electricity whereas indirect electrification transforms the energy source to an intermediary fuel, which is produced using electricity (PtX)

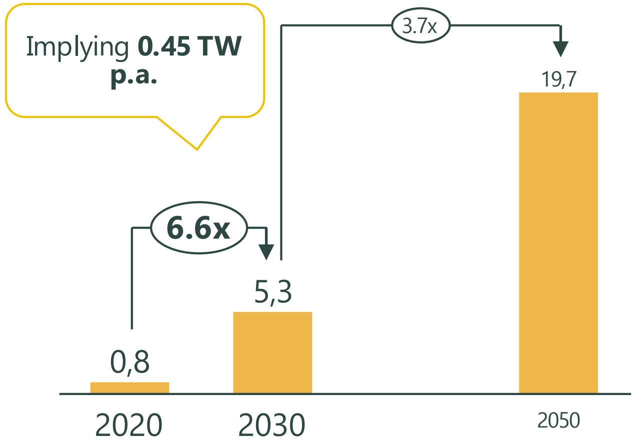
Notes: 1) Source: BNEF

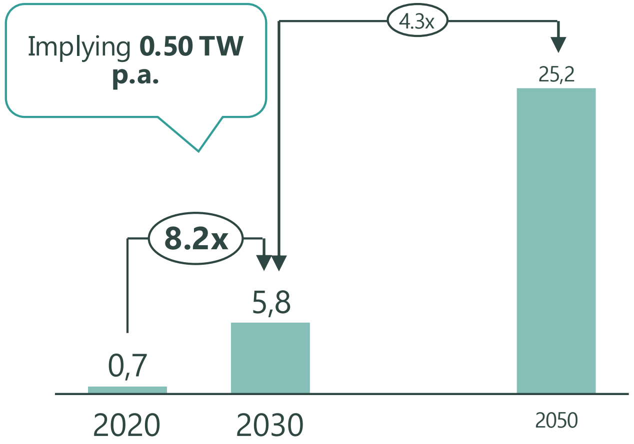
Global emission targets imply installation of ~11 TW towards 2030[1]

Implied global capacity to reach energy emission targets

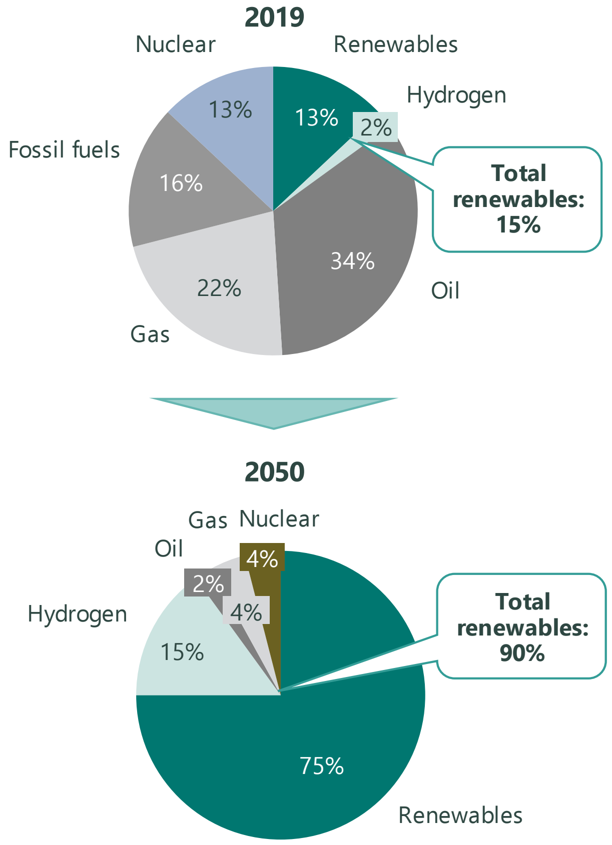
Bloomberg NEW ENERGY FINANCE

- **Over the past 15 years**, the total solar and wind capacity installed has been **1.5 TW**, with solar and wind constituting 0.8 TW and 0.7 TW respectively
- **Within the next 10 years**, there has to be 11.1 TW installed, i.e. **7.4x more** than what has been installed over the past 15 years, in order to reach global emission targets
- **Within the next 30 years**, there has to be 44.9 TW installed, i.e. 30x more than what has been installed over the past 15 years





Share of renewables in EU energy mix



Notes: 1) Wind and solar capacity. Source: BNEF

4

Strategy & Sustainability

GÜSTOW
30 MW
GERMANY

Strategy

European Energy has a goal to be recognized among the global top players by 2023 within annual new onshore wind and solar

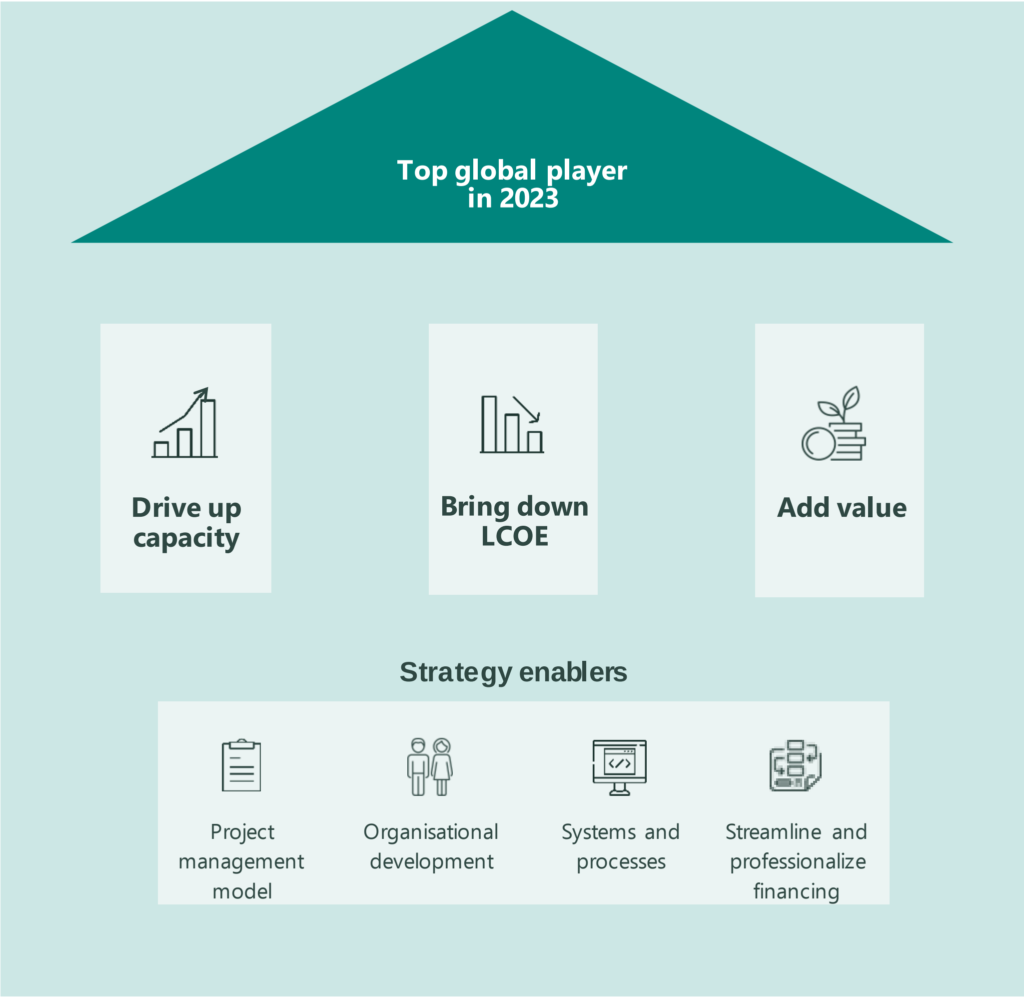
- Our strategy stands on four fundamental pillars:

  - **Drive up capacity and continue growing our pipeline**. Throughout 2021, we grew our pipeline in the developing phase by 67% (+8 GW) and made final investment decisions on more than double our 2020 capacity. In H1 2022, the development phase pipeline grew by 3.8 GW to 22.4 GW, a 20% increase from year-end 2021. Our diverse geographical footprint and early project involvement provide us with the confidence that we have both the volume and market diversification to achieve our ambition

  - **Bring down levelized cost of energy (LCOE)** in order to maximize the competitiveness of our renewable energy solutions. A combination of the latest technology, larger projects and in-house presence throughout the value chain is our main lever to further reducing costs

  - **Add value to our power production and assets** by building strong in-house competencies, further developing our project management model, improving our processes and ensuring we attract and retain talents

  - **Streamline and further professionalize our financing** at group and project level



Key focus on sustainability engagement

EE's sustainability goals and deadlines

Climate and Environment	Biodiversity Management Policy	2022
	Standardise procedures and reporting across all markets	2023
	Start reporting on Scope 3 GHG emissions	2023
Health and Safety	Extend H&S training for all FTEs	2022
	10% reduction of TRIR and LTIR[1]	2022
	Develop Emergency Response plan at corporate level	2023
Business Accountability	Sessions to raise awareness of whistleblower mechanism	2022
	Review anti-corruption and anti-bribery policy	2022
	Screen all critical suppliers for ESG criteria	2023
Social Engagement	Minimum 75% participation rate in Employee Survey	2022
	Develop Community Engagement Policy	2023
	All projects to implement Stakeholder Engagement plan	2024

Sustainability model

Key sustainability achievements 2021

Climate and Environment	**142 thousand tonnes** of CO_2e avoided in 2021, and **3.2 million tonnes** displaced since 2004 **660 hectares** of farmland transformed into solar PV projects
Health and Safety	Group QHSE Vision and Mission Statement published in Q2-21, and QHSE Policy published in Q3-21 No fatalities reported in 2021
Business Accountability	**>20%** of critical suppliers screened against sustainability criteria Anti-corruption and anti-bribery course completed by **90%** of employees
Social Engagement	Projects with local communities financed in **four different countries** **74%** of employees participated in yearly workplace assessment

Notes: 1) TRIR and LTIR cover incidents reported by employees and major subcontractors for EE's offices, assets under construction and assets in operation

5

Financials

European Energy demonstrated continued growth in H1 2022

EBITDA

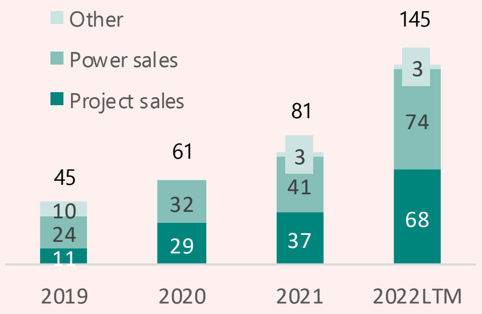
+511% compared to H1-21

+33% in 2021

+61% CAGR since 2019

EBITDA amounted to EUR 77m in H1 2022, a significant climb from H1 2021 driven mainly by project sales but also increased power sales. Project / power sales contributed by 34% / 64% to total EBITDA (H1 2021: 0% / 100%).

EBITDA Segment Split



Power Production

+24% compared to H1-21

+38% in GWh in 2021

+37% CAGR between 2019 and H1-22 LTM

EE share of power production increased by 72 GWh to 678 GWh in H1-22 LTM from FY 2021.

Construction

+33% in total assets under construction in H1-22 from H1-21

+32% in 2021

Assets under construction increased to 1.2 GW in H1-22 (Q4-21: 0.8 GW), excluding 0.2 GW Lithuanian wind assets where EE acts as construction manager.

Equity

+15% equity from Q4-21

+49% equity in 2021

+54% CAGR since 2019

Growth in equity is primarily driven by solid profits in H1 2022. It is however partially offset by a negative fair value adjustment of power purchase agreements.

Upscaling of Organisation

+92 employees in H1 2022

+140 employees in 2021

European Energy has onboarded 92 employees in H1-22 in order to drive the growth. Total headcount was 435 by the end of H1-22. Our 15 offices are located in 13 different countries.

EUR million	**H1 2022**	H1 2021	2021	2020	2019
EBITDA	**77.0**	12.6	81.2	61.2	44.3
Of which Project sales	***26.2***	*-5.0*	*37.0*	*29.1*	*10.6*
Of which Power sales	***49.0***	*15.9*	*40.9*	*32.0*	*24.0*
Equity[2]	**404.1**	315.9	350.5	235.3	137.6

GWh	**H1 2022**	H1 2021	2021	2020	2019
Power production	**373**	301	606	438	308

	H1 2022	H1 2021	2021	2020	2019
Under Construction (GW)	**1.2[1]**	0.9[1]	0.8[1]	0.6	0.3
Grid-connected (MW)	**78**	-	134	202	199

Headcount	**H1 2022**	H1 2021	2021	2020	2019
Employees	**435**	264	343	203	148

Notes: 1) Excl. 0.2 GW primarily related to a Lithuanian asset divested in 2021 where European Energy provides EPC services until COD in 2022; 2) Includes hybrid capital

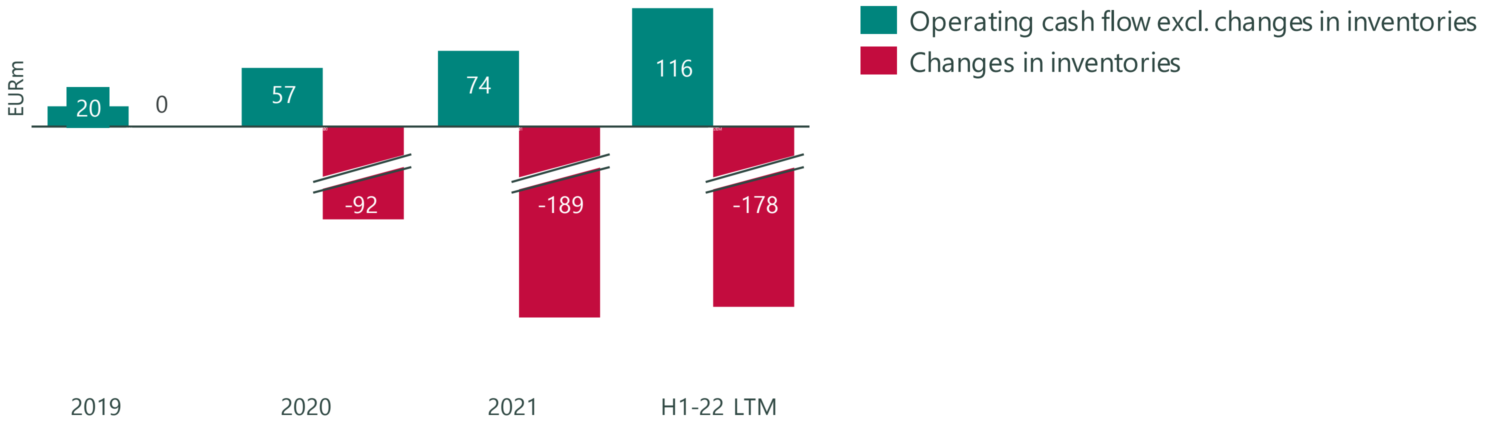
Profit and loss

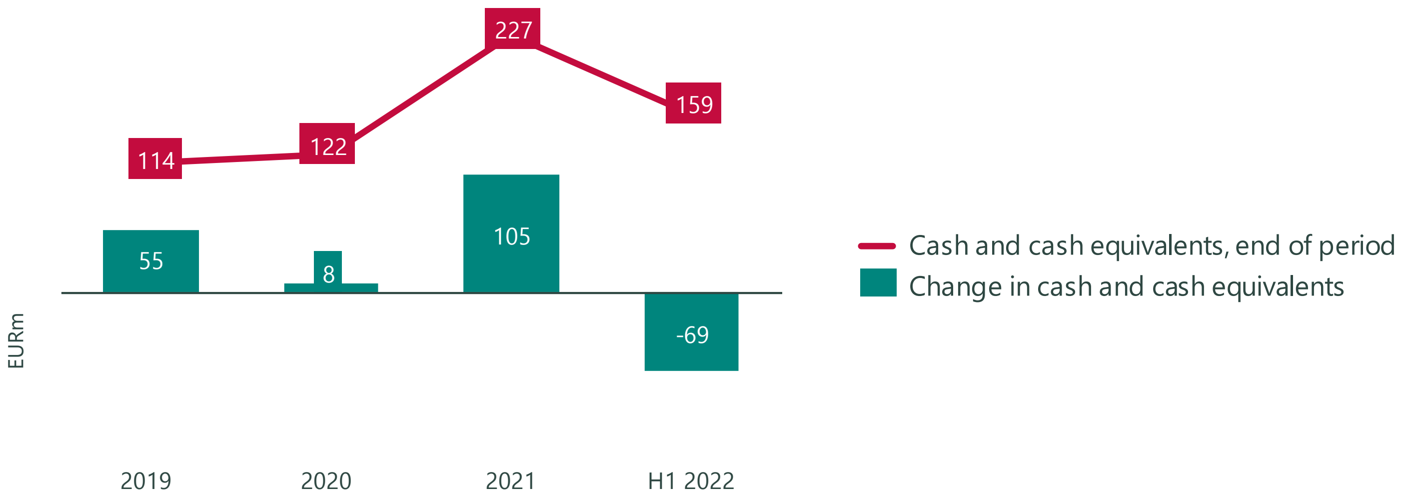
EURm	H1 2022	H1 2021	2021	2020	2019
Revenues	**285.5**	38.1	328.7	207.0	238.8
Sale of energy farms and projects	**233.7**	14.7	268.0	160.0	205.2
Power sale	**48.7**	21.1	55.5	42.9	30.5
Asset management and other fees	**4.1**	3.6	5.2	4.1	3.1
Gross profit	**99.0**	21.8	104.5	73.9	57.5
Sale of energy farms and projects	**44.4**	1.1	52.5	35.1	19.1
Power sale	**53.1**[1]	19.7	44.6	34.8	25.9
Asset management and other fees	**2.4**	2.3	7.4	4.0	12.5
EBITDA	**77.0**	12.6	81.2	61.2	44.3
% margin	***27%***	*33%*	*25%*	*30%*	*19%*
Profit/loss before taxes	**69.2**	0.9	62.7	37.8	37.4

- **Revenues** amounted to EUR 285.5m in H1 2022, +649% compared to H1 2021. The increase was primarily driven by **higher power prices** in Q2 2022 and **sale of energy farms and projects** in Q1 2022
- Revenues were split between a) sale of energy farms and projects (82% of total H1 2022 revenues; H1-21: 39%), b) power sale (17%; 55%), c) asset management and other fees (1%; 9%)
  - a) The growth was attributable to **high buyer interest**, for both turn-key projects and early-stage assets. In H1 2022, European Energy divested two PV parks in Italy with a combined size of 121 MW, a 71 MW solar park in Denmark and an 8 MW wind project in Germany
  - b) The growth was driven by **new capacity and record-high power prices**
  - c) The growth was attributable to new assets becoming operational with **new service contracts** in place
- Around EUR 4m of electricity sales in H1 2022 was covered by PPAs
- **EBITDA** amounted to EUR 77m in H1 2022, up 511% compared to H1 2021. Project / power sales contributed by 34% / 64% to total EBITDA in H1 2022
- EBITDA margin decreased to 27% (H1 2021: 33%), mostly on the back of the **mix of revenues**, as the share of project sales increased. Staff costs and external expenses increased in H1 2022, in line with plans
- **Profit before tax** increased from EUR ~1m in H1 2021 to EUR ~69m in H1 2022. This was driven mainly by **improved power sales and timing of project sales**

Notes: 1) Gross profit is higher than revenue in the power sales segment due to results from equity accounted companies being included in the gross profit but not in the revenue

Cash position remains strong after increasing construction activities





- **Operating cash flow before changes in inventories** increased to EUR 116m in H1-22LTM (2021: EUR 74m). This was primarily driven by the cash inflow recorded through project sales in Q1-22
- **Changes in inventories** had a negative cash effect of EUR 178m in H1-22 LTM (2021: -189), reflecting mainly the growth in construction of new parks and increased development pipeline
- By the end of H1 2022, **total cash** amounted to EUR 159m, of which EUR 136m were unrestricted. This corresponds to a decrease of EUR 69m from year-end 2021, mainly related to higher inventories due to increased construction activity

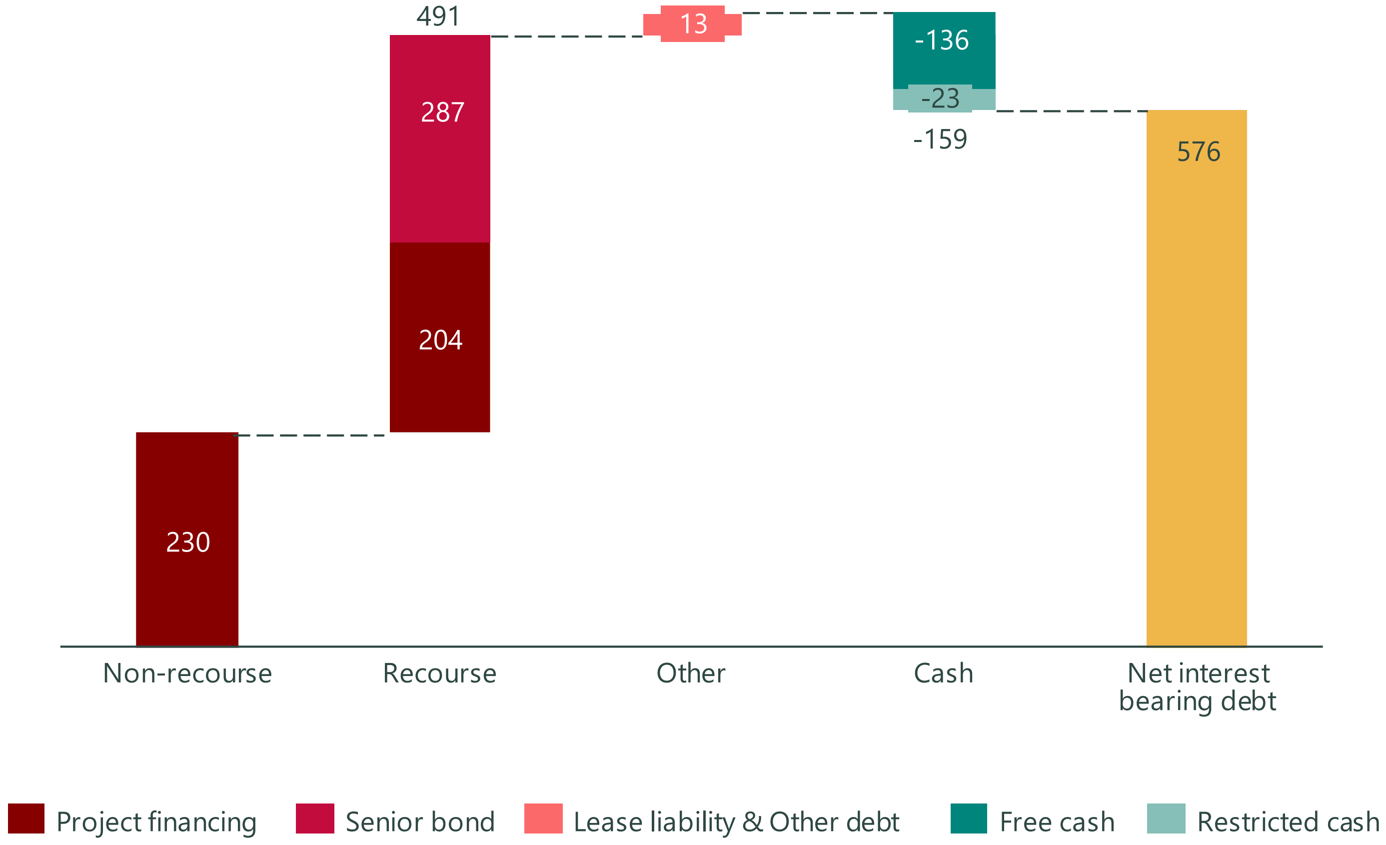
Balance sheet & cash flow

EURm	H1 2022	H1 2021	2021	2020	2019
Assets	**1,353.3**	910.7	1,174.0	739.8	605.7
Property, plant and equipment	**157.0**	122.7	157.3	130.6	134.2
Inventories	**735.6**	493.8	524.8	325.2	227.1
Cash (free and restricted)	**158.8**	111.0	227.4	121.9	113.5
Other	**301.9**	183.2	264.5	162.1	130.8
Equity and liabilities	**1,353.3**	910.7	1,174.0	739.8	605.7
Total equity	**404.1**	315.9	350.5	235.3	137.6
Bonds and project financing	**721.6**	478.7	632.4	415.6	399.5
Other	**227.6**	116.1	191.1	89.0	68.5

EURm	H1 2022	H1 2021	2021	2020	2019
Operating cash flow before changes in inventories	**68.9**	27.2	73.9	56.8	19.5
Changes to inventories	**(157.4)**	(167.9)	(188.7)	(92.4)	0.2
Investing cash flow	**(12.0)**	(10.1)	(63.2)	(23.0)	(11.6)
Financing cash flow	**31.9**	139.9	283.4	67.0	36.9
Change to cash and cash equivalents	**(68.5)**	(10.9)	105.5	8.4	54.9

- Total assets increased to EUR ~1.4bn or by 49% compared to H1 2021
- On the **asset side**:
  a) PP&E increased to EUR 157m in H1 2022 (H1-21: EUR 123m) due to **acquisitions of operational parks during 2021**
  b) Inventories increased to EUR 736m in H1 2022 (H1-21: EUR 494m) mainly due to **higher assets under construction** held for sale (H1 2022: EUR 499m, H1 2021: EUR 161m). This reflects the **strong growth** of European Energy
  c) The **cash position remained strong** and increased to EUR 159m in H1 2022 (H1 2021: EUR 111m), split between free cash (86%) and restricted cash (14%)
- On the **equity and liability side**:
  a) Total equity increased to EUR 404m in H1 2022, corresponding to a 28% increase from the same period in 2021, and a 15% increase from year-end 2021. The increase was driven by **high earnings** and the EUR 75m tap of the existing hybrid bond in 2021
  b) Bonds and project financing increased to EUR 722m in H1 2022 (H1 2021: EUR 479m) due to **higher construction activity** (project financing) and the **issuance of a EUR 300m green bond** in September 2021
- **Operating cash flow** before changes in inventories increased to EUR 69m in H1 2022 (H1 2021: EUR 27m). Changes in inventories had a negative cash effect of EUR 157m in H1 2022 (H1 2021: EUR -168m), mainly as a result of ongoing investments in renewable energy plants
- **Financing cash flow** amounted to EUR 32m in H1 2022, compared to EUR 140m in H1 2021. The difference is related to the issuance of hybrid financing in H1 2021

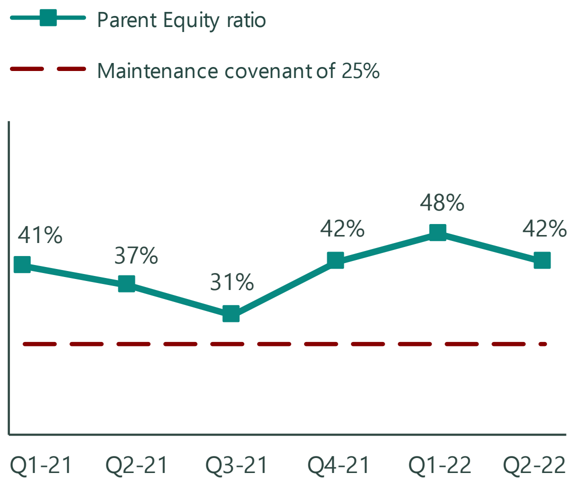
Overview of debt as of H1 2022



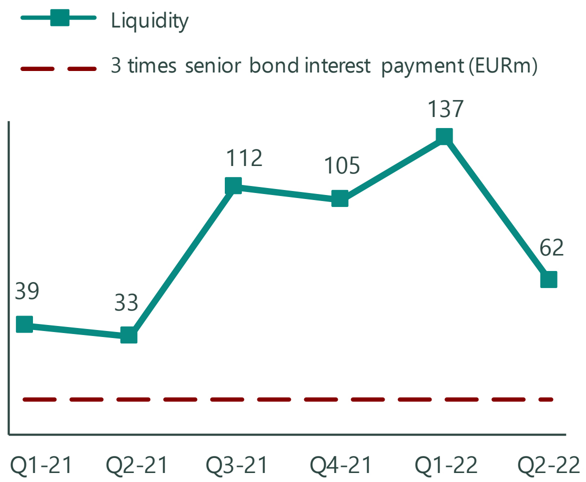
- At the end of H1 2022, net interest-bearing debt amounted to EUR 576m. This represented an increase of EUR ~148m compared to end Q4 2021, driven mostly by a **lower cash position and higher project financing**
- The recourse part of project financing debt of EUR 204m consists mainly of construction loans, which will be converted into non-recourse loans when projects are turned into operational projects, or repaid when projects are divested
- Cash amounted to EUR 159m, including both free cash and cash equivalents (EUR 136m) and restricted cash and cash equivalents (EUR 23m). Restricted cash primarily relates to construction financing proceeds reserved for upcoming construction activities and debt service reserve accounts in operating companies
- By the end of H1 2022, the group had an undrawn RCF facility of EUR 45m maturing in 2024

Credit metrics remain well within covenants

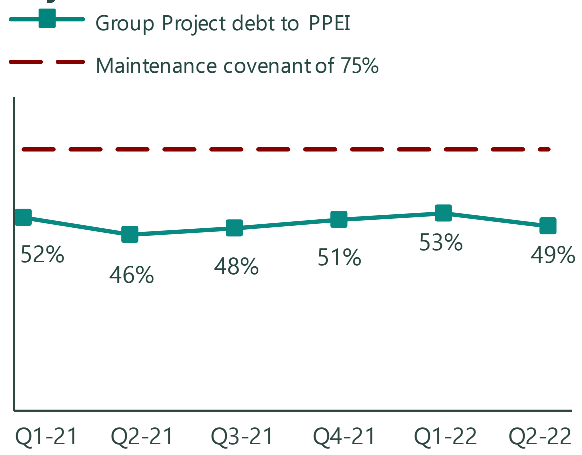
Equity ratio



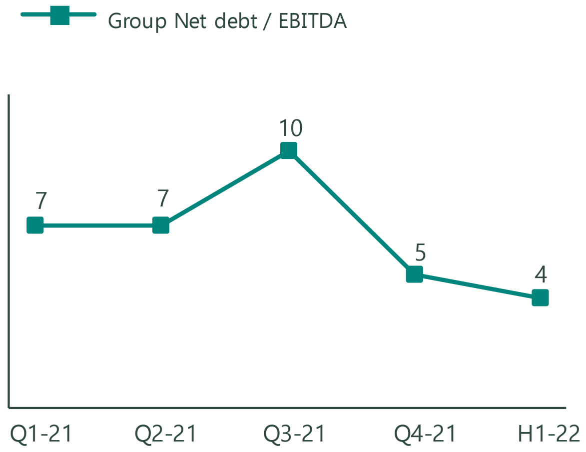
Minimum liquidity[2]



Project debt ratio



Net debt to EBITDA ratio



Maintenance covenants definitions[1]

Equity ratio (parent)

- Equity / total assets
- Equity excludes fair-market-value adjustments of PPA contracts and includes only 50% of hybrid capital
- Total assets exclude cash and cash equivalents

Project debt ratio

- Consolidated project debt / consolidated PPEI
- PPEI consists of property, plant, equipment and inventories

Minimum liquidity[2] (parent)

- Cash and cash equivalents or undrawn committed credit facilities should correspond to at least interest payment on the senior bond for the next three quarters

Notes: 1) Please refer to the draft terms and conditions for more information on the covenant definitions and structure; 2) Interest expense refers to the bond issued in September 2021 only

Investor Relations Contacts

investor.relations@EuropeanEnergy.dk

Martin Graa Jennum
+45 2114 6107
MGJ@EuropeanEnergy.dk

Flemming Jacobsen
+45 2010 3979
FLJA@EuropeanEnergy.dk

6

Risk Factors

COREMAS
TRANSFORMER
BRAZIL

Risk factors (1/18)

1. RISK FACTORS

This section presents certain risk factors, which are specific to European Energy A/S (the "**Issuer**") and the new senior unsecured green bonds proposed to be issued by the Issuer (the "**Bonds**"). The risk factors presented in this section are those which the Issuer is aware of and which the Issuer deems material for prospective holders of the Bonds (the "**Bondholders**") to make an informed decision whether to invest in the Bonds.

The risk factors are presented in seven categories and within each of these categories, the most material risks, in the assessment of the Issuer, are presented first. The Issuer's assessment of the materiality of each risk factor is based on the probability of its occurrence and the expected magnitude of its negative impact and is disclosed by rating the relevant risk factor as low, medium or high. Where a risk factor may be categorised in more than one category, such risk factor appears only once and in the most relevant category for such risk factor.

References to the Issuer in the risk factors include, where the context requires, the Issuer and the Issuer's subsidiaries (the "**Group**").

Risks Relating to the Issuer

1.1 Risks related to the Issuer's business activities

1.1.1 Construction of renewable energy projects

The Group's business comprises the construction of renewable energy projects, including wind and solar projects as well as power-to-x ("**P2X**"). The Issuer has vast experience with the construction of wind and solar projects, which has been part of the Group's business since the Issuer was founded in 2004 in relation to wind projects and since 2008 in relation to solar projects. By contrast, the construction of P2X projects has only recently become part of the Group's business.

The construction of renewable energy projects (whether initially developed as a greenfield investment or acquired during the development phase) involves a number of risks. While such risks apply to all renewable energy projects, the risks may be greater and/or more difficult for the Group to manage in relation to P2X projects due to the fact that the construction of P2X projects is relatively untested and the P2X technology continues to evolve.

Significant risks during the construction phase of all renewable energy projects relate to costs and timing. The construction work may thus be subject to cost-overruns and/or delays. Those can stem from a poor performance by the counterparties involved in the construction, such as the construction contractors, their sub-contractors or manufacturers of key components. This may include performance issues arising from financial difficulties encountered by such counterparties or from the occurrence of unforeseen circumstances at the relevant project site, which impede the progress of the construction. Delayed completion of a project can also result in increased project costs because of inflation, which may increase the cost of raw materials required for the project. In addition, warfare and international sanctions, such as those relating to Russia's military action against Ukraine that started in February 2022, may result in higher prices and supply constraints on key materials for the Group's projects.

In some cases, the construction work on the Issuer's project sites is carried out by contractors with personnel sourced from other countries. Any future restrictions imposed on travelling between countries, such as the restrictions imposed during 2020 - 2021 as a result of the outbreak of COVID-19, may therefore also delay the construction of those projects.

Risk factors (2/18)

Additionally, delayed projects may miss out on an attractive feed-in tariff due to their late completion. As a result, the projects can become less profitable for the Issuer.

If any of the abovementioned risks were to materialise, this could have a material adverse effect on the Issuer's business and results of operations.

Risk rating: High.

1.1.2 Relationships with external partners

The Group develops, constructs and operates many of its projects in cooperation with external partners. Such partners may be, for example, equipment and component suppliers, companies or individuals who have originally developed a project and then kept a stake in it, financial institutions who provide funding for the development of a project, construction contractors involved in construction activities or counterparties to power purchase agreements ("**PPAs**") or engineering, procurement and construction ("**EPC**") contracts. The collaboration with external partners entail a number of risks. In particular, the Group may be exposed to risks related to its partners' behaviour and/or financial performance.

If its partners' business behaviour is unlawful, corrupt, unreliable, unethical or otherwise unprofessional, this may affect the Group's reputation as it is associated with such partner(s). A deterioration of the Group's reputation may adversely affect future business opportunities as the counterparties might pull out or offer worse conditions for future projects and collaborations. It may also impair the Group's access to financing and its relationship with private and public stakeholders necessary for the successful development of projects.

In case of a partner's insolvency, or if a partner's business behaviour is unlawful, corrupt, unreliable, unethical or otherwise unprofessional, such partner may need to be replaced and the relevant projects may be confronted with a new ownership structure and subsequent legal uncertainties. This may adversely affect the access to financing for the projects or the Group's ability to divest the projects. Furthermore, the Group's ability to successfully develop or operate projects may be affected without the financial contributions by the partner. As a consequence, the projects may fail and the Group may lose its investments in such projects.

In a number of joint ventures and associate entities which are partly owned by the Group and partly owned by one or more partners, the Group does not have a controlling interest or only has a controlling interest with regard to some matters. The partners and the Group may have conflicting priorities and business interests. This entails the risk of disagreement or deadlock on substantial matters. Disagreement or deadlock may have negative consequences for – *inter alia* – the development, construction or divestment of the relevant project or could otherwise lead to the relevant project not being able to achieve its full economical potential, which could have a negative impact on the Issuer's business and results of operations.

Risk rating: Medium.

Risk factors (3/18)

1.1.3 Key personnel

The Issuer is to a large extent dependent on its management, department heads and other key personnel due to the extensive knowledge and experience these persons possess. If one or more of these key persons decide to leave the Issuer, this may result in loss of know-how and may delay or prevent the implementation of the Group's projects and business strategy and thereby negatively impact business performance. It is also essential that the Group is able to recruit qualified staff on a regular basis. Due to the offices location in Denmark and the fact that positions in the company often require specific knowledge of a foreign market and corresponding language skills, the process of recruiting specific competences can at times persist for a prolonged period of time, which can have a negative impact on the Group's business.

Risk rating: Medium.

1.1.4 Weather conditions and insurances

The production of renewable power projects depends on weather conditions, such as wind or solar conditions. If the actual weather conditions on the Group's project sites are worse than the predicted average conditions, the production and revenue from the respective projects may be reduced. Extreme weather conditions may also lead to the production being entirely shut down.

The Group's insurance policies may not cover any or all of the losses incurred in connection with unfavourable weather conditions or natural disasters, such as storms, earthquakes, hail storms, floods and other unforeseen events, which in turn could have a negative impact on the Issuer's results of operations.

Risk rating: Medium.

1.1.5 Relationships with suppliers

The Group is dependent upon third party suppliers of goods and services to carry out its operations.

When constructing wind parks and solar photovoltaic ("**Solar PV**") plants, the Group concludes agreements concerning delivery of construction services, components and infrastructure, etc. with suppliers. If the suppliers fail to deliver, or if deliveries are delayed or do not meet applicable standards in relation to - *inter alia* - product quality, this may negatively impact the construction process and could also result in the Group not being able to meet its own contractual obligations to a buyer of the project in question. This could have a negative impact on the Issuer's business and results of operations.

During the operating phase of its assets, the Group may also engage suppliers to carry out the servicing and/or management of the Group's assets. A defaulting supplier could result in an interruption to the operations of a plant until a replacement supplier has been found. This could also have a negative impact on the Issuer's business and results of operations.

In addition, the Group's suppliers often demand that an advance payment is made before delivery takes place, and such advance payment may not in all cases be covered by bank guarantees or other credit protection. Accordingly, there is a risk that such advance payments may be lost if the suppliers become financially distressed.

Risk rating: Medium.

Risk factors (4/18)

1.1.6 Price fluctuations and changes in availability of raw materials, components and services

The Group requires raw materials, components and services for purposes of the development and construction of renewable energy projects. The price and availability of raw materials, components and services fluctuate depending on - *inter alia* - local and international supply and demand, inflation, fuel costs and transportation costs.

Metal (including steel and copper) is a principal raw material of the Group. Accordingly, an increase in the price of metal could increase the costs, and reduce the profitability, of the Group. Volatility in the market price of metal and other commodities may result from many factors that are beyond the Group's control, including uncertainties resulting from geopolitical conflicts such as the ongoing conflict between Russia and Ukraine which has resulted in an increased volatility in commodity prices. The Group generally does not engage in hedging transactions to manage such commodity price risks, but, as a general rule, enters into fixed price contracts when ordering components for projects going into construction.

The Group also requires a large amount of photovoltaic ("**PV**") modules, which are subject to various input raw materials. The price of PV modules can fluctuate significantly, which could have a significant negative impact on the Group's financial position. Furthermore, the Group is dependent upon ocean transportation of PV modules shipped from Asia. The international freight markets are volatile depending on global supply and demand. The Group is therefore exposed to the risk of increasing transportation costs as well as the risk of interruptions and delays in international transportation, which may result from unforeseen external events outside of the Group's control. This could have a negative impact of the Issuer's business and results of operations.

Risk rating: Medium.

1.1.7 Development of new renewable energy projects (greenfield projects) and acquisition of new renewable energy projects (projects in development)

The Group is dependent upon the successful development of new wind and solar energy projects, which requires the availability of suitable sites for the projects.

To ensure a successful project development, the project sites need to satisfy a number of criteria, including (i) favourable wind or irradiation conditions, (ii) availability of grid connection possibilities and capacity, (iii) favourable regulatory environment and (iv) ability to obtain required building permits. In parallel with the expansion of renewable energy in some of the Group's key markets (including Denmark and Germany), such sites are becoming more difficult to find and/or more expensive to acquire or to secure. Also, conflicts with other public/political agendas are seen such as construction of renewable energy projects in areas where conservation of fauna and wildlife is also highly prioritised. This can adversely affect the Group's ability to successfully develop new projects and expand its business, which could have a negative impact on the Issuer's business and results of operations.

In addition to greenfield projects, the Group acquires projects at different stages of their development. Accordingly, the Issuer is exposed to the risk that suitable projects are not available at reasonable prices. In particular, an increase in the market price of electricity may cause an increase in the price of renewable energy projects acquired by the Group, which may make the Group's investments less profitable and/or result in fewer investments.

The acquisition of projects developed by third parties also carry the risk that the projects have hidden deficiencies (such as missing securities, unrealistic production prognoses or hidden liabilities). These deficiencies might not have been disclosed to the Issuer in a buyer's due diligence and might not be covered by any warranties/indemnities given by the seller. The timing of the acquisition of a project may not allow for a due diligence process that covers all detailed aspects of the project, which may increase the risk of hidden deficiencies. As a result, the Group's project acquisitions may prove less profitable than expected or even result in a loss, which could have a negative impact on the Issuer's business and results of operations.

Risk factors (5/18)

Risk rating: Low.

1.1.8 Divestment of projects

The Group's business concept includes the total or partial divestment of projects. There are a number of risks, which can impede the successful divestment of projects by the Group and thus adversely affect the Group's cash flow and ability to reinvest in new projects and to seize new business opportunities.

The demand for renewable energy projects may decrease due to, e.g., the general economic situation or to country-specific market developments, such as uncertainties with regards to the continuity of feed-in tariff schemes. The changes in the subsidy-regimes could impact the profitability of the projects negatively, and thereby lead to further decrease in the demand for renewable energy projects.

Such decrease in demand can affect both the market value of and the availability of divestment opportunities for the Group's projects. Finding creditworthy and reliable buyers can prove to be time and cost intensive. As a consequence, the divestment of projects can become more difficult and less profitable for the Group.

In the framework of the divestment of a project, the Group may accept to give certain guarantees regarding the project to the buyer that are not fully covered by the back-to-back arrangements with the suppliers. Such guarantees, which may include fulfilment of permits or meeting project specific criteria for receiving subsidies, can force the Group to allocate human and financial resources to the project after its divestment and potentially lead to direct payment obligations.

Part of the revenues resulting from a divestment may be held back by the buyer or held in escrow until the fulfilment of certain conditions subsequent. This can force the Group to allocate resources to the project after its divestment and the Group may not be able to receive the entirety of the revenues, e.g., in a case where the Group is exposed to a credit risk on the buyer.

Based on earn-out mechanisms in the sales contract, the revenues resulting from a divestment may be dependent on the productivity of the projects after their divestment and be lower than expected.

Furthermore, in some instances a part of the consideration that the Group receives for a renewable energy project is deferred (including earn-out payments). Should the buyer of the project not be able to pay the deferred consideration when it becomes due, this would have a negative impact on the Issuer's results of operations.

Risk rating: Low.

1.2 Economic and market risks

1.2.1 Fluctuations in the market price of electricity and/or certificates and PPAs

While part of the income generated by the Group's wind farms and Solar PV plants is covered by fixed prices (due to guaranteed feed-in tariffs or long term PPAs or fixed price premiums), part of the income may fluctuate with the market price of electricity and/or certificates. This exposes the Group to a risk of decrease in the price of electricity and/or certificates which could occur due to – *inter alia* – a reduction in the demand for electricity, weather conditions, network failures or new capacity being added to the market.

Risk factors (6/18)

The Group does not operate with a general price hedging strategy, but may from time to time enter into hedging agreements in order to receive a guaranteed fixed price instead of a variable price for the sale of electricity and/or certificates. Such agreements may require a minimum level of production and should the production not meet the agreed minimum level – for example, due to unforeseen events or unexpected adverse weather conditions – it may be necessary to purchase electricity or certificates on the spot market in order to meet the obligations under the hedging agreement. Furthermore, although the Group seeks to ensure that the PPAs that it enters into correspond to the power production of relevant project companies, this may not be possible to achieve at all times for various reasons, which in turn may result in a need for the Group to purchase electricity on the spot market to meet its obligations under the PPAs. In each case, if the spot prices at the time of purchase is higher than the price obtained by virtue of a hedging agreement or PPA, this could lead to a loss which may have an adverse effect on the financial position of the Group.

In addition, in some cases the Group enters into short term market hedges with credit support arrangements that may require the Group to post cash collateral as a result of fluctuations in the market price of electricity. Any significant demands for cash collateral under the Group's hedging agreements would have a negative impact on the Group's liquidity position which in turn could potentially result in a breach of liquidity financial covenants under its financing agreements, including the Bonds, the Issuer's outstanding senior unsecured green bonds due 2025 in the principal amount of EUR 300,000,000 (the "**Existing Bonds**"), the EUR 45,000,000 green revolving credit facility provided to the Issuer by a Nordic bank club (the "**Revolving Credit Facility**") and the EUR 150,000,000 green bridge facilities provided by a Nordic bank club to the Issuer as borrower or to a subsidiary of the Issuer as borrower and guaranteed by the Issuer (the "**Bridge Facilities**"). Any breach of liquidity covenants or other lack of liquidity due to demands for cash collateral could have an adverse effect on the financial position of the Group and the ability of the Issuer to meet its payment obligations under the Bonds.

Risk rating: High.

1.2.2 Geopolitical and other macroeconomic risks, including Russian military action against Ukraine

Due to the Group's involvement in different geographies and markets, the Issuer is exposed to geopolitical and other macroeconomic risks, including (but not limited to) (i) fluctuations in public share prices, credit spreads, interest rates, currency exchange rates and inflation rates, (ii) economic uncertainty, including uncertainties resulting from geopolitical conflicts such as the ongoing conflict between Russia and Ukraine and global pandemics such as COVID-19, and (iii) the overall geopolitical environment, including acts of war, terrorist attacks, security operations and international sanctions. Future market conditions in the different geographies where the Issuer operates may be less favorable compared to current and/or historical market conditions, which could adversely affect the Issuer's business.

The international macroeconomic situation is currently characterised by material uncertainty due to, *inter alia*, increased levels of debt and inflation in the market, the ongoing military conflict in Ukraine, increasing energy prices, interest rates and inflation as well as supply-chain constraints. These macroeconomic conditions have had - and if continued or further worsened may continue to have - a material adverse effect on the international financial and capital markets. The main business risks for the Group due to this development relate to reduced access to financing through the capital markets, increasing and fluctuating energy prices, disruptions and delays to supplies (in particular from Asia) as well as increases in the price of raw materials, which may have a material adverse effect on the Issuer's business, financial condition and results of operation.

In February 2022, Russian military forces launched a military action against Ukraine. The military conflict represents a source of high uncertainty in the global credit markets, commodity markets and the global economy. The military conflict has caused, and may continue to cause, a distortion of the global energy markets and supply chains leading to, *inter alia*, significant increases in energy and metal prices. Although the length, impact and outcome of the ongoing military conflict is unpredictable, there is a risk that it could sustain for a longer period of time and lead to further significant market disruptions, including volatility in electricity prices, commodity prices, credit and capital markets, as well as supply chain interruptions and deteriorating financing conditions.

The degree to which geopolitical and other macroeconomic factors may affect the Group is uncertain and presents a significant risk for the Issuer's present and future business activities, financial condition and results of operations.

Risk factors (7/18)

In addition, there is a risk that future sanctions imposed on international trade may have a negative impact on the Group's ability to conduct its business. For example, the Group purchases solar panels from China for its operations in Europe. If such supply were to become restricted by sanctions, it may be difficult for the Group to find alternative supply sources, which could result in a significant decrease in the Issuer's business activity and have a negative impact of the Issuer's business and results of operations.

Risk rating: High.

1.2.3 Technological development of renewable energy production

The technology of renewable energy generation, including wind turbine generators, Solar PV plants and P2X plants, advances at a very fast pace. There is a risk that the Group may not be able to keep up-to-date with the technological development and/or to respond in a timely manner to any changes to the technology employed by the Group in its wind parks, Solar PV plants and P2X plants.

The rapid technological development could also lead to other technological solutions for generating renewable energy surpassing the solutions currently chosen by the Group with regard to efficiency and costs. Should this occur, it could have a negative impact on the Group's business.

In addition, the adoption of newly developed technologies based on the present scientific knowledge and state-of-the-art engineering involves a risk that the technologies may turn out to be unreliable or otherwise experience unexpected deficiencies in the future, which may impair the productivity of the affected projects. This could have a negative impact on the Issuer's business and results of operations.

Risk rating: Medium.

1.2.4 Competition

The Group operates in highly competitive markets. With regard to the development and subsequent divestment of renewable energy projects, there is a large number of competitors, ranging from small- and medium sized developers with a profile similar to that of the Issuer to large state-owned utilities. Also with regard to the sale of electricity and certificates at market prices, the Group is faced with intense competition from other power generators and operators of renewable energy plants. The competition increases the demand on the Issuer to constantly improve its development and operating activities and cut costs in order to remain competitive. Any failure to do so could lead to an advantage for the Group's competitors which would negatively impact the Group.

Risk rating: Medium.

1.2.5 Power-to-X

The Group is involved in some of the first P2X projects in Denmark. In 2021, the Group acquired a controlling ownership stake in REintegrate ApS, a Danish e-methanol company which offers green e-methanol for the transport and chemical sectors. In 2021, the Group also invested in activities within European district heating pumps, e.g., large scale heating pumps that can replace fossil district heating systems by extracting heat from ambient air or waste heat from industrial processes.

Risk factors (8/18)

P2X is based on mostly well-known technologies while the integration of these into P2X plants is less tested. Risks relating to P2X include – *inter alia* – (i) integration and construction risks of P2X plants; (ii) the risk that P2X plants over time become sub-scale and thereby cost inefficient; and (iii) technology risks, i.e., the risk that innovation may bring new green energy products to market at lower costs. As a result of such risks, the Group's current and future investments in P2X may not be profitable or even generate a loss. This could have a negative impact on the Issuer's business and results of operations.

Risk rating: Medium.

1.3 Legal and regulatory risks

1.3.1 Regulatory framework and subsidies

The Group is dependent upon the successful development of new wind and solar energy projects, which in turn can be dependent upon the regulatory framework applicable from time to time. Given the comparably long development periods, renewable energy projects are particularly vulnerable to changes in this regulatory framework.

Most notably, the Issuer is affected by regulation and policy tools that benefit investments in "green energy", such as attractive feed-in tariff schemes and other subsidies. Any reduction of current actions favouring "green energy" may have a negative impact on the Issuer's business and results of operations.

In some of the Group's renewable energy markets, the participation in attractive feed-in tariff schemes is subject to regulatory deadlines. As a result, project development activities in such markets may increase significantly in the period up to such deadlines, which may in turn reduce the supply, and increase the costs, of crucial resources for project development, such as grid connection and capacity, construction companies or technical advisors. The increase in costs for such resources may impair the profitable development of projects. At the same time, the external deadlines causing peaks in activities also lead to peaks in the Group's internal work load. There is a risk that the necessary human resources cannot be available in due time. This may prevent the successful and timely development of new projects.

Further, there is a trend towards a decrease in subsidy levels due to successful implementation of competitive auction-processes. This has led to some regimes with no or significantly reduced subsidies for renewable energy projects, which in turn may reduce the profitability of the Group's projects.

In most of the Group's key markets, there are a multitude of public and private stakeholders involved in the process of approving new green energy projects, including municipalities, governmental authorities, interest groups or local residents. These stakeholders may delay or stall the successful development of new projects. In particular, the development of new projects may be dependent on the Group's receipt of approvals and permits from public authorities (such as planning approvals) as well as satisfactory performance of environmental impact assessments. Even where the requisite public approvals and permits have been granted, they may be subject to complaints or law suits by private stakeholders, which may delay the construction of a project or even lead to its cancellation. Complaints may also be made after the project has been completed and, if such complaints are successful, the Group could potentially be required to cease operating the relevant project temporarily or even permanently. Together with the vulnerability to changes in the regulatory framework, these factors increase the risk that the Group finds itself unable to successfully develop new projects and to expand its business.

If any of the abovementioned risks were to materialise, this could have a material adverse effect on the Issuer's business and financial condition.

Risk factors (9/18)

Risk rating: Medium.

1.3.2 Taxation

The Group is subject to various Danish and international tax legislation applicable to its global activities, including (but not limited to) rules on transfer pricing and value added tax. As a consequence of globalisation and growing world trade, tax authorities worldwide have increased their focus on transfer pricing with respect to cross-border intra-group transactions. In the event that the Group's operations inadvertently violated transfer pricing rules, this could result in an increased tax cost.

The applicable Danish and international tax legislation may change from time to time, which could also result in an increase of the Group's tax liabilities. Tax laws are complex and subject to subjective evaluations and interpretative decisions. The Group may be subject to tax audits aimed at assessing its compliance with direct and indirect taxes, and there is a risk that the tax position taken by the Group differs from the tax authorities' interpretation of the applicable Danish and international tax legislation, which may lead to increased tax liabilities and other penalties. Relatedly, the Group may from time to time be involved in disputes regarding its tax position with the relevant tax authorities. Any such disputes may result in increased taxes and/or penalties if the matter is decided against the Group, as well as costs relating to conducting administrative and/or legal proceedings.

Risk rating: Medium.

1.3.3 Changes to legislation and regulatory regimes

The Group operates in the market for renewable energy and renewable energy projects, which is highly sensitive to changes in legislation and to the regulatory regimes in general. Support mechanism are frequently changed because of – *inter alia* – the changing market conditions for renewable energy and conflicting political views on what the level of support for renewable energy should be. Changes to support mechanisms may be phased in over the course of several years but may also be implemented very quickly. In all cases, the changes require the Group to re-evaluate all projects that may be affected and, as a consequence, projects representing significant value in terms of costs already incurred or future profitability could be abandoned. Furthermore, changes to support mechanisms may be made with retroactive effect (such as reducing already guaranteed tariff levels for the future or imposing additional costs on the operation of renewable energy plants) and any such retroactive changes can impair the value of the Group's assets significantly and may have a material adverse effect on the Issuer.

Changes to other parts of the legislation than what relates to support mechanisms can also have an adverse effect on the Group. This can be the case if the changes – *inter alia* – makes it more difficult to develop, construct or operate renewable energy projects or on a general level increase the burden of conducting a business similar to the Group's.

As a result of recent sharp increases in energy prices, regulators at EU and national level may adopt measures to control any further increase of and/or to lower prices in the energy market. Such measures may include, *inter alia*, energy price caps or other mechanisms to control prices in the energy market, which may apply in the short-term or for a longer period of time. Any regulatory intervention to control energy prices may have a material adverse effect on the profitability of the Group's present or future projects affected thereby, which could in turn have a material adverse effect on the Issuer's business and financial condition.

Risk rating: Medium.

Risk factors (10/18)

1.4 Risks related to the Issuer's financial condition and financing

1.4.1 Project financings

The Group generally finances its renewable energy projects through a combination of project financing debt and equity contributed by the Issuer. The project financing debt is typically raised by the relevant project company or, in some cases, an intermediate holding company or special purpose financing company. The equity is contributed to the project companies by the Issuer (directly or indirectly), including by way of capital contributions and/or subordinated shareholder loans.

In a typical project financing, the debt raised by the relevant project companies will account for a substantial proportion of the total construction costs normally in the range of 60% - 90%. Reduced availability of project financing on acceptable terms could lead to delays in the development and construction of renewable energy projects or prevent their realisation altogether. In some cases, project financings may only be available on acceptable terms or at all if offtake agreements have been obtained. Accordingly, the Group is exposed to risks relating to the development in the supply and demand of offtake agreements. Any reduced availability of project financings and/or offtake agreements required to obtain a project financing would have an adverse effect on the Group's business.

Additionally, where a construction financing has been obtained in order to construct a project without a corresponding long-term financing having been secured at the same time, there is a risk that long-term financing cannot be obtained at the relevant time or at acceptable terms. This could also be the case where the duration of a long-term financing is limited so that a new long-term financing must be secured when the first one expires. This could have an adverse impact on the Group.

Furthermore, the Group has covenants related to some of its existing project financings, requiring the borrowing entities to – *inter alia* – maintain certain ratios, such as debt service coverage ratios. Should it not be possible to comply with such a covenant, e.g., due to unpredicted interruption of the production, this could entitle the lender to require that an extraordinary repayment is made or could constitute a default under the terms of the loans.

The Issuer's equity contribution to the project companies also needs to be financed, either through available cash resources and/or new debt and/or equity raised by the Issuer. Accordingly, the Group's ability to secure project financings for new projects is dependent upon the Issuer being able to finance its equity contribution. Any reduced capacity to fund the relevant project companies with equity contributed by the Issuer (directly or indirectly) could lead to delays in the development and construction of renewable energy projects or prevent their realisation altogether. This would have an adverse effect on the Group's business.

Risk rating: High.

1.4.2 Interest rate risk

Interest rate risk is the risk that changes in market interest rates will have a negative impact on the Issuer's net profit, cash flow or the fair value of assets and liabilities.

Risk factors (11/18)

A substantial proportion of the Group's renewable energy projects are financed with debt, usually obtained as project financing, which may have a floating interest rate. Consequently, an increase in the interest rates could adversely affect the profitability of the Group's projects and could also render projects in the development stage unviable due to the higher cost of financing. Furthermore, in some instances construction financing is obtained in order to construct a project without a corresponding long-term financing having been secured at the same time. This exposes the Group to an increase in the interest rate of the long-term financing prior to it being secured. This could also be the case where the duration of a long-term financing is limited so that a new long term financing must be secured when the first one expires.

Furthermore, the Issuer has debt that carries a floating interest rate by reference to EURIBOR, including the Bonds (when issued) and the Existing Bonds. In addition, the Issuer is the borrower under the Revolving Credit Facility and the Bridge Facilities, each of which carries a floating interest rate by reference to EURIBOR for loans in EUR and CIBOR for loans in DKK. The Issuer may also in the future issue additional debt with a floating interest rate by reference to EURIBOR or other benchmark rates. Consequently, an increase in EURIBOR, CIBOR and/or other applicable benchmark rates could increase the Issuer's financing costs in respect of the Bonds, the Existing Bonds, the Revolving Credit Facility, the Bridge Facilities and/or future additional debt of the Issuer. Any significant increase of the Issuer's financing costs could have a negative impact on the Issuer's liquidity position and could potentially result in a breach of financial covenants under the Issuer's financing arrangements. This could have a material adverse effect on the Issuer's financial position and its ability to meet its payment obligations under the Bonds.

In addition, the Issuer is exposed to the risk that interest rates may increase without a corresponding increase in inflation rates. This could result in increased financing costs for the Issuer without a corresponding increase in the Group's income from the sale of electricity, which in turn could reduce the profitability of the Group's business. Furthermore, investors may require a higher return if interest rates increase, which could in turn result in lower prices for the Group's future projects. This could have a material adverse effect on the Group's business, financial condition and results of operations and on the Bondholders' recovery under the Bonds.

Risk rating: High.

1.4.3 Issuer's financing arrangements and liquidity

The Issuer is dependent upon continued access to debt financing and liquidity. The Issuer's main debt financing currently consists of debt securities raised in the Nordic debt capital markets, including the Bonds (when issued), the Existing Bonds and the Issuer's in aggregate EUR 150,000,000 of callable subordinated green capital securities due 3020 (the "**Hybrid Capital Securities**"). The Issuer has also entered into the Revolving Credit Facility and the Bridge Facilities.

The Issuer may need to issue additional debt financing in the future to finance its operations and/or refinance its existing debt financing, including the Bonds and the Existing Bonds. Although the Hybrid Capital Securities will not mature until 3020, the interest payable in respect of the Hybrid Capital Securities will increase if the Hybrid Capital Securities are not refinanced upon the first call date occurring on 22 September 2023, which could materially increase the Issuer's financing costs. The Issuer's ability to successfully refinance its debt is dependent on the conditions of the capital markets and its financial condition at such time. The Issuer's access to financing sources may not be available on favourable terms or at all. The Issuer's inability to refinance its debt obligations on favourable terms or at all could have an adverse effect on the Group's business, financial condition and results of operations and on the Bondholders' recovery under the Bonds.

Some of the Issuer's financing agreements include financial covenants and various other covenants. If the Issuer were to breach such covenants, this could result in acceleration of outstanding credits and premature termination of the financing. Acceleration of one financing agreement could also trigger cross default clauses in other financing agreements of the Issuer, which could then lead to premature termination of those other financing agreements. The Bonds, the Existing Bonds, the Revolving Credit Facility and the Bridge Facilities include cross default and cross acceleration clauses. There can be no assurance that the Issuer will be able to fulfil financial and other covenants in its financing agreements.

Risk factors (12/18)

The Issuer's primary sources of liquidity are cash flow from operations, cash and cash equivalent reserves, debt securities and credit facilities. The Issuer's treasury function is responsible for adequacy of the Issuer's liquidity and availability of sufficient sources of funding. Due to the nature of the Group's business operations, the Issuer's available liquidity reserves may fluctuate depending on - *inter alia* - the timing for sales of renewable energy projects and receipt by the Issuer of the proceeds from such sales. If the Issuer is unable to manage efficiently such fluctuations, the Issuer could face liquidity shortages.

If any of the abovementioned risks were to materialise, this could have a material adverse effect on the Issuer's financial position and thereby on the Issuer's ability to fulfil its obligations under the Bonds.

Risk rating: Medium.

1.4.4 Parent company guarantees

Debt financing for specific projects is typically incurred by special purpose vehicles, but may be guaranteed, in whole or in part, by the Issuer. If the Issuer has provided such parent company guarantee, the financial risks associated with the financing will be directly transferred to the Issuer and the risks for the Group's overall result are increased.

The Issuer also provide parent company guarantees under the construction phase relating to the development and construction of the project. Such guarantees may be part of a project management agreement by which the Issuer or other companies of the Group provide services with respect to the design, procurement and construction of a project. Thereby, the risks associated with the construction are transferred directly to the Issuer and the risks for the Group's overall result are increased.

Risk rating: Medium.

1.4.5 Foreign exchange risk

Foreign exchange risk is the risk that changes in exchange rates will adversely affect the Issuer's cash flow, income statement and balance sheet.

The Group conducts the majority of its business in EUR and the annual accounts are prepared in EUR. However, the Group also has exposures towards SEK and BRL relating to its business in Sweden and Brazil and, to a lesser degree, PLN, GBP and BGN relating to its business in Poland, the United Kingdom and Bulgaria.

Changes in the exchange rate between EUR and other currencies to which the Group is exposed (e.g., SEK, BRL, PLN, GBP and BGN) may therefore influence the Group's financial results and could have a negative impact on the Issuer's results of operation. This is particularly relevant where the currency in question is not subject to an exchange rate mechanism such as ERM II, which limits the exchange rate fluctuations between DKK, the currency in the Issuer's home country, and EUR. In some cases, both income and expenses are incurred in the local currency which provides a natural hedge to some extent, but in other cases there is no such match. This could increase the losses due to currency risk if no separate hedging agreements are concluded.

The Issuer's hedging strategy is focused on hedging a majority of the Group's capital expenditure incurred in currencies other than EUR and DKK. Furthermore, equity in subsidiaries is only hedged if they are estimated to have a significant impact on the Group's result.

Risk factors (13/18)

Risk rating: Medium.

Risks Relating to the Bonds

1.5 Risks related to the nature of the Bonds

1.5.1 Status of the Bonds, structural subordination and insolvency of subsidiaries

The Issuer's obligations under the Bonds will be senior unsecured debt obligations of the Issuer. This means that, in the event of the Issuer's insolvency, including a winding-up (in Danish: *konkurs*) or reconstruction (in Danish: *rekonstruktion*) of the Issuer, the Bondholders would receive payment after secured creditors (to the extent of the value of the security) and any other prioritised creditors, including creditors whose claims are mandatorily preferred by law.

The Bonds will rank *pari passu* with the Existing Bonds issued by the Issuer. In addition, the Issuer may in the future issue or borrow additional debt ranking *pari passu* with the Bonds. Under the terms and conditions for the Bonds (the "**Terms and Conditions**") the Issuer may issue or borrow additional debt, subject to satisfaction of certain conditions, including either satisfaction of a certain incurrence test with - *inter alia* - certain financial ratio requirements or additional debt in the form of certain permitted financial indebtedness, all as more fully described in the Terms and Conditions.

Unsubordinated liabilities of the Issuer ranking *pari passu* with the Bonds may also arise out of events that are not reflected in the financial statements of the Issuer, including, without limitation, the issuance of guarantees on an unsubordinated basis. Claims made under such guarantees will become unsubordinated liabilities of the Issuer, which will rank *pari passu* with the Issuer's obligations under the Bonds.

The Issuer's obligations under the Existing Bonds, the Revolving Credit Facility, the Bridge Facilities and any present and/or future additional debt incurred or guaranteed by the Issuer, may reduce the amount (if any) recoverable by the Bondholders under the Bonds in the case of insolvency, including a winding-up (in Danish: *konkurs*) or reconstruction (in Danish: *rekonstruktion*) of the Issuer.

Furthermore, the Bonds are structurally subordinated to all creditors of the Issuer's direct and indirect subsidiaries. This means that in the event of a liquidation, dissolution, bankruptcy or similar proceeding relating to any direct or indirect subsidiary of the Issuer, all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before any entity within the Group (including ultimately the Issuer), as a shareholder, would be entitled to any payments. The Terms and Conditions also include permission for joint financing of several unrelated projects. If several subsidiaries of the Issuer are part of such a joint project financing providing for cross-guarantees and security, the creditors under such joint project financing may be entitled to claim against the assets of all such subsidiaries in priority to the Bonds.

Defaults by, or the insolvency of, certain subsidiaries of the Issuer could also result in the obligation of the Issuer to make payments under parent company guarantees given by the Issuer in respect of such subsidiaries' obligations, which may rank *pari passu* in right and priority of payment with the Bondholders' claims under the Bonds. In addition, the Issuer may decide to contribute additional equity or other financial support to its subsidiaries even in circumstances where the Issuer is not legally obliged to do so. This could reduce the assets available to Bondholders and thereby negatively impact the Bondholders' recovery under the Bonds.

Risk factors (14/18)

Risk rating: High.

1.5.2 Service of Bonds and distributions from subsidiaries

The Bonds may be serviced from revenues and profits generated directly at the Issuer (primarily asset management and EPC fees and gains on sale of shares in project companies) or available credit facilities as well as dividends and payments on shareholder loans received from the Issuer's subsidiaries.

A significant part of the Group's business is conducted through the Issuer's subsidiaries. The Issuer's subsidiaries are legally separate and distinct from the Issuer and have no obligation to pay amounts due with respect to the Issuer's obligations under the Bonds or to make funds available for the Issuer to make such payments. Consequently, the Issuer is dependent on its subsidiaries' availability of cash and their legal ability to make dividends and other distributions and payments to the Issuer, which may be restricted by legal, contractual and/or commercial restrictions. Should the Issuer not receive sufficient income from its subsidiaries, there is a significant risk that the Issuer may not be able to service the Bonds and the Bondholders may lose their investment, in whole or in part.

Risk rating: Low.

1.5.3 Early redemption - put option and call option

Under the Terms and Conditions, each Bondholder has the right (put option) to require that the Issuer purchases all or some of its Bonds upon the occurrence of a Put Option Event (as defined in the Terms and Conditions) at a specified price. If a Put Option Event were to occur, the Issuer may not have sufficient funds available, or may not be able to obtain the funds needed, to redeem or pay the repurchase price for all of the Bonds put to it by the Bondholders. Failure to redeem or repurchase the Bonds would adversely affect the Issuer, e.g., by causing insolvency or an event of default under the Terms and Conditions, and thus adversely affect all the Bondholders and not only those that choose to exercise the put option.

In addition, the Terms and Conditions include certain rights of the Issuer (call option) to redeem the Bonds, in whole or in part, prior to the maturity date at various call prices during the lifetime of the Bonds. During any period when the Issuer is able to redeem the Bonds, the market value of the Bonds may not rise substantially above the price at which they can be redeemed. This may also be true prior to any such period. The Issuer may be expected to redeem the Bonds when the Issuer's cost of borrowing, generally or in respect of instruments which provide benefits to the Issuer similar to those of the Bonds, is lower than the interest payable on the Bonds. At such times, the Bondholders would generally not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest payable on the Bonds being redeemed and may only be able to reinvest the redemption proceeds at a significantly lower rate.

Risk rating: Low.

1.5.4 Risks associated with the reform of EURIBOR and other interest rate benchmarks

EURIBOR and other interest rates or other types of rates or indices which are deemed to be "benchmarks" are the subject of ongoing national and international regulatory discussions and proposals for reform. These reforms may cause such "benchmarks" to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted.

Risk factors (15/18)

The Benchmark Regulation, published in the Official journal of the European Union on 29 June 2016 and applicable from 1 January 2018, could have a material impact on the Bonds linked to EURIBOR, in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the terms of the Benchmark Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level of the benchmark.

If EURIBOR were to be discontinued or otherwise unavailable, the rate of interest on the Bonds may be affected. In this case, the rate of interest on the Bonds will be determined in accordance with the replacement of reference rate provisions as further set out in the Terms and Conditions.

Risk rating: Low.

1.6 Risks related to the suitability of the Bonds as an investment

1.6.1 Secondary market and liquidity risk

The Issuer will apply for listing of the Bonds on Nasdaq Copenhagen A/S, but the Issuer cannot assure that an active and liquid trading market will develop or be maintained for the Bonds.

The market price of the Bonds could be subject to significant fluctuations. Historically, the markets for debt such as the Bonds have been subject to disruptions that have caused substantial volatility in their prices. The market, if any, for the Bonds may be subject to similar disruptions which may have a material adverse effect on the Bonds. In the recent years, the global financial markets have experienced significant price and volume fluctuations following, in particular, the outbreak of COVID-19 and the ongoing military conflict following Russia's invasion in Ukraine, which, if continued, expanded and/or repeated in the future, could adversely affect the market price of the Bonds without regard to the Group's business, financial position, earnings and ability to make payments under the Bonds.

In addition, pursuant to the Terms and Conditions, all trades in the Bonds shall be in a minimum Nominal Amount of EUR 100,000 (the Minimum Trading Unit). If a Bondholder holds Bonds of less than a Nominal Amount of EUR 100,000 due to, e.g., a partial redemption of Bonds in accordance with the Terms and Conditions, the Bondholder cannot sell the remaining Bonds without first purchasing Bonds to increase its holding above EUR 100,000. Since all trades in the Bonds must be in a minimum Nominal Amount of EUR 100,000, the Bondholder must then purchase Bonds in a Nominal Amount of at least EUR 100,000. Accordingly, an investment in the Bonds is only suitable for investors who can bear the risks associated with the prohibition on selling and/or buying the Bonds in Nominal Amounts of less than EUR 100,000.

Each of the above, alone or in combination, may result in a Bondholder not being able to sell its Bonds or at a price that will provide such Bondholder with a yield, which is comparable to similar investments that have a developed and liquid secondary market. This means that a Bondholder may be exposed to the risks related to the Issuer until the Bonds reach the maturity date.

Risk rating: Low.

Risk factors (16/18)

1.6.2 Classification as "green" bonds

The Issuer will apply the net proceeds of the Bonds to finance or re-finance (with a maximum lookback period of three years) certain eligible assets and projects (the "**Green Projects**") as described in the Issuer's green finance framework dated June 2021 (the "**Green Finance Framework**"), including for purposes of refinancing any debt incurred under the Bridge Facilities.

There is a risk that the application of the net proceeds of the Bonds in accordance with the Green Finance Framework may not satisfy, in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether according to any present or future applicable law or regulations or by such investor's own by-laws or other governing rules or investment portfolio mandates.

There is currently no generally applicable legally binding definition of what constitutes a "green" project nor is there any clear market consensus in terms of what is specifically required for a project to be defined as "green" or equivalently labelled. In light of the continuing development of legal, regulatory and market convention in the green and sustainable financing market, no assurance is or can be given to investors that any project(s) or use(s) the subject of, or related to, any Green Projects will meet any or all investor expectations regarding such "green" or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any project(s) or use(s) the subject of, or related to, any Green Projects. Accordingly, there is a risk that the Green Projects described in the Green Finance Framework will not meet current or future investor expectations regarding such "green" or equivalently labelled performance objectives.

The EU Taxonomy Regulation (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088) provides criteria for determining whether an economic activity qualifies as "environmentally sustainable" for the purposes of establishing the degree to which an investment is environmentally sustainable. The EU taxonomy is subject to further development by way of the implementation by the European Commission, through delegated regulations, of technical screening criteria for the environmental objectives set out in the EU Taxonomy Regulation. Although the Issuer intends for the Green Finance Framework to be aligned with the EU taxonomy on a best efforts basis, there can be no assurance that the Green Finance Framework will comply with all criteria of the EU taxonomy.

In July 2021, the European Commission published a proposal for a regulation to create a "European Green Bond Standard" or "EUGBS", and it is expected that during the life of the Bonds, the EUGBS will be finalised and adopted. There is a risk that the Issuer's Green Finance Framework and the Bonds will not qualify as "green" pursuant to the EUGBS, which in turn may have a negative impact on the pricing of the Bonds.

Risk rating: Low.

1.6.3 Failure to comply with Green Finance Framework

Any failure by the Issuer to comply with the Green Finance Framework does not constitute a default under the Terms and Conditions. The Bondholders do not have any put option or other right of early redemption in case of any failure by the Issuer to comply with the Green Finance Framework.

Any failure by the Issuer to comply with the Green Finance Framework may have a material adverse effect on the value of the Bonds and/or result in adverse consequences for individual Bondholders, including (but not limited to) Bondholders with portfolio mandates to invest in securities to be used for a particular purpose.

Risk factors (17/18)

Risk rating: Low.

1.6.4 Second Party Opinion

The Issuer has appointed DNV Business Assurance Norway AS for an independent evaluation of the Green Finance Framework. The evaluation has resulted in a second party opinion dated 9 July 2021 (the "**Second Party Opinion**").

Currently, the providers of opinions and certifications such as the Second Party Opinion are not subject to any specific regulatory or other regime or oversight and there is a risk that such providers may be deemed as not being reliable or objective, whether now or in the future.

Risk rating: Low.

1.6.5 Listing on green segment

The Issuer expects that the Bonds will be listed and admitted to trading on the "Nasdaq Sustainable Bond Market" segment of Nasdaq Copenhagen A/S. There is a risk that such listing and admission may not satisfy, in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply. The criteria for such listing and admission to trading may vary from one stock exchange or securities market to another.

Any failure for the Bonds to be listed and admitted to trading (or ceasing to be listed and admitted to trading) on the "Nasdaq Sustainable Bond Market" segment of Nasdaq Copenhagen A/S as described above does not constitute a default under the Terms and Conditions. The Bondholders do not have any put option or other right of early redemption in case of any failure to obtain or maintain a listing on the "Nasdaq Sustainable Bond Market" segment of Nasdaq Copenhagen A/S, which may have an adverse effect on the value of the Bonds and/or result in adverse consequences for individual Bondholders, including (but not limited to) Bondholders with portfolio mandates to invest in securities to be used for a particular purpose.

Risk rating: Low.

1.7 Risks related to certain limitations of the Bondholders' rights

1.7.1 Amendment and waiver of Terms and Conditions

The Terms and Conditions will contain provisions for decisions of Bondholders by way of a Bondholders' meeting or written procedure. These provisions permit specified majorities to bind all Bondholders, including Bondholders who did not attend and vote at the Bondholders' meeting or replied in the written procedure (as applicable) and Bondholders who voted in a manner contrary to the majority. Accordingly, there is a risk that a majority may make resolutions pertaining to the Bonds which an individual Bondholder may not agree with, including, without limitation, that payment under the Bonds may be postponed, that the nominal amount of the Bonds may be written down or that the Bonds may be converted into another financial instrument without the individual Bondholder's consent.

Risk factors (18/18)

Furthermore, Nordic Trustee A/S, as agent and representative on behalf of the Bondholders (the "**Agent**"), may, without the consent of the Bondholders, agree to certain modifications of the Terms and Conditions which will be binding upon all of the Bondholders as further described in the Terms and Conditions. The Bondholders accordingly face a risk that the Agent will agree to amendments without the explicit consent of each of the Bondholders.

Risk rating: Low.

1.7.2 "No action" clause

In accordance with the Terms and Conditions, the Agent will represent the Bondholders in all matters relating to the Bonds and the Bondholders are prevented from taking actions on their own against the Issuer. Individual Bondholders do not have the right to take legal actions to declare any default by claiming any payment from the Issuer and may therefore lack effective remedies unless and until a requisite majority of the Bondholders instruct the Agent to take such action. Pursuant to the Terms and Conditions, remedies afforded to the Bondholders are vested with the Agent, thus preventing individual Bondholders from taking separate action ("no action" clause). The Bondholders accordingly face a risk that the Agent will take actions without the explicit consent of each of the Bondholders and with no or limited possibility of taking separate action.

Risk rating: Low.

7

Appendix

VÄSTANBY
10 MW
SWEDEN

By choosing European Energy you join a robust green finance framework and a partner working for a 100% renewable energy infrastructure

- The framework **includes green bonds, green loans and other types of debt instruments** which are used to finance, or re-finance, eligible assets and projects
- Eligible assets and projects include:
  - Development and construction of renewable energy projects (i.e. **solar and wind**)
  - **R&D projects related to solar and wind power** (e.g. Risø Test Centre)
- Eligible assets and projects **may cover both operational expenditures and capital expenditures**, such as labour costs or spending on R&D
- Eligible assets and projects **target specific climate-related objectives to reduce greenhouse gas emissions** through the production of renewable energy

Process selection	European Energy's investment committee is responsible for ensuring that only projects aligned with the framework are allocated proceeds from green bonds
Management of proceeds	A Green Bond Register will be created to ensure that proceeds are mapped to eligible assets and projects. Projects may be added or removed and will be replaced
Reporting	An annual allocation and impact report will be published, where feasible impact will be reported in greenhouse gas (CO_2 tonne) avoidance
External review	DNV·GL

European Energy’s income statement

EUR ´000	H1 2022 LTM	H1 2022	H1 2021	2021	2020	2019
Revenue	576,064	285,534	38,123	328,653	206,962	238,804
Net result after tax from equity-accounted investments	9,682	10,539	2,132	1,275	(4,878)	2,504
Results from investments in joint ventures	*5,475*	*7,957*	*1,189*	*(1,293)*	*(6,396)*	-
Results from investments in associates	*4,207*	*2,582*	*943*	*2,568*	*1,518*	-
Other income	311	309	993	995	4,808	6,835
Direct costs	(404,341)	(197,419)	(19,485)	(226,407)	(132,946)	(190,614)
Gross profit	**181,716**	**98,963**	**21,763**	**104,516**	**73,946**	**57,529**
Staff costs	(18,468)	(11,679)	(5,188)	(11,977)	(7,381)	(6,695)
Other external costs	(17,597)	(10,278)	(3,996)	(11,315)	(5,368)	(6,529)
EBITDA	**145,651**	**77,006**	**12,579**	**81,224**	**61,197**	**44,305**
Depreciation & impairment	(14,662)	(3,699)	(6,462)	(17,425)	(11,671)	(5,894)
Operating profit (EBIT)	**130,989**	**73,307**	**6,117**	**63,799**	**49,526**	**38,411**
Financial income	13,972	2,852	1,813	12,933	2,815	12,148
Financial expenses	(14,021)	(7,004)	(6,991)	(14,008)	(14,566)	(13,117)
Profit/loss before tax	**130,940**	**69,155**	**939**	**62,724**	**37,775**	**37,442**
Tax	(11,119)	(6,034)	(6)	(5,091)	(8,109)	(1,461)
Profit/loss for the period	**119,821**	**63,121**	**933**	**57,633**	**29,666**	**35,981**
Attributable to:						
Shareholders of the Company	109,305	58,237	220	51,288	16,644	26,654
Hybrid capital holders	6,608		-	6,608	-	-
Non-controlling interests (NCI)	3,908	4,884	713	(263)	13,022	9,327
Profit/loss for the period	**119,821**	**63,121**	**933**	**57,633**	**29,666**	**35,981**

European Energy’s balance sheet

EUR ´000	H1 2022	H1 2021	2021	2020	2019
ASSETS					
Goodwill	4,526	-	4,528	-	-
Property, plant and equipment	157,034	122,738	157,283	130,594	134,213
Lease assets	12,845	8,670	9,875	9,396	9,091
Investments in joint ventures	19,447	10,560	13,743	10,334	11,112
Investments in associates	17,672	15,797	17,083	15,239	13,693
Other investments	13,453	8,558	8,468	7,497	4,394
Loans to related parties	42,463	57,953	56,852	45,346	35,620
Loans to joint ventures	*39,149*	*53,601*	*51,913*	*41,051*	-
Loans to associates	*3,314*	*4,352*	*4,939*	*4,295*	-
Trade receivables and contract assets	26,878	3,169	10,731	2,907	4,241
Other receivables	3,259	12,127	2,975	12,340	15,133
Deferred tax	10,288	6,237	6,294	4,798	2,292
Prepayments	-	-	-	-	3,923
Total non-current assets	**307,865**	**245,809**	**287,832**	**238,451**	**233,712**
Inventories	735,566	493,775	524,830	325,211	227,131
Trade receivables and contract assets	56,081	24,729	56,149	27,298	16,920
Other receivables	42,552	26,435	31,687	21,664	8,270
Prepayments	52,366	8,942	46,143	5,301	6,116
Free cash and cash equivalents	135,919	70,914	173,718	86,771	82,278
Restricted cash and cash equivalents	22,911	40,080	53,643	35,121	31,244
Total current assets	**1,045,395**	**664,875**	**886,170**	**501,366**	**371,959**
TOTAL ASSETS	**1,353,260**	**910,684**	**1,174,002**	**739,817**	**605,671**

EUR ´000	H1 2022	H1 2021	2021	2020	2019
EQUITY AND LIABILITIES					
Equity					
Share capital	40,591	40,455	40,559	40,430	40,331
Retained earnings and reserves	194,337	100,878	147,179	94,650	77,797
Equity attributable to shareholders of the Company	**234,928**	**141,333**	**187,738**	**135,080**	**118,128**
Hybrid capital	150,000	150,000	150,000	75,000	-
Non-controlling interests	19,149	24,565	12,750	25,188	19,475
Total Equity	**404,077**	**315,898**	**350,488**	**235,268**	**137,603**
Liabilities					
Bond	287,332	195,207	285,383	194,144	192,017
Project financing	326,547	233,091	301,409	187,917	140,743
Other debt	21,971	2,982	12,377	2,139	905
Lease liabilities	10,353	7,242	9,220	8,307	13,037
Provisions	21,610	20,771	23,868	20,390	6,096
Deferred tax	17,946	11,736	12,378	11,999	10,241
Total non-current liabilities	**685,759**	**471,029**	**644,635**	**424,896**	**363,039**
Project financing	107,697	50,361	45,589	33,504	66,772
Lease liabilities	3,039	1,591	2,123	1,739	1,493
Trade payables	93,566	29,842	62,526	11,629	8,981
Payables to related parties	4	1,229	11,431	11	2,117
Corporation tax	6,520	7,552	9,756	6,851	4,777
Provisions	3,750	4,090	4,254	4,400	2,800
Deferred income	7,964	3,058	4,239	2,654	-
Other payables	40,884	26,034	38,961	18,865	18,089
Total current liabilities	**263,424**	**123,757**	**178,879**	**79,653**	**105,029**
Total liabilities	**949,183**	**594,786**	**823,514**	**504,549**	**468,068**
TOTAL EQUITY AND LIABILITIES	**1,353,260**	**910,684**	**1,174,002**	**739,817**	**605,671**

European Energy’s cash flow statement

EUR ’000	H1 2022 LTM	H1 2022	H1 2021	2021	2020	2019
Profit before tax	130,940	69,155	939	62,724	37,775	37,442
Adjustments for:						
Financial income	(13,972)	(2,852)	(1,813)	(12,933)	(2,815)	(12,148)
Financial expenses	14,021	7,004	6,991	14,008	14,566	13,117
Depreciation and impairment	14,662	3,699	6,462	17,425	11,671	5,894
Profit/loss from equity-accounted companies	(9,682)	(10,539)	(2,132)	(1,275)	4,878	(2,504)
Results from investments in joint ventures	*5,475*	*(7,957)*	*(1,189)*	*1,293*	*6,396*	-
Results from investments in associates	*(4,207)*	*(2,582)*	*(943)*	*(2,568)*	*(1,518)*	-
Change in net working capital, excluding inventories	(6,679)	6,431	21,411	8,301	7,044	(14,561)
Change in inventories	(178,149)	(157,358)	(167,933)	(188,724)	(92,446)	153
Interest paid on lease liabilities	(399)	(176)	(178)	(401)	(413)	(152)
Dividends[1]	2,815	2,112	354	1,057	1,613	1,556
Other non-cash items	9,643	8,457	(2,040)	(854)	(4,122)	(2,980)
Cash generated from operating activities before financial items and tax	**(36,800)**	**(74,067)**	**(137,939)**	**(100,672)**	**(22,249)**	**25,817**
Taxes paid	(7,544)	(4,241)	(1,249)	(4,552)	(3,727)	(538)
Interest paid and realised currency losses	(23,197)	(11,787)	(2,862)	(14,272)	(12,000)	(11,459)
Interest received and realised currency gains	4,994	1,634	1,361	4,721	2,360	5,864
Cash flow from operating activities	**(62,547)**	**(88,461)**	**(140,689)**	**(114,775)**	**(35,616)**	**19,684**
Acquisition/disposal of property, plant and equipment	(48,555)	(2,662)	(129)	(46,022)	(3,822)	28,307
Acquisition/disposal of other investments	(4,991)	(4,985)	(29)	(35)	(224)	65
Acquisition of enterprises	-	-	-	-	-	(27,276)
Cash and cash equivalents related to acquired companies	(1,343)	-	-	(1,343)	-	-
Proceeds from disposal of equity-accounted investments	-	-	-	-	-	682
Investments in joint ventures and associates	(8,422)	(4,962)	(183)	(3,643)	(1,549)	(1,479)
Loans to joint ventures and associates	(1,704)	654	(9,764)	(12,122)	(17,380)	(11,893)
Cash flow from investing activities	**(65,015)**	**(11,955)**	**(10,105)**	**(63,165)**	**(22,975)**	**(11,594)**
Proceeds from issue of bonds	297,750	-	-	297,750	-	200,535
Repayment of bonds	(205,035)	-	-	(205,035)	-	(88,400)
Proceeds from project financing	306,199	152,160	78,263	232,302	205,952	88,551
Repayment of project financing	(195,970)	(105,477)	(16,232)	(106,725)	(201,371)	(160,358)
Repayment of lease liabilities	(1,774)	(1,118)	(860)	(1,516)	(2,000)	(467)
Payables to associates	(12,372)	(11,427)	975	30	(2,106)	1,636
Capital increase through exercise of warrants	208	208	130	130	404	-
NCI’s share of capital increase of disposal of subsidiaries	-	-	-	-	-	(4,563)
Purchase of treasury shares	(8)	-	(13)	(21)	(18)	-
Proceeds from issue of hybrid capital	-	-	75,967	75,967	73,391	-
Coupon payments, hybrid capital	(9,188)	-	2,580	(6,608)	-	-
Transactions with non-controlling interests	(4,412)	(2,461)	(914)	(2,865)	(7,291)	-
Cash flow from financing activities	**175,398**	**31,885**	**139,896**	**283,409**	**66,961**	**36,934**
Cash and cash equivalents related to acquired companies	-	-	-	-	-	9,912
Change in cash and cash equivalents	**47,836**	**(68,531)**	**(10,898)**	**105,469**	**8,370**	**54,936**
Cash and cash equivalents at beginning of period	110,994	227,361	121,892	121,892	113,522	58,586
Cash and cash equivalents end of period	**158,830**	**158,830**	**110,994**	**227,361**	**121,892**	**113,522**
Of which restricted cash and cash equivalents	**22,911**	**22,911**	**40,080**	**53,643**	**35,121**	**31,244**
Non-restricted cash and cash equivalents at end of period	**135,919**	**135,919**	**70,914**	**173,718**	**86,771**	**82,278**

1) In the 2020 annual report “Dividends” line item in the cash flow statement is reclassified from “cash flow from investing activities” to “cash flow from operating activities”. This change is reflected for 2019 comparison purposes