

## European Energy completes third quarter of 2020 with significant growth across the board

### Company announcement 15/2020 (30 November 2020)

European Energy sees significant growth across all recurring activities of the Group at the end of the third quarter of 2020 and maintains its high expectations for its annual targets. European Energy recorded revenue of EUR 40.7 million, an EBITDA of EUR 9.3 million and profit before tax of EUR 3.2 million in the third quarter.

Knud Erik Andersen, CEO of European Energy, said:

“We are pleased to report that European Energy delivered significant growth across all recurring activities in the third quarter of 2020, as we maintain our expectations for our annual targets. The increased sale of green power was the main driver behind our significant growth. At the end of the third quarter, the revenue from electricity sales increased 73% during the first nine months of 2020 compared to 2019, and exceeded the total sales of the entire financial year of 2019. During the quarter, the electricity sale revenues from solar assets alone increased more than tenfold compared to the same period in 2019.

While only one of our projects under construction was grid-connected during the third quarter, construction activities are ongoing across seven countries at 14 different project sites, poised to add more than 300 MW of green power capacity in the coming quarters. In total, more than 1293 MW are currently under construction or ready-to-build across all our solar and wind power projects. During the quarter, our project pipeline grew by additional 2 GW to a total of more than 17 GW of projects under development. Therefore, we expect our construction activities to increase further and remain high across the European continent over the coming years.

During the third quarter of 2020, we closed the divestment of our 50 MW solar farm Hanstholmvej situated in the northern part of Jutland, Denmark to the Munich based LHI Group, and the sale has contributed positively to the quarterly results. The solar park is the first in Denmark to utilize bifacial modules, and the electricity has been sold on a long-term contract to the international tech company Apple Inc. Also in Denmark, we have signed a Sales and Purchase Agreement for the 30 MW solar farm Næssundvej and expect the revenue to be recognised in the fourth quarter of 2020, when the park has been fully constructed and grid-connected.

At the end of the quarter, European Energy's cash position was very solid at EUR 174.7 million whereof EUR 163.1 is free cash. The strong cash base enables us to fund our growth for the coming quarters. In July, we closed our biggest long-term financing to date on the Troia solar park with the French based bank Natixis of EUR 96.5 million. In September, European Energy successfully launched a hybrid green bond of EUR 75.0 million at a rate of 6,1% as a significant number of our existing investors decided to increase their level of investments with us. The hybrid green bond will support the solvency of the company as the raised capital is counted as equity. All in all, we continued to deliver strong financial performance in the third quarter of 2020 and remain committed to delivering both EBITDA (EUR 52-58 million) and profit before tax (EUR 35-39 million) for the full financial year in 2020 in line with the earlier guideline.

The election of Joe Biden as president in the United States will bring the country back onto the path towards genuine climate action. We are delighted that there seems again to be a broad global backing behind climate action. To us, climate change is the challenge of our lifetime, and we are feel obligated to fight it by all means.

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This announcement has been made in accordance with the market abuse regulation (regulation (EU) no. 596/2014 on market abuse).

Attachment: [Interim Financial Report Q3 2020](#)