



# European Energy A/S: Solid results continues in Q2

## Company announcement 11/2022 (29.08.2022)

*The financials for European Energy in Q2 surpassed the same period last year despite a challenging market with increases in both income and costs as a result of the turbulent geopolitical situation.*

European Energy has had solid results in Q2 with an EBITDA of EUR 12m compared to EUR 7m in Q2 last year and profit before tax of EUR 6.4m compared to EUR 0.9m in Q2 last year. Halfway through 2022, the Group has delivered almost 57 % (EUR 77.1m) of the EBITDA outlook for 2022 and almost 70% (EUR 69.2m) of the profit before tax outlook for 2022.

While the energy prices are at a historically high level, the current high inflation as well as other factors has resulted in higher prices for the procurement for future projects with both construction and financing costs being increased.

There are currently two major tendencies disrupting the energy market. The energy prices remain at a high level and so do the prices for steel, logistics and solar panels. At the same time inflation and interest rates are rising. Increasing investment in new renewable electricity production is the best and only long-term solution to reduce both energy prices and CO2 emissions. This is also why European Energy will continue to use all free cash to invest in new projects.

These disrupting factors contribute to the interest that European Energy is facing from stakeholders and business partners globally in its renewable projects.

The newest business area, Power-to-X, is experiencing an increasing interest from the stakeholders and business partners with a new contract on green hydrogen for Port Esbjerg (DK) and a new research project regarding green aviation fuel.

In traditional divestment of energy parks, there has also been a steady interest in our projects and an increasing net value for our assets. European Energy is pursuing a strategy to keep more assets in the Group for a longer period. Therefore, the Group has only concluded a smaller project sale in Q2 2022. Among new projects of interest are plans to construct the largest solar park in Latvia in close cooperation with Latvian authorities.

European Energy A/S  
Gyngemose Parkvej 50  
2860 Søborg  
+45 8870 8216  
info@europeanenergy.dk  
<https://europeanenergy.com>



The planned construction activities in various markets for the second half of 2022 will include the grid connection of record high 600+ MW of new renewable energy capacity. The actual grid connection date for the projects may impact the final yearend result. The current guidance does not include power sales from these new assets. If all assets are connected without delays, power sales may exceed outlook if the energy market remains at the current level throughout the year.

The increase in the development pipeline of European Energy from 16 GW in Q2 2021 to 24 GW in Q2 2022 is a result of the ability of the Group to secure land plots for new projects. This further illustrates the keen interest from external partners in committing to the green transition.

Total revenue in the Group was EUR 285.5m in the first half of 2022 compared to EUR 38.1m in the first half of 2021. The main reason for this sharp increase is divestment of energy parks made in Q1 2022.

The outlook for European Energy in the financial year of 2022 remains at an EBITDA at EUR 135m and profit before tax EUR 100m. If power prices stay at the current levels, the Group will consider keeping a few more assets by that strengthen the IPP activity.

For further information, please contact Investor Relations: [investor.relations@europeanenergy.dk](mailto:investor.relations@europeanenergy.dk).

This announcement has been made in accordance with the EU Market Abuse Regulation (Regulation (EU) no. 596/2014, as amended).

[Read the Interim Financial Report Q2 2022 here](#)