EUROPEAN ENERGY

INVESTOR PRESENTATION
JANUARY 2023

Disclaimer (1/3)

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The bookrunners of the Capital Securities and the Senior Bonds are Danske Bank A/S ("**Danske**"), DNB Markets, a part of DNB Bank ASA, Sweden Branch ("**DNB**") and Nordea Bank Abp ("**Nordea**"), and together the "**Joint Bookrunners**". The tender agents for the Tender Offer are Danske, DNB and Nordea (the "**Tender Agents**").

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Type of client: Clients that are eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU(as amended, "**MiFID II**").

Knowledge and experience: Clients that are (i) informed investors, having one or more of the following characteristics: (a) average knowledge of the relevant financial products (an informed investor can make an informed investment decision based on the regulated and authorised offering documentation, together with knowledge and understanding of the specific risk factors/risks high-lighted with them only), or (b) some financial industry experience, or (ii) advanced investors, having one, or more of the following characteristics: (x) good knowledge of the relevant financial products and transactions, or (y) financial industry experience or accompanied by professional investment advice or included in a discretionary portfolio service.

Financial situation with a focus on the ability to bear losses: Clients that have the ability to bear losses of up to 100% of the capital invested in the Capital Securities.

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Risk tolerance: Clients that have the financial ability and willingness to put the entire capital invested at risk. Clients investing in the Capital Securities are willing to take more risk than deposit savings and senior debt instruments and do not require a fully guaranteed income or return profile.

Investment objective: Clients whose investment objective is to generate growth of the invested capital and have a long term investment horizon.

Furthermore, the Capital Securities manufacturers have made an assessment as to the negative target market and concluded that the Capital Securities 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. A PRIIPs KID (in English, Danish, and Swedish languages) for purposes of Regulation (EU) No 1286/2014, as amended (the "**PRIIPs Regulation**") has been prepared and made available at the Issuer's website www.europeanenergy.com.

The Capital Securities manufacturers have made an assessment as to the distribution strategy for the Capital Securities, and have concluded that (i) all channels for distribution to eligible counterparties and professional clients are appropriate; and (ii) the following channels for distribution of the Capital Securities to retail clients are appropriate – investment advice, portfolio management, non-advised sales and pure execution services with appropriateness test, subject to the Capital Securities distributor's (as defined below) suitability and appropriateness obligations under MiFID II, as applicable. Any person subsequently offering, selling or recommending the Capital Securities (a "**Capital Securities distributor**") should take into consideration the Capital Securities manufacturers' target market assessment. However, a Capital Securities distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Capital Securities (by either adopting or refining the Capital Securities manufacturers' target market assessment) and determining appropriate distribution channels, subject to the Capital Securities distributor's suitability and appropriateness obligations under MiFID II, as applicable.

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Agenda

Presenters

Jens-Peter Zink
Deputy CEO

With EE since 2005

Jonny T. Jonasson
Chief Financial Officer

With EE since 2012

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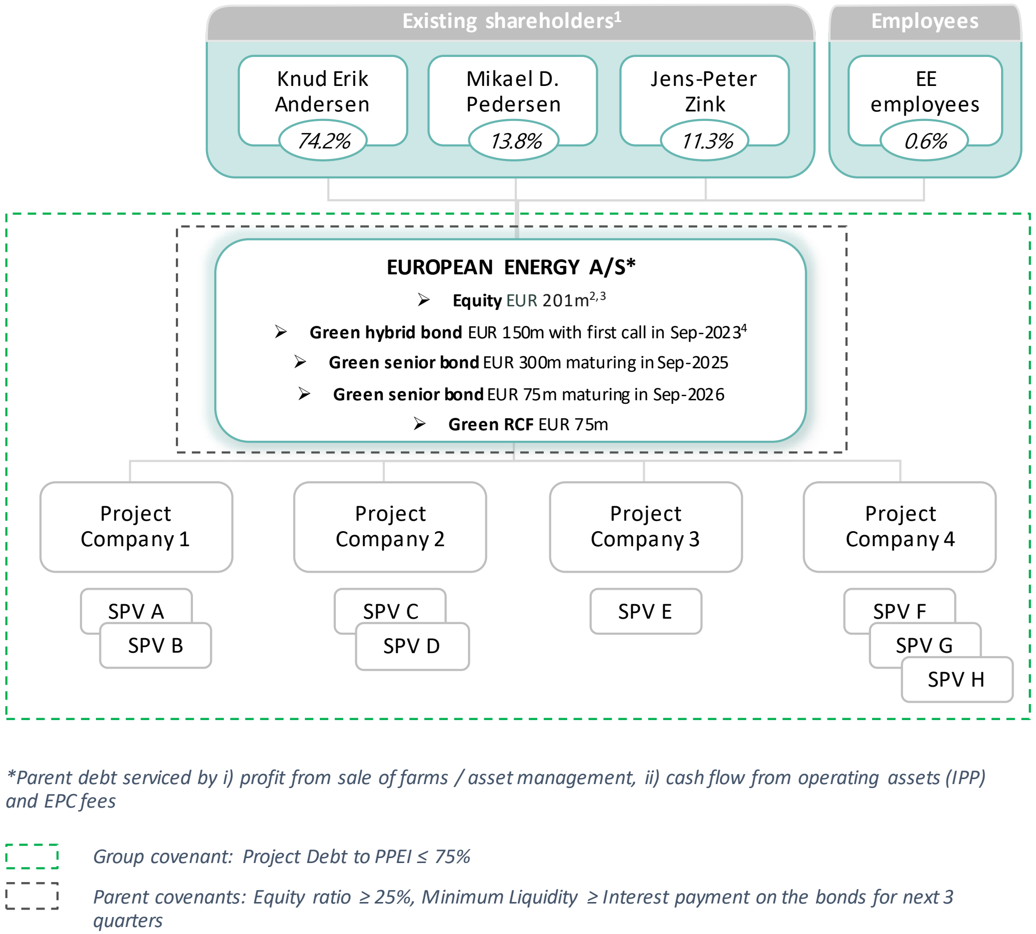
Transaction Overview

Proactive management of 2023 hybrid call and financing future investments

- European Energy (EE) has announced a new hybrid bond of minimum EUR 75m as well as a tap of the outstanding senior unsecured FRN due in 2026 to manage the upcoming call of the existing hybrid and finance future investments. In conjunction with the transactions, EE has also announced a tender offer for its existing hybrid capital securities (ISIN: DK0030470919). The tender offer for the existing hybrid bonds is conditional on the new issue transactions completing successfully
- The terms for the new hybrid bond are largely the same as for EE's previous hybrid bond, except for the inclusion of a rating call option
- 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 bond market in senior unsecured and hybrid capital format but also includes a Revolving Credit Facility (RCF). The RCF has recently been increased to EUR 75m.
- 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*

Notes: 1) Holdings split by voting rights; 2) As per Q3 2022; 3) Excl. hybrid capital; 4) Current size prior to tender offer completing

Indicative key terms of the new capital securities

Issuer	European Energy A/S
Country	Denmark
Rating	Unrated
Size	Min EUR 75m
Maturity	1,000 years with maturity in January 3023 (non-call 4 years)
Status	Deeply subordinated, senior only to ordinary shares
First call date	▯ January 2027
Call Schedule	On the first call date and any interest payment date thereafter
Step up	500 bps at the end of the non-call period
Interest rate	Fixed, annually in arrears (act/act). From the First Call Date the interest rate resets every four years to the then prevailing 4 year EUR swap rate + the initial margin + the step up
Interest deferral	At the issuer's option on any interest payment date. Cumulative interest deferrals. Deferred coupons can be settled in cash at any time
Change of control	Issuer call option (101% prior to the first call date, par thereafter). The interest rate applicable to the capital securities will be increased by an additional margin of 5.00% p.a. if the capital securities are not redeemed by the company within sixty (60) days following the occurrence of a change of control event
Other call provisions	• Rating Event (following assignment of rating, the capital securities are assigned less than 50% equity credit or any reduction in equity credit subsequently due to a change in methodology. 101% prior to first call date, par thereafter} • Taxation reasons (101% prior to first call date if linked to tax deductibility of interest, par thereafter. Other tax calls (related to WHT) at par) • Accounting reasons (101% prior to first call date, par thereafter) • Replacement capital (103% prior to first call date, par thereafter) • Clean-up call (at par, 80% threshold)
Documentation	Standalone, Danish law
Denominations	EUR 1k (minimum trading unit 100k)
Listing	The Company shall use its best efforts (without assuming any legal or contractual obligation) to ensure that the capital securities issued on the issue date are listed on Nasdaq Copenhagen within four (4) months of the issue date
Use of proceeds	The net proceeds from the capital securities shall be used for financing or refinancing of eligible projects in accordance with the Company's Green Finance Framework, including for refinancing of the existing capital securities (including accrued interest) pursuant to the tender offer
Joint Bookrunners	Danske Bank, DNB Markets and Nordea
Target market	Eligible counterparties, professional clients and certain retail investors (contact Bookrunners for full target market assessment). A PRIIPS KID in English, Swedish and Danish has been prepared

Indicative key terms for the tap of the 2026 senior unsecured bonds

Issuer:	European Energy A/S
Country:	Denmark
Rating:	Unrated
ISIN	DK0030511613. The tap will be issued under a separate ISIN to be merged with the existing ISIN once the listing prospectus has been approved
Status:	Senior Unsecured
Amount:	Tap amount TBD. Current outstanding amount is EUR 75m
Maturity:	08 September 2026 (~3.75 years)
Call Schedule:	Make whole until 08 September 2024, thereafter 102.875% / 102.156% / 101.438% / 100.719% / 100.000% from Sep 2024/Mar 2025/Sep 2025/Mar 2026/Jun 2026
Interest rate:	3m Euribor + 575bps, paid quarterly in arrears (zero EURIBOR floor), act/360
Tap price	[•] plus accrued and unpaid interest from the most recent interest payment date 08 December 2022
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 tap issue date
Use of Proceeds:	The net proceeds from the issuance shall be used for financing or refinancing of eligible projects in accordance with the green finance framework
Agent:	Nordic Trustee
Joint Bookrunners:	Danske Bank, DNB Markets and Nordea
Target market:	Eligible counterparties, professional clients and certain retail investors (contact Bookrunners for full target market assessment). No PRIIPs key information document (KID) has been prepared as not deemed within scope

2 Introduction to European Energy

KOLOBRZEG
20 MW
POLAND

EE is a leading independent renewable energy platform

Key business highlights

2004	2.8 GW	61.4[1] GW	0.9 GW	2.2 GW
European Energy was established	*Added capacity FY 2022*	*Pipeline FY 2022*	*Owned operational assets FY 2022*	*Assets under mgmt. FY 2022*
	*(FY 2021: **2.2 GW**)*	*(FY 2021: **35.3[1] GW**)*	*(FY 2021: **0.6 GW**)*	*(FY 2021: **1.6 GW**)*

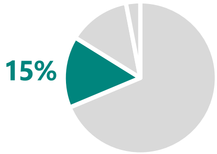
Technology split (pipeline and added capacity)

Solar Power

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

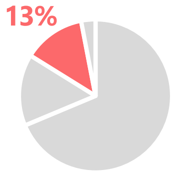
Onshore Wind

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



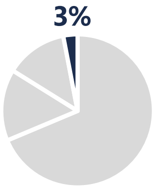
Offshore Wind

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; 2) Includes storage technology

The growth history of European Energy

- Since being founded in 2004, European Energy has grown considerably. By the end of 2022, the company had acquired, developed or grid-connected more than 2.8 GW of renewable energy capacity

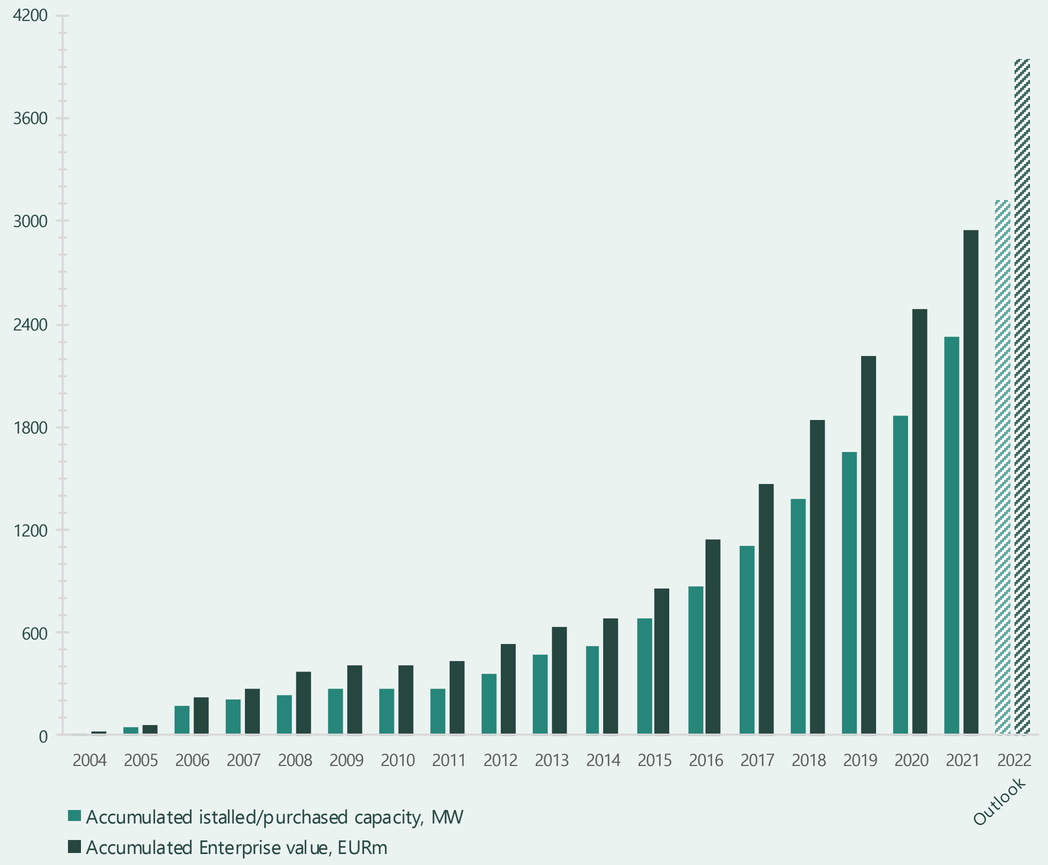
- During FY 2022, the company was engaged in developing, structuring, constructing or operating projects in 18[1] countries, underlining the company's vast geographical diversification and reach

- 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 start construction in early 2023

- In 2022, European Energy continued to grow its pipeline through greenfield development and acquisitions of ready-to-build assets, entered into an important partnership with Maersk and enjoyed significant growth which is expected to continue in the years ahead

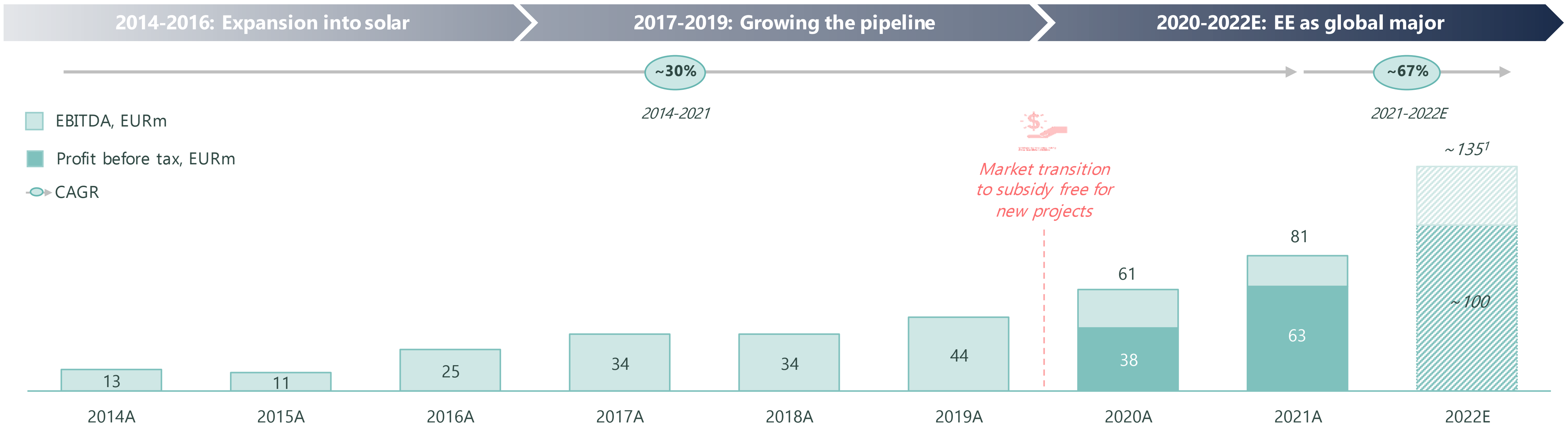
- With a project pipeline of 61.4[2] GW and an EBITDA guidance of EUR 135m (+/- 10%), 2022 is expected to be another successful year for European Energy

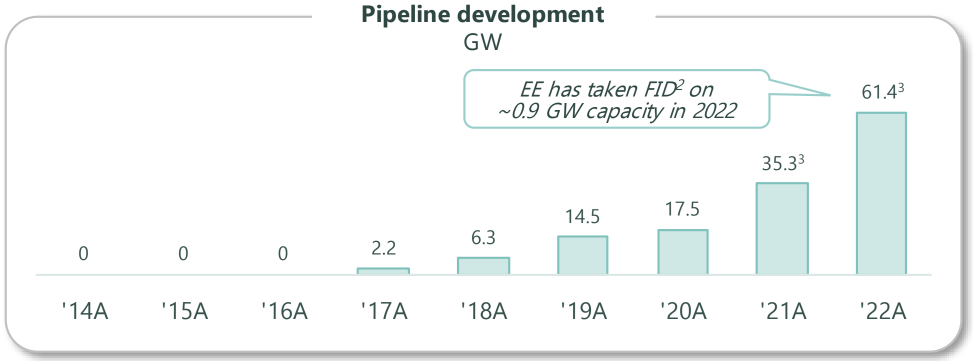
Developed, constructed & acquired power generation assets 2004-2022[3]

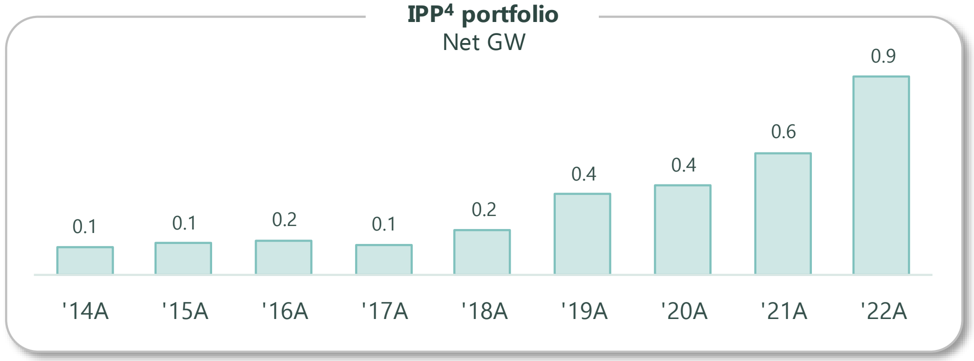


Notes: 1) Excluding immaterial countries; 2) Incl. 0.2 GW primarily related to a Lithuanian asset divested in 2021 where European Energy provides EPC services until COD; 3) Including 3rd-party equity interests

The growth has led to consistent EBITDA increases







Notes: 1) +/- 10 percent; 2) Final Investment Decision; 3) Incl. 0.2 GW primarily related to a Lithuanian asset divested in 2021 where European Energy provides EPC services until COD; 4) Independent Power Producer

Key Credit Highlights

EUROPEAN ENERGY

Market / Megatrends

1. In the light of the global energy crisis, ambitious expansion policies are driving a sharp acceleration in global renewable capacity installations. Global renewable capacity is expected to grow by almost 2.4 TW between 2022 and 2027, compared to approx. 2.0 TW between 2010 and 2021[1]
2. Electrification drives demand for significant long-term build-out of renewable energy – this is expected to result in electricity prices remaining attractive

Business

3. Stable and high EBITDA margins due to IPP focus, with 526 MW operational assets owned by European Energy at the end of Q3 2022 (FY 2022: 0.9 GW), which generated approximately EUR 76m[2] in gross profit in Q3 2022
4. Around 250 projects successfully completed, all generating 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 1bn, of which the profit margin is ~25%
6. Short value-creation processes from ready-to-build to grid connection and potential divestment
7. Well diversified development[3] and construction portfolio of 32.4[4] GW 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

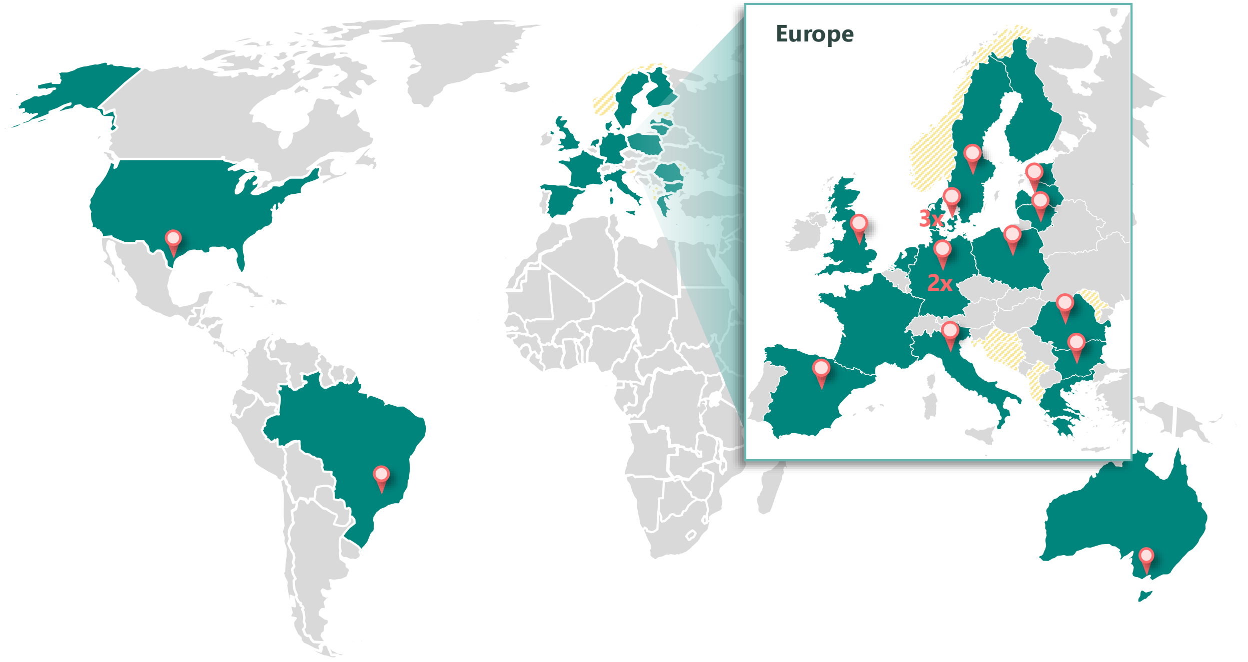
Financials

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 15% p.a. since 2019[5,6]

Notes: 1) Source: IEA Renewables 2022; 2) 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; 3) Including structuring; 4) Incl. 0.2 GW primarily related to a Lithuanian asset divested in 2021 where European Energy provides EPC services until COD; 5) Excluding Hybrid Capital; 6) As per Q3 2022

Global footprint across four continents with core focus on Europe

As a leading renewable developer, EE has activities in 18[1] 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 **16 local offices across 14 countries** for broad geographical reach with local presence being a key enabler of securing new projects

Established activities
Preliminary activities
EE offices

Activities[2]

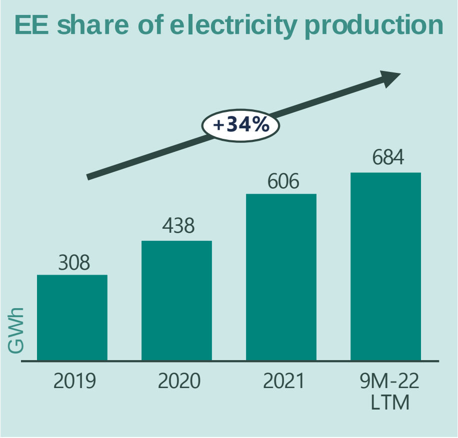
Region	Country	Development activity	Solar installed	Wind installed	Power-to-X	Asset management	Offices
Europe	DK	✓	✓	✓	✓	✓	✓
Europe	DE	✓	✓	✓		✓	✓
Europe	IT	✓	✓	✓		✓	✓
Europe	ES	✓	✓			✓	✓
Europe	SE	✓		✓		✓	✓
Europe	BG	✓		✓		✓	✓
Europe	LT	✓				✓	✓
Europe	GB	✓	✓	✓		✓	✓
Europe	PL	✓		✓		✓	✓
Europe	FI	✓		✓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

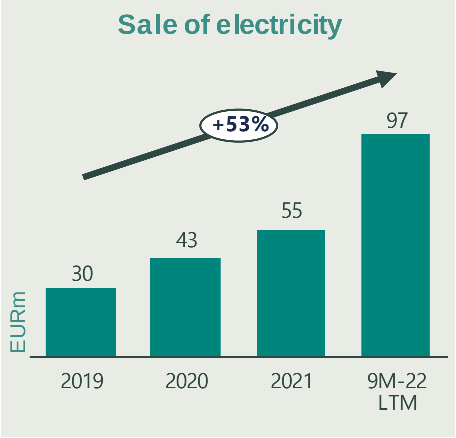
Wind installed · Solar installed · Offices · Asset management · Development activity · Power-to-X

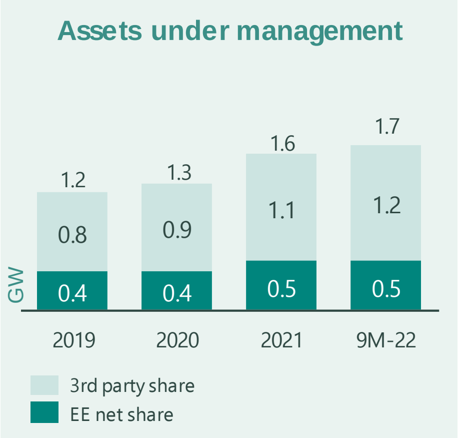
Notes: 1) Excluding immaterial countries; 2) Wind and solar illustrates operational assets only whilst development activities may be for all technologies

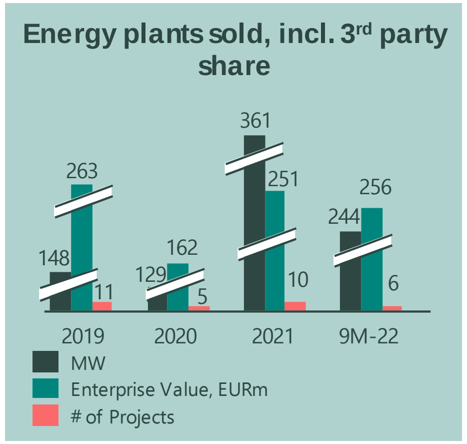
Stable recurring income from electricity sale and asset management

- In 9M 2022, European Energy reported a record high sale of electricity. Compared to 9M 2021 LTM, consolidated power sales increased from EUR 44m to EUR 97m by 9M 2022 LTM, or by 120%. European Energy's net share of electricity production has since 2019 grown by 34% p.a. to 684 GWh in 9M 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 9M 2022, power sales were positively impacted by the highest average prices on power ever recorded
- 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. To note, assets that have a PPA with a third party offtaker see no increased revenue from higher power prices
- Asset Management continued to grow and at the end of 9M 2022, European Energy managed 1.7 GW (Q4 2021: 1.6 GW) of assets divided between 1,065 MW wind power (998 MW) and 678 MW solar power (620 MW). European Energy owned 526 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 9M 2022. In total, European Energy divested 6 solar and wind farms in 9M 2022 (2021: 10) with a combined capacity of 244 MW and an enterprise value of EUR ~256m







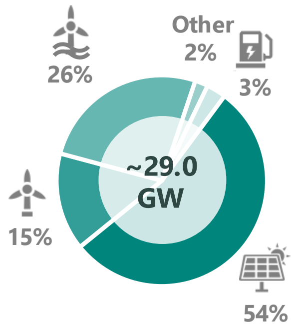


Strong project pipeline of 61.4[1] GW across all project phases

Screening phase

Includes **projects where EE has not yet secured all land or project rights**

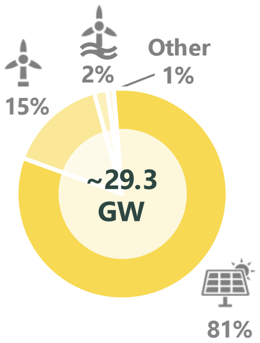
Key activities include:
- Securing land rights
- Analysis of site and commercial viability
- Analysis of required permits



Development phase

Includes all **projects where EE has secured rights and where the permit process is started**

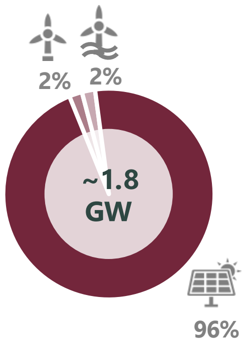
Key activities include:
- Obtain all required permits
- Secure access to grid
- Initiate site design and engineering



Structuring phase

Includes **all projects where essential permits are in place**

Key activities include:
- Securing offtake
- Obtain financing
- Procure main components
- Build an attractive business case

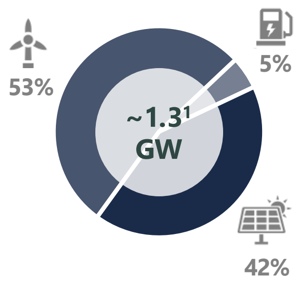


Construction phase

Includes **all projects where a final investment decision has been made**

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 top geography[2]

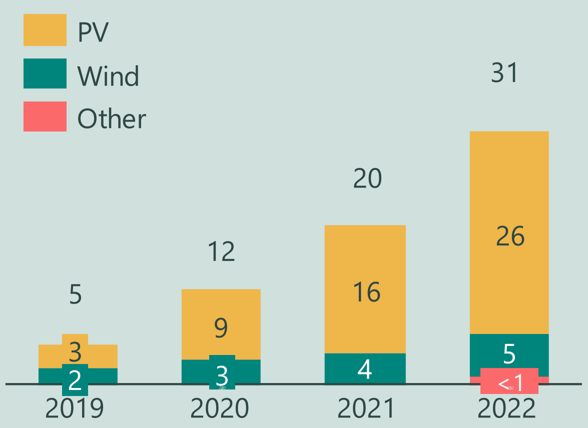
By the end of 2022, EE has an **attractive, sizeable project pipeline of 61.4[1] GW** (gross capacity) **with diversification** in terms of both technology and geography

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; 2) Operational asset split based on MW

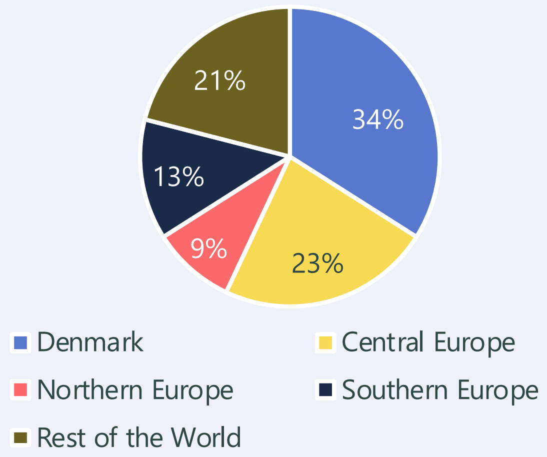
The pipeline has significantly increased over the recent years due to our strong local presence

Development pipeline by technology (GW)



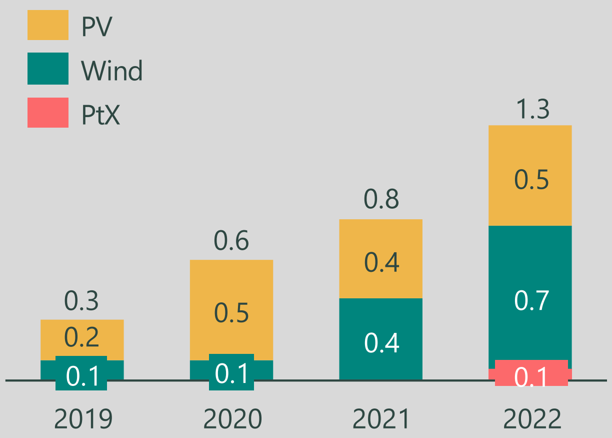
- During 2022, European Energy grew the development pipeline to 31.1[1] GW (Q4 2021: 20.0 GW), with a core focus on low-risk European markets
- By the end of 2022, European Energy was active in project development in 18[2] countries
- During 2023, European Energy expects to continue the significant growth in the development pipeline, which is a key value driver securing stable earnings growth

Development pipeline of 31 GW[1], regional split



- By the end of 2022, the development pipeline was split between Denmark (34%), Northern Europe (9%), Central Europe (23%), Southern Europe (13%) and the rest of the world (21%)
- The growth stemmed mainly from solar PV

Construction portfolio by technology (GW)



- By the end of 2022, EE was engaged in construction activities at 32 different sites in 8 European countries and Brazil (H1 2022: 28 sites, 9 European countries and Brazil)
- Total GW under construction amounted to 1.3[3] at end-2022
- Strong growth in construction assets during 2022 underlining continued future growth

Notes: 1) Development pipeline consists of ~29.3 GW from development phase and ~1.8 GW from structuring phase; 2) Excluding immaterial countries; 3) Incl. 0.2 GW primarily related to a Lithuanian asset divested in 2021 where European Energy provides EPC services until COD

Recent events in downstream activities

PtX Development

- **Tier 1 offtakers:** Maersk finalised in March 22 and two other corporate offtake contracts of EUR ~145m pending signing in Q1 2023, with several offtake agreements having a minimum of 5 years tenor
- **Front-runner position** secured with the EUR 53m financing of Kassø, which will be 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
- **Large project pipeline** with three sites (including a test facility) expecting to reach COD in 2023

MÆRSK

Finalised in Mar-22

Acquisition of Ammongas

- European Energy bought a **majority share** in the Danish company **Ammongas**. The company works on upgrading biogas, as well as carbon capture

Agreement with Din Forsyning

- European Energy signed an agreement with local district heating company, **DIN Forsyning**, in Esbjerg for **the purchase of surplus heat** from the production at the Power-to-X plant that will be constructed by European Energy in 2023

3

Megatrends

GRZMIACA
6 MW
POLAND

Increasing interest rates and market volatility offset by drivers for electrification and renewables

Electricity demand is expected to grow significantly driven by direct and indirect electrification in a move away from fossil fuels and a desire for energy independence

High electricity prices boosting income from existing projects (unless fully hedged) and increasing returns for new projects. PPAs for new projects can be signed at more attractive levels

Current market drivers

Increasing interest rates and credit spreads are pushing up financing costs for projects and **equity return requirements** for equity investors

Political initiatives to mitigate impact of higher prices for consumers and businesses via price caps, windfall taxes etc. Range of outcomes remains broad. Also, increasing political support to increase speed of green transition

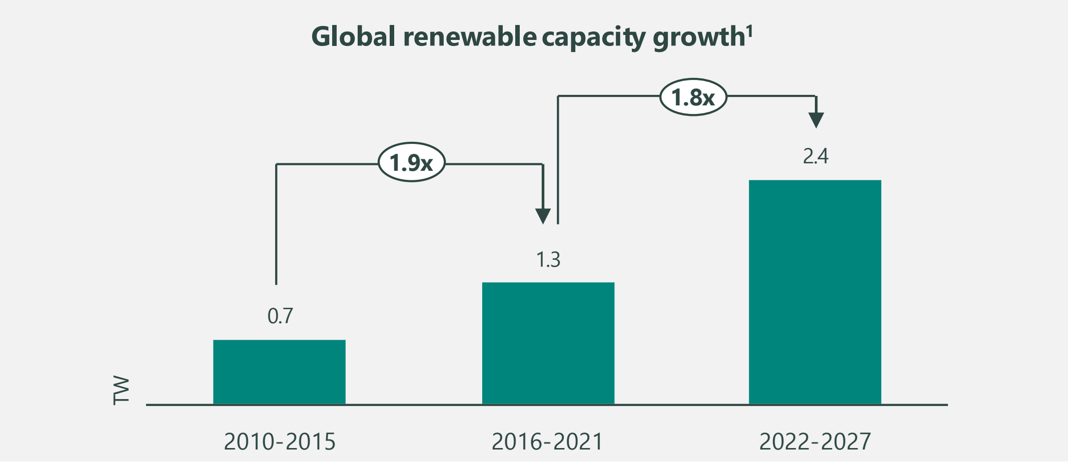
Inflation and supply chain issues have during Covid-19 led to increased construction costs and delays in deliveries. Recent fear of recession has now put pressure on base metal prices and transportation, leading PV costs to come down again. Turbine cost increases have however not reversed as manufacturers attempt to regain profitability

Near term outlook affected by interest rates and inflation but long term outlook for electricity demand and switch to renewable energy remains robust. Overall, investment case into renewables remains intact

Global renewable capacity expected to increase by ~2.4 TW by 2027

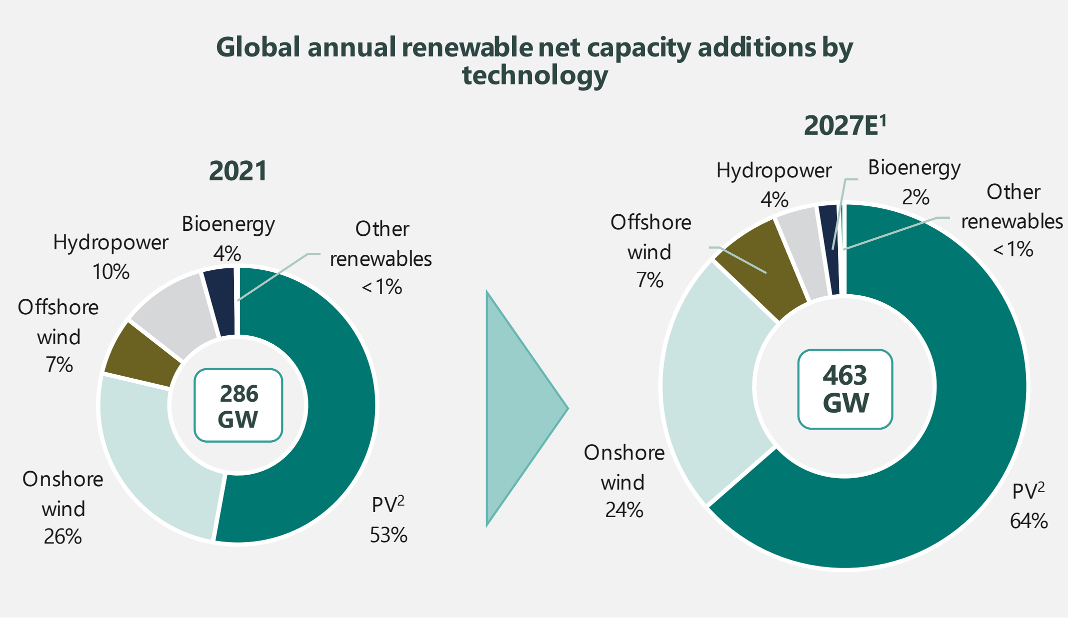
Ambitious expansion policies imply accelerated global renewable capacity growth

- **The global energy crisis is driving a sharp acceleration in installations of renewable power**, with total capacity growth worldwide set to almost double in the next five years
- **IEA's 2022 forecast has been revised upwards by almost 30% from the previous year's** in the light of more ambitious expansion policies in key markets
- **Between 2010 and 2021,** global renewable capacity grew by ~2.0 TW
- **Between 2022 and 2027,** global renewable capacity is expected to grow by almost 2.4[1] TW, i.e. 1.2x more than in the previous 11 years, spurred by more ambitious expansion policies in key markets



Total renewable electricity capacity expected to increase >60% in the next 5 years, with solar PV constituting a major share

- **In the next five years**, renewables are set to account for >90% of global electricity capacity expansion and **by early 2025,** renewables will become the largest source of global electricity generation
- **Between 2022 and 2027,** cumulative renewable electricity capacity in Europe is expected to increase by 425 GW – more than twice as much as in the previous five-year period



Notes: 1) IEA main-case forecast; 2) Utility-scale and distributed. Source: IEA Renewables 2022

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 whilst growing our presence within new technologies. Our strategic focus for 2023 is anchored in the following themes:

- **Drive up capacity and continue growing our pipeline**. In 2022, the development pipeline grew by 11 GW to 31 GW, close to a 55% increase from year-end 2021

  We have equally succeeded with our strategy of growing our presence in European markets and other selected OECD countries (i.e. US, AUS), throughout 2021 and 2022, and as such our focus will be on gaining a strong foothold in these markets, whilst continuing to mature our pipeline in established markets

  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

- **Maturing our presence in new and adjacent business areas** continues to be a focus for our organization to maintain market leadership and further support our ambition of becoming a global energy company. 2022 has been a year in which both our PtX and nearshore projects have achieved significant milestones, paving the way for further development within these areas. The PtX industry is expected to grow significantly in the coming years, and we have a strong ambition to utilize our acquired expertise and strong global footprint to bring forward solutions on a global scale

- **Creating a scalable organizational foundation** will enable us to maintain our high growth rates. This means that we will focus on refining and implementing uniform processes, systems, and structures across the organization to support our rapid growth strategy. This will allow for more effective delivery on cross-functional activities, whilst providing higher levels of transparency for both internals and externals in our increasingly complex organization

This will, amongst other things, mean a continued focus on building stronger in-house competencies, developing our project management model to fit our current situation, and 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	✓
	Standardise procedures and reporting across all markets	2023
	Report on Scope 3 GHG emissions	2023
Health and Safety	Develop a Health and Safety Corporate Manual	✓
	Integrate QHSE management systems within our Project Lifecycle model	✓
	Develop Emergency Response plan at corporate level	2023
Business Accountability	Awareness raising sessions of whistle-blower mechanism	✓
	Strengthen ESG supplier requirements	✓
	Screen all critical suppliers for ESG criteria	2023
Social Engagement	Implement local Service Hub Strategy for solar PV parks under operation	✓
	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
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** **768 full time job equivalents** created directly and indirectly

5

Financials

RØDBY FJORD
38 MW
DENMARK

European Energy demonstrated continued growth in 9M 2022

EBITDA

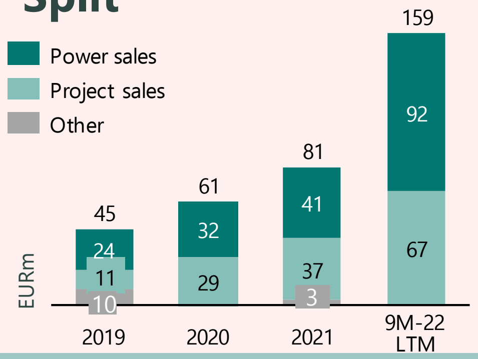
+431% compared to 9M-21

+33% in 2021

+33% CAGR between 2019 and 9M-22 LTM

EBITDA amounted to EUR 96m in 9M 2022, a significant climb from 9M 2021 driven mainly by power sales but also increased project sales. Power / project sales contributed by 74% / 23% to total EBITDA (9M 2021: 100% / 0%).

EBITDA Segment Split



Power Production

+18% compared to 9M-21

+38% in GWh in 2021

+34% CAGR between 2019 and 9M-22 LTM

EE share of power production increased by 78 GWh to 684 GWh in 9M-22 LTM from FY 2021.

Construction

+21% in total assets under construction in 9M-22 from 9M-21

+33% in 2021

Assets under construction increased to 1.4 GW in 9M-22 (Q4-21: 0.8 GW), excluding 0.2 GW Lithuanian wind assets where EE acts as construction manager.

Equity

+49% equity in 2021

+40% CAGR since 2019

Equity remained stable from Q4 2021 to 9M 2022 as strong operating earnings were offset by fair value losses on power derivatives.

Upscaling of Organisation

+203 employees in 9M-22

+140 employees in 2021

European Energy onboarded 203 employees in 9M-22, of which 31 were in connection with the acquisition of Ammongas. Total headcount was 500 by the end of 9M-22, of which 377 were based in Denmark and 123 in local offices.

EUR million	9M 2022	9M 2021	2021	2020	2019
EBITDA	**96.2**	18.1	81.2	61.2	44.3
Of which Project sales	***21.7***	*-7.9*	*37.0*	*29.1*	*10.6*
Of which Power sales	***71.3***	*20.2*	*40.9*	*32.0*	*24.0*
Equity[2]	**350.5**	308.9	350.5	235.3	137.6

GWh	9M 2022	9M 2021	2021	2020	2019
Power production	**513**	434	606	438	308

	9M 2022	9M 2021	2021	2020	2019
Under Construction (GW)	**1.4[1]**	1.2[1]	0.8[1]	0.6	0.3
Grid-connected (MW)	**109**	-	134	202	199

Headcount	9M 2022	9M 2021	2021	2020	2019
Employees	**500**	297	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; 2) Includes hybrid capital

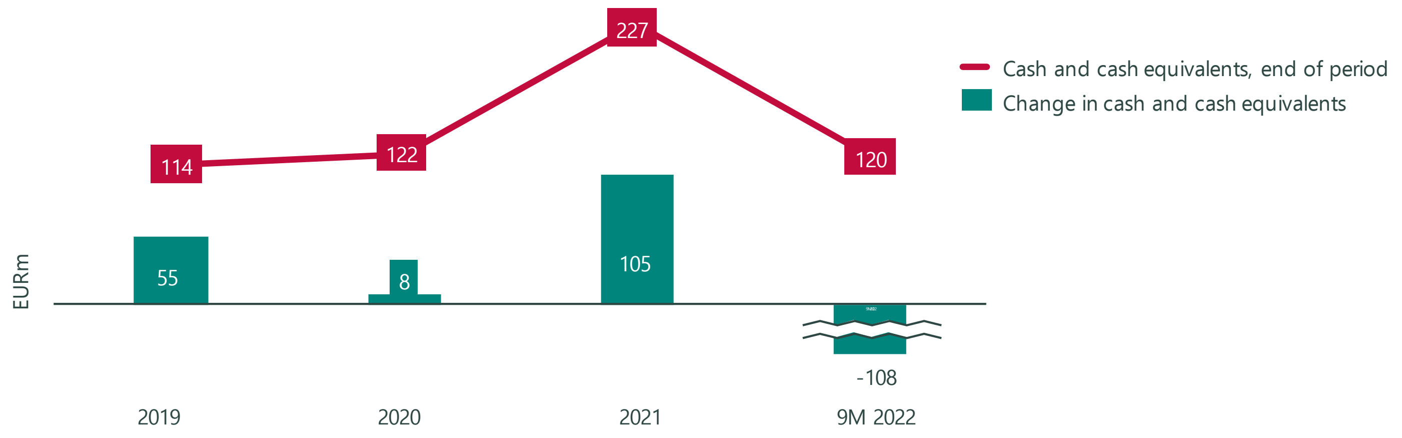
Profit and loss

EURm	9M 2022	9M 2021	2021	2020	2019
Revenues[1]	**337.7**	84.9	328.7	207.0	238.8
Sale of energy farms and projects	**258.2**	48.0	268.0	160.0	205.2
Power sale	**74.8**	33.5	55.5	42.9	30.5
Asset management and other fees	**6.6**	8.7	5.2	4.1	3.1
Gross profit[1]	**133.0**	32.4	104.5	73.9	57.5
Sale of energy farms and projects	**54.5**	2.2	52.5	35.1	19.1
Power sale	**76.3**[2]	28.8	44.6	34.8	25.9
Asset management and other fees	**4.0**	6.7	7.4	4.0	12.5
EBITDA	**96.2**	18.1	81.2	61.2	44.3
% margin	***28%***	*21%*	*25%*	*30%*	*19%*
Profit/loss before taxes	**78.9**	10.5	62.7	37.8	37.4

- **Revenues** amounted to EUR 337.7m in 9M 2022, +298% compared to 9M 2021. The increase was primarily driven by **higher power prices** in Q2/Q3 2022 and **sale of energy farms and projects** in Q1 2022. In Q3 2022, we acquired the company Ammongas A/S, which contributed to revenues by 5.8 EURm
- Revenues were split between a) sale of energy farms and projects (76% of total 9M 2022 revenues; 9M-21: 57%), b) power sale (22%; 39%), c) asset management and other fees (2%; 10%)
    a) The growth was attributable to **high buyer interest**, for both turn-key projects and early-stage assets. In 9M 2022, European Energy divested 6 solar and wind farms with a combined capacity of 244 MW
    b) The growth was driven by **new capacity and record-high power prices**
- Around 30% of revenue was hedged in 9M 2022, via either PPAs or feed-in-tariffs
- **EBITDA** amounted to EUR 96m in 9M 2022, up 431% compared to 9M 2021. Project / power sales contributed by 23% / 74% to total EBITDA in 9M 2022
- EBITDA margin increased to 28% (9M 2021: 21%). Higher staff / external costs (in line with the Group's expectations) were offset by a higher gross profit margin in 9M 2022
- **Profit before tax** increased from EUR 11m in 9M 2021 to EUR 79m in 9M 2022. This was driven mainly by **improved power sales and timing of project sales,** somewhat offset by higher financial expenses on the back of a one-off modification gain of c. 12 EURm (relating to the 2021 bond refinancing), a larger debt base and the development in Polish and Swedish currencies

Notes: 1) Sum of segment subtotals may not equal total revenues/gross profit due to intergroup eliminations; 2) 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 120m in 9M-22 LTM (2021: EUR 74m). This was primarily driven by the cash inflow recorded through project sales
- **Changes in inventories** had a negative cash effect of EUR 267m in 9M-22 LTM (2021: -189m), reflecting mainly the growth in construction of new parks and increased development pipeline
- By the end of 9M 2022, **total cash** amounted to EUR 120m, of which EUR 104m were unrestricted. This corresponds to a decrease of EUR 108m from year-end 2021, mainly related to higher inventories due to increased construction activity

Balance sheet & cash flow

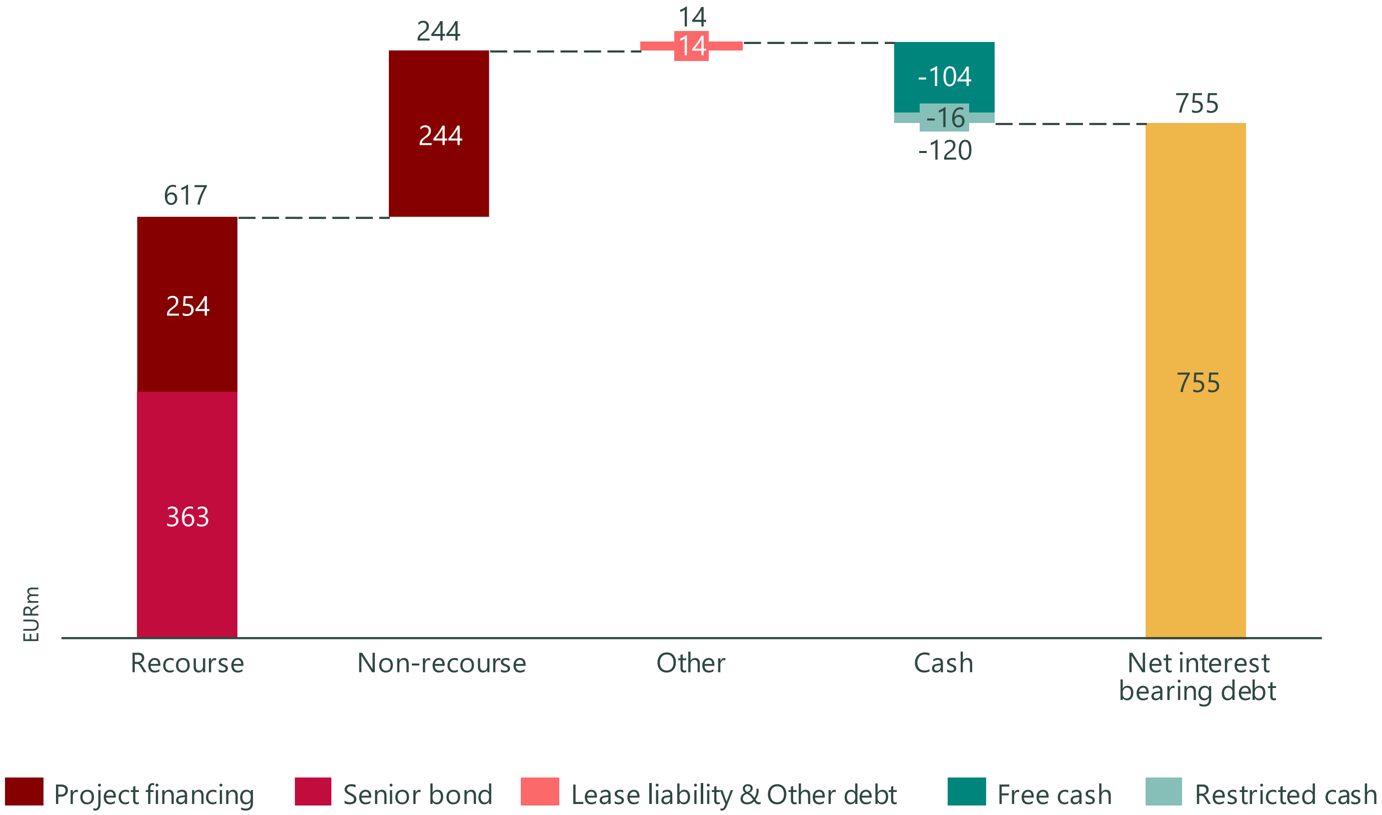
EURm	9M 2022	9M 2021	2021	2020	2019
Assets	**1,512.0**	1,077.0	1,174.0	739.8	605.7
Property, plant and equipment	**154.1**	146.2	157.3	130.6	134.2
Inventories	**910.8**	570.6	524.8	325.2	227.1
Cash (free and restricted)	**119.7**	144.2	227.4	121.9	113.5
Other	**327.5**	216.0	264.5	162.1	130.8
Equity and liabilities	**1,512.0**	1,077.0	1,174.0	739.8	605.7
Total equity	**350.5**	308.9	350.5	235.3	137.6
Bonds and project financing	**860.8**	620.9	632.4	415.6	399.5
Other	**300.7**	147.2	191.1	89.0	68.5

EURm	9M 2022	9M 2021	2021	2020	2019
Operating cash flow before changes in inventories	**76.0**	29.9	73.9	56.8	19.5
Changes to inventories	**(320.4)**	(242.1)	(188.7)	(92.4)	0.2
Investing cash flow	**(21.2)**	(48.1)	(63.2)	(23.0)	(11.6)
Financing cash flow	**157.4**	282.4	283.4	67.0	36.9
Change to cash and cash equivalents	**(107.7)**	22.3	105.5	8.4	54.9

Notes: 1) Including hybrid capital

- **Total assets** increased to EUR ~1.5bn or by 29% compared to FY 2021
- On the **asset side**:
  a) PP&E remained fairly stable at EUR 154m at 9M-end 2022 (FYE 2021: EUR 157m)
  b) Inventories increased to EUR 911m at 9M-end 2022 (FYE 2021: EUR 525m) mainly due to **more projects under construction as well as projects that have been finalized and that are ready for sale**. This reflects the **strong growth** of European Energy
  c) The **cash position remained strong** despite a decrease to EUR 120m at 9M-end 2022 (FYE 2021: EUR 227m), split between free cash (87%) and restricted cash (13%). This was mainly related to higher inventories due to increased construction activity
- On the **equity and liability side**:
  a) Total equity[1] remained stable at EUR 351m at 9M-end 2022. Equity is primarily impacted by the **profit for the period** of EUR 68m, mainly offset by a **loss from value adjustments of hedging instruments** of EUR 62m
  b) Bonds and project financing increased to EUR 861m at 9M-end 2022 (FYE 2021: EUR 632m) due to **higher construction activity** (project financing) and the **issuance of a EUR 75m green bond** in September 2022
  c) Other liabilities increased by EUR 154m between 9M 2021 and 9M 2022, of which EUR 66m was related to an increase in other debt primarily caused by the development of the fair values of PPAs
- **Operating cash flow** before changes in inventories increased to EUR 76m in 9M 2022 (9M 2021: EUR 30m). Changes in inventories had a negative cash effect of EUR 320m in 9M 2022 (9M 2021: EUR -242m), mainly as a result of ongoing investments in renewable energy plants
- **Financing cash flow** amounted to EUR 157m in 9M 2022, compared to EUR 282m in 9M 2021. The difference relates to the issuance of senior bond financing in Q3 2021

Overview of debt as of 9M 2022

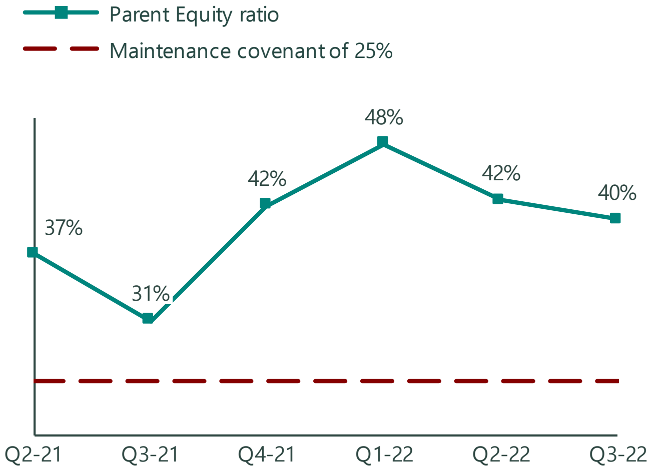


- At the end of 9M 2022, net interest-bearing debt amounted to EUR 755m. This represented an increase of EUR ~327m compared to end Q4 2021, driven mostly by **higher project financing** and a **EUR 75m bond issuance in Q3 2022** used for the increased construction programme
- The recourse part of project financing debt of EUR 254m 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 120m, including both free cash and cash equivalents (EUR 104m) and restricted cash and cash equivalents (EUR 16m). 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 9M 2022, the group had an undrawn RCF facility of EUR 45m maturing in 2024[1]

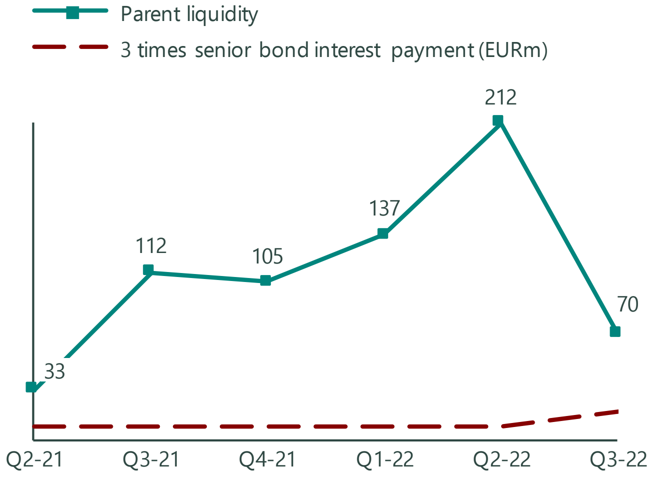
Notes: 1) The RCF has been increased to EUR 75m as of January 2023

Credit metrics remain well within covenants

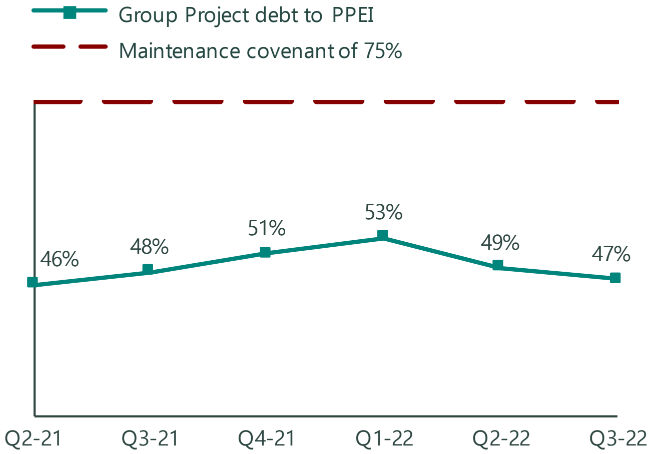
Equity ratio



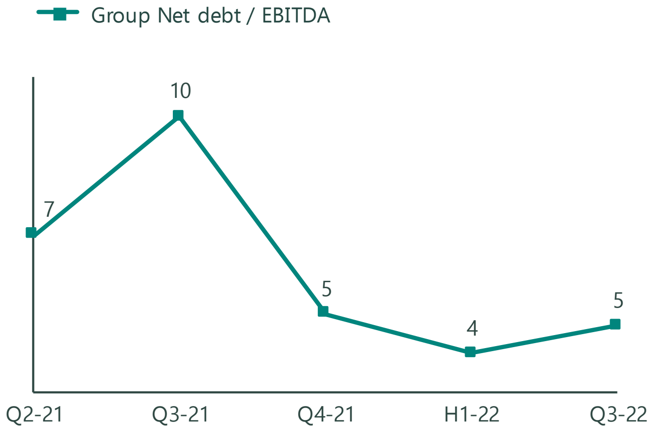
Minimum liquidity[2] (parent)



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 terms and conditions for more information on the covenant definitions and structure; 2) Interest expense refers to the bonds issued in September 2021 and September 2022 only

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6

Risk Factors

COREMAS
TRANSFORMER
BRAZIL

Risk factors (1/23)

Suitability of Investment

The New Capital Securities and/or the New Senior Bonds (2022/2026) (each as defined below) may not be a suitable investment for all investors. Each potential investor in the New Capital Securities and/or the New Senior Bonds (2022/2026) must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- has sufficient knowledge and experience to make a meaningful evaluation of the New Capital Securities and/or the New Senior Bonds (2022/2026), the merits and risks of investing in the New Capital Securities and/or the New Senior Bonds (2022/2026) and the information contained in this presentation;
- has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the New Capital Securities and/or the New Senior Bonds (2022/2026) and the impact the New Capital Securities and/or the New Senior Bonds (2022/2026) will have on its overall investment portfolio;
- has sufficient financial resources and liquidity to bear all of the risks of an investment in the New Capital Securities and/or the New Senior Bonds (2022/2026), including New Capital Securities and New Senior Bonds (2022/2026) where the currency for principal or interest payments is different from the potential investor's currency;
- understands thoroughly the terms of the New Capital Securities and/or the New Senior Bonds (2022/2026) and is familiar with the behaviour of financial markets; and
- is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (a) the New Capital Securities and/or the New Senior Bonds (2022/2026) are legal investments for it, (b) the New Capital Securities and/or the New Senior Bonds (2022/2026) can be used as collateral for various types of borrowing, and (c) other restrictions apply to its purchase or pledge of any New Capital Securities and/or New Senior Bonds (2022/2026). Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the New Capital Securities and/or the New Senior Bonds (2022/2026) under any applicable risk-based capital or similar rules.

RISK FACTORS

This section presents certain risk factors, which are specific to European Energy A/S (the "**Issuer**"), the new callable subordinated green capital securities due 3023 (the "**New Capital Securities**") contemplated to be issued by the Issuer and/or the new senior unsecured green bonds due 2026 (the "**New Senior Bonds (2022/2026)**") contemplated to be issued by the Issuer by way of a tap issue to be consolidated, and form part of a single series, with the Issuer's outstanding EUR 75,000,000 senior unsecured green bonds due 2026 with ISIN DK0030511613 (the "**Existing Senior Bonds (2022/2026)**"). The risk factors presented in this section are those which the Issuer is aware of and which the Issuer deems material for taking an informed decision whether to invest in the New Capital Securities and/or the New Senior Bonds (2022/2026).

The risk factors are divided into three parts:

(1) Part 1 presents risk factors relating to the Issuer.
(2) Part 2 presents risk factors relating to the New Capital Securities.
(3) Part 3 presents risk factors relating to the New Senior Bonds (2022/2026).

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

Risk factors (2/23)

In these risk factors, holders of the New Capital Securities are referred to as the "**Securityholders**" and holders of the New Senior Bonds (2022/2026) are referred to as the "**Bondholders**".

The New Capital Securities and the New Senior Bonds (2022/2026) are contemplated to be issued in connection with a tender offer (the "**Tender Offer**") in relation to the Issuer's outstanding EUR 150,000,000 callable subordinated green capital securities due 3020 with ISIN DK0030470919 (the "**Existing Capital Securities**").

1. Risks Relating to the Issuer

This Part 1 presents risk factors relating to the Issuer. The risk factors are presented in four 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.

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's renewable business operations were 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.

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.

Risk factors (3/23)

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.

1.1.3 Key personnel and shareholders

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. Examples of key personnel that is critical to the Issuer's business include personnel with industry experience within the Issuer's main business areas (solar photovoltaic ("**Solar PV**"), onshore wind, offshore wind, P2X) across various functions such as project development, engineering, procurement, construction, financing, acquisitions and divestments. If the Issuer's current key personnel decides 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.

In addition, the Issuer is a privately held company with three large shareholders who are also involved in the management. Although the Issuer has appointed department heads and an extended management group, the Issuer remains dependent on the management of its main shareholders who founded the Issuer's business.

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. In addition, competition for qualified personnel in the Issuer's industry has been increasing in recent years and the Issuer may need to increase its remuneration levels to attract and retain qualified personnel, which would in turn increase costs and negatively affect the Group's results of operations.

Risk rating: Medium.

Risk factors (4/23)

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 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.

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.

Risk factors (5/23)

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 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.

Risk factors (6/23)

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.

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 (i) the terms and conditions relating to the Existing Senior Bonds (2022/2026) and the New Senior Bonds (2022/2026) (the "**Senior Conditions**"), (ii) the terms and conditions relating to the Issuer's outstanding senior unsecured green bonds due 2025 in the principal amount of EUR 300,000,000 (the "**Existing Senior Bonds (2021/2025)**") and (iii) the revolving credit facility agreement relating to the EUR 75,000,000 green revolving credit facility provided to the Issuer by a Nordic bank club (the "**Revolving Credit Facility**"). 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 New Senior Bonds (2022/2026) and/or the New Capital Securities.

Risk rating: High.

Risk factors (7/23)

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.

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.

Risk factors (8/23)

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.

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, regulatory and IT 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.

Risk factors (9/23)

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 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. For example, in May 2019 the Danish tax authorities carried out a VAT audit of the Issuer, specifically in relation to the Issuer's right to deduct VAT on expenses. Based on the VAT audit, the Danish tax authorities concluded that the Issuer had wrongly made full VAT deductions on general costs, which the Danish tax authorities did not deem as being fully deductible. As a result, the Issuer had to pay additional taxes for the financial years 2017, 2018 and 2019.

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.

Any failure by the Group to comply with applicable Danish and international tax legislation and/or any changes to applicable Danish and international tax legislation could have a material adverse effect on the Group's financial condition, results of operation, liquidity and profitability.

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.

Risk factors (10/23)

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.

Due to increasing public concern about rising energy costs combined with the announcement of strong profits by energy companies, public authorities at EU and national level may adopt measures to control prices in the energy market and/or increase the taxation of energy companies. Such measures may include – *inter alia* – energy price caps or other price control mechanisms as well as windfall taxes on energy companies' extra-profits. Any public intervention to control energy prices and/or increase taxation of energy companies may have a material adverse effect on the profitability of the Group, which could in turn have a material adverse effect on the Issuer's business and financial condition.

Risk rating: Medium.

1.3.4 Cyber security and other IT risks

The Group's activities depend on the reliability and security of its information technology (IT) systems and digital security. The Danish National Centre for Cyber Security (CFCS) has assessed the risk of cyber-attacks, cyber espionage and cyber-crime aimed at the energy sector to be at the top of their defined scale.

The Group's IT systems, some of which are managed by third parties, are susceptible to being compromised, damaged, disrupted or shutdown due to, *inter alia*, failures during the process of upgrading or replacing software, databases or components, power or network outages, hardware failures, cyber-attacks (including viruses and computer intrusions), user errors or natural disasters. The cyber threat is constantly evolving and attacks are becoming more sophisticated. The Group and its service providers may not be able to prevent third parties from breaking into the Group's IT systems or gaining access to confidential or sensitive information held in the system, which could, in severe cases, result in significant disruption of the Group's power production, business critical supplies of data and core business objectives for the Group's wind and solar parks. While the Group has not historically experienced any cyber-attacks that have had a material impact on its business, the Group cannot guarantee that its security measures will be sufficient to prevent a material disruption, breach, or compromise of its IT systems in the future, which could result in loss of revenue and/or additional costs as well as significant damage to the Issuer's reputation and business relationships.

Risk rating: Medium.

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.

Risk factors (11/23)

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.

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 New Senior Bonds (2022/2026), the Existing Senior Bonds (2022/2026) and the Existing Senior Bonds (2021/2025). In addition, the Issuer is the borrower under the Revolving Credit Facility 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 New Senior Bonds (2022/2026), the Existing Senior Bonds (2022/2026), the Existing Senior Bonds (2021/2025), the Revolving Credit Facility 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 New Senior Bonds (2022/2026) and/or the New Capital Securities.

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 New Senior Bonds (2022/2026) and/or the Securityholders' recovery under the New Capital Securities.

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 Existing Senior Bonds (2022/2026), the Existing Senior Bonds (2021/2025) and the Existing Capital Securities. The Issuer has also entered into the Revolving Credit Facility.

Risk factors (12/23)

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 New Senior Bonds (2022/2026), the Existing Senior Bonds (2022/2026) and the Existing Senior Bonds (2021/2025). Although the Existing Capital Securities and the New Capital Securities will not mature until 3020 and 3023, respectively, the interest payable in respect of the Existing Capital Securities and the New Capital Securities will increase if the Existing Capital Securities or the New Capital Securities (as applicable) are not refinanced upon the applicable first call date, occurring three years from the first issue date for the Existing Capital Securities and four years from the first issue date for the New Capital Securities, respectively. This could in turn materially increase the Issuer's financing costs. While some of the Existing Capital Securities are expected to be repurchased in the Tender Offer, such Tender Offer may not result in a full refinancing of the Existing Capital Securities.

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 New Senior Bonds (2022/2026) and/or the Securityholders' recovery under the New Capital Securities.

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 Senior Conditions as well as the terms of the Existing Senior Bonds (2021/2025) and the Revolving Credit Facility each 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.

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 New Senior Bonds (2022/2026) and/or the New Capital Securities.

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.

Risk factors (13/23)

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 rating: Medium.

2. Risks Relating to the New Capital Securities

This Part 2 presents risk factors relating to the New Capital Securities. The risk factors are presented in three 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.

2.1 Risks related to the nature of the New Capital Securities

2.1.1 Status of the New Capital Securities and subordination

The Issuer's obligations under the New Capital Securities are unsecured and deeply subordinated.

The rights and claims of the Securityholders against the Issuer in respect of the New Capital Securities will rank junior to the claims of all other present and future creditors of the Issuer, except only for claims under (i) the Existing Capital Securities and any other Parity Securities (as defined in the terms and conditions for the New Capital Securities (the "**Hybrid Conditions**")) which will rank *pari passu* with the New Capital Securities and (ii) any Issuer Shares and Subordinated Shareholder Funding (each as defined in the Hybrid Conditions) which will be subordinated to the New Capital Securities. Accordingly, in the event of a winding-up (in Danish: *konkurs*) or reconstruction (in Danish: *rekonstruktion*) of the Issuer, the Securityholders will not be entitled to receive any payment out of the assets of the Issuer until all the claims of such other creditors have been paid in full, including (but not limited to) claims under the New Senior Bonds (2022/2026), the Existing Senior Bonds (2022/2026), the Existing Senior Bonds (2021/2025) and the Revolving Credit Facility. This means that there is a substantial risk that the Securityholders could lose all or some of their investment in the New Capital Securities.

Unsubordinated liabilities of the Issuer 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, in winding-up of the Issuer, will need to be paid in full before the obligations under the New Capital Securities may be satisfied.

Furthermore, the New Capital Securities 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. In the event of the Issuer's insolvency, including a winding-up (in Danish: *konkurs*) or reconstruction (in Danish: *rekonstruktion*) of the Issuer, the Securityholders' claims under the New Capital Securities would rank behind all such creditors of the Issuer's direct and indirect subsidiaries.

Risk factors (14/23)

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 will rank senior in right and priority of payment to the Securityholders' claims under the New Capital Securities. 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 Securityholders and thereby negatively impact the Securityholders' recovery under the New Capital Securities.

Risk rating: High.

2.1.2 Deferral of interest payments

The Issuer has the right to elect to defer the payment of interest accrued in respect of the New Capital Securities for any period of time. Any such interest payment deferral will not constitute a default under the Hybrid Conditions. The Issuer will only be obliged to pay the deferred interest in limited circumstances, as further set out in the Hybrid Conditions. In addition, all deferred interest will be cancelled on the maturity date for the New Capital Securities if the New Capital Securities have not been redeemed prior to the maturity date, meaning that the Securityholders may risk losing all rights and claims in respect of any deferred interest payments on the maturity date.

Any interest payment deferral will likely have an adverse effect on the market price of the New Capital Securities. Furthermore, as a result of the Issuer's option to defer interest payments, the market price of the New Capital Securities may be more volatile than the market price of other debt securities on which original issue discount or interest accrues that are not subject to such deferral and may be more sensitive generally to adverse changes in the Issuer's financial condition.

Risk rating: Medium.

2.1.3 Additional debt

The Issuer may in the future issue or borrow additional debt ranking senior to, or *pari passu* with, the New Capital Securities.

While the Issuer is currently subject to contractual restrictions on additional debt incurrence pursuant to the terms of the Existing Senior Bonds (2022/2026), the Existing Senior Bonds (2021/2025) and the Revolving Credit Facility, there is no restriction under the Hybrid Conditions as to the amount of additional debt, which the Issuer may issue or borrow and which rank senior to, or *pari passu* with, the New Capital Securities. In addition, there is no restriction under the Hybrid Conditions as to the Issuer providing parent company guarantees for the obligations (financial or otherwise) of its subsidiaries.

If the Issuer incurs or guarantees additional debt in the future, this may reduce the amount (if any) recoverable by the Securityholders under the New Capital Securities in the case of a winding-up (in Danish: *konkurs*) or reconstruction (in Danish: *rekonstruktion*) of the Issuer. Furthermore, it may increase the likelihood that the Issuer will elect to defer interest payments under the New Capital Securities, which in turn may negatively affect the market value of the New Capital Securities.

Risk rating: Medium.

2.1.4 Service of New Capital Securities and distributions from subsidiaries

The New Capital Securities 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.

Risk factors (15/23)

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 New Capital Securities 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 New Capital Securities and the Securityholders may lose their investment, in whole or in part.

Risk rating: Low.

2.1.5 Long-term securities

The New Capital Securities will not mature until the maturity date in 3023. The Issuer is under no obligation to redeem or repurchase the New Capital Securities prior to the maturity date, although the Issuer may elect to do so in certain circumstances. The Securityholders have no right to call for the redemption of the New Capital Securities prior to the maturity date. Accordingly, the Securityholders may bear the financial risks associated with an investment in long-term securities.

Risk rating: Low.

2.1.6 Early redemption

The Issuer has the right (but no obligation) to redeem the New Capital Securities in whole, but not in part, on the date falling four years after the first issue date (the "**First Call Date**") or on any annual interest payment date thereafter, in each case, at their principal amount together with accrued interest and any other outstanding payments as further set out in Condition 13.2 (*Redemption at the Option of the Issuer*) of the Hybrid Conditions.

In addition, upon the occurrence of certain specified events – including a Rating Event, a Tax Event, a change in accounting principles, a Replacing Capital Event or a Change of Control Event (each as defined in the Hybrid Conditions) – or if the Group has purchased and holds 80.00% or more of the total nominal amount of the New Capital Securities, the Issuer will have the option to redeem the New Capital Securities at the times and prices further set out in Condition 13.3 (*Redemption due to a Rating Event*) to Condition 13.8 (*Redemption for a Minimum Outstanding Principal Amount*) of the Hybrid Conditions.

During any period when the Issuer is perceived to be able to redeem the New Capital Securities, the market value of the New Capital Securities 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 New Capital Securities when the Issuer's cost of borrowing, generally or in respect of instruments which provide benefits to the Issuer similar to those of the New Capital Securities, is lower than the interest payable on the New Capital Securities. At such times, the Securityholders would generally not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest payable on the New Capital Securities being redeemed and may only be able to reinvest the redemption proceeds at a significantly lower rate. Accordingly, potential investors should consider reinvestment risk in light of other investments available at that time.

Risk rating: Low.

2.1.7 Fixed interest rate and reset of the interest rate linked to the 4-Year Swap Rate

The New Capital Securities carries interest at a fixed rate from the first issue date until the First Call Date. The interest rate will then be reset (the "**Reset Interest Rate**") on the First Call Date and thereafter on each date which is the fourth anniversary of the First Call Date until the maturity date (each, a "**Reset Date**"). Accordingly, from the First Call Date until the next subsequent Reset Date and thereafter from each Reset Date until the next subsequent Reset Date and from the last Reset Date prior to the maturity date until the maturity date, the New Capital Securities carry interest at the relevant Reset Interest Rate for the relevant interest period.

Risk factors (16/23)

During each period of time when the interest rate on the New Capital Securities is fixed, the Securityholders will be exposed to the risk that the price of the New Capital Securities may decrease due to changes in the market interest rate, which typically changes on a daily basis. As the market interest rate changes, the price of a fixed rate security tends to change in the opposite direction (barring other factors influencing the price). If the market interest rate increases, the price of a fixed rate security typically decreases, until the yield of such security is approximately equal to the market interest rate. If the market interest rate decreases, the price of a fixed interest rate security typically increases, until the yield of such security is approximately equal to the market interest rate. During each period in which the New Capital Securities carry interest at a fixed rate, movements in the market interest rate can therefore adversely affect the price of the New Capital Securities and can lead to losses for the Securityholders if they sell the New Capital Securities while the market interest rate exceeds the fixed interest rate of the New Capital Securities.

On the First Call Date and each subsequent Reset Date, the Reset Interest Rate will be re-calculated by reference to the then applicable 4-Year Swap Rate (as defined in the Hybrid Conditions, the "**4-Year Swap Rate**"). The performance of the 4-Year Swap Rate and the interest income on the New Capital Securities cannot be anticipated. Due to varying interest income, potential investors are not able to determine a definite yield of the New Capital Securities at the time they purchase them, therefore their return on investment cannot be compared with that of investments having longer fixed interest periods. In addition, after each interest payment date, the Securityholders are exposed to the reinvestment risk if the market interest rate decreases, meaning that the Securityholders may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing. Neither the current nor the historical level of the 4-Year Swap Rate is an indication of the future development of such 4-Year Swap Rate during the term of the New Capital Securities.

Risk rating: Low.

2.1.8 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" and other sources of interest rates, including those which derive or contain such benchmarks or interest rates like the 4-year Swap Rate, to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted.

Regulation (EU) 2016/1011 (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 New Capital Securities 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 New Capital Securities for the period from (and including) the relevant Reset Date, which is based on a reset mid-swap rate, may be affected. In this case, the rate of interest on the New Capital Securities will be determined in accordance with the fall-back provisions applicable to the New Capital Securities as further set out in the Hybrid Conditions.

The Hybrid Conditions also provide for certain fall-back arrangements in the event that the a Benchmark Event (as defined in the Hybrid Conditions) has occurred in which case the Issuer shall use all commercially reasonable endeavours to appoint an independent financial adviser to determine a Successor Rate (as defined in the Hybrid Conditions) or (if there is no such rate) and Alternative Rate (as defined in the Hybrid Conditions) to be used in place of the 4-Year Swap Rate in each case, together with an Adjustment Spread (as defined in the Hybrid Conditions). While the Adjustment Spread (as defined in the Hybrid Conditions) is intended to be designed to reduce or eliminate any transfer of economic value from one party to another as a result of a replacement of the 4-Year Swap Rate, there can be no assurance that this will be the case, which could have an adverse effect on the value or liquidity of, and return on, the New Capital Securities. In addition, no Successor Rate or Alternative Rate will be adopted, nor any Adjustment Spread applied, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in the occurrence of a Rating Event (as defined in the Hybrid Conditions), certain types of a Tax Event (as defined in the Hybrid Conditions) or an event, which would give the Issuer the right to redeem the New Capital Securities for accounting reasons in accordance with the Hybrid Conditions.

Risk factors (17/23)

Any changes to the administration of the applicable annualised mid-swap rate for swap transactions in euro with a maturity of four years as referred to in the Hybrid Conditions or the emergence of alternatives to such mid-swap rate as a result of the potential reforms, may cause such rate to perform differently than in the past or to be discontinued, or there could be other consequences which cannot be predicted. The potential discontinuation of such rate or changes to its administration could require changes to the way in which the relevant Reset Interest Rate is calculated on the New Capital Securities from (and including) the relevant Reset Date. Uncertainty as to the nature of alternative reference rates and as to potential changes to the relevant mid-swap rate may adversely affect the relevant Reset Interest Rate, the return on the New Capital Securities and the trading market for securities (such as the New Capital Securities) based on the same mid-swap rate. The development of alternatives to the relevant mid-swap rate may result in the New Capital Securities performing differently than would otherwise have been the case if such alternatives to the relevant mid-swap rate had not developed. Any such consequence could have a material adverse effect on the value or liquidity of, and return on, the New Capital Securities.

Risk rating: Low.

2.1.9 Change of IFRS accounting classification

The current IFRS accounting classification of financial instruments such as the New Capital Securities has the effect that the proceeds of the New Capital Securities are initially recognised in equity. However, the IFRS accounting treatment may change in the future.

In June 2018, the IASB (International Accounting Standards Board) published the discussion paper DP/2018/1 on "*Financial Instruments with Characteristics of Equity*" (the "**DP/2018/1 Paper**"). If the proposals set out in the DP/2018/1 Paper had been implemented, the current IFRS accounting classification of financial instruments such as the New Capital Securities as equity instruments may have changed.

Although recent developments suggest that the DP/2018/1 Paper proposals will not be pursued for the time being, there can be no assurance that such proposals or any other similar such proposals may not be implemented in the future. Accordingly, no assurance can be given as to the future classification of the New Capital Securities from an accounting perspective, which may result in the occurrence of an option for the Issuer to redeem the New Capital Securities pursuant to the Hybrid Conditions. The occurrence of any such event may result in a risk to Securityholders of receiving a lower than expected yield.

Furthermore, the Securityholders may be exposed to a risk that any redemption of the New Capital Securities by the Issuer, or the perception that the Issuer will exercise any right of optional redemption, might negatively affect the market value of the New Capital Securities. During any period when the Issuer may elect to redeem the New Capital Securities, the market value of the New Capital Securities generally will not rise substantially above the price at which they can be redeemed.

Risk rating: Low.

2.2 Risks related to the suitability of the New Capital Securities as an investment

2.2.1 Complex financial instruments

The New Capital Securities are complex financial instruments and may not be a suitable investment for all investors. Each potential investor in the New Capital Securities must determine the suitability of that investment in light of its own circumstances. A potential investor should not invest in the New Capital Securities unless it has the expertise (either alone or with the help of a financial adviser) to evaluate the New Capital Securities, the merits and risks of investing in the New Capital Securities and the impact the New Capital Securities will have on its overall investment portfolio.

Risk rating: Medium.

Risk factors (18/23)

2.2.2 Secondary market and liquidity risk

The Issuer will apply for listing of the New Capital Securities on Nasdaq Copenhagen A/S within four months of the initial issue date, but the Issuer cannot assure that an active and liquid trading market will develop or be maintained for the New Capital Securities.

The market price of the New Capital Securities could be subject to significant fluctuations. Historically, the markets for debt such as the New Capital Securities have been subject to disruptions that have caused substantial volatility in their prices. The market, if any, for the New Capital Securities may be subject to similar disruptions which may have a material adverse effect on the New Capital Securities. 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 New Capital Securities without regard to the Group's business, financial position, earnings and ability to make payments under the New Capital Securities.

In addition, pursuant to the Hybrid Conditions, all trades in the New Capital Securities shall be in a minimum nominal amount of EUR 100,000. If a Securityholder holds New Capital Securities of less than a nominal amount of EUR 100,000, the Securityholder cannot sell the remaining New Capital Securities without first purchasing New Capital Securities to increase its holding above EUR 100,000. Since all trades in the New Capital Securities must be in a minimum nominal amount of EUR 100,000, the Securityholder must then purchase New Capital Securities in a nominal amount of at least EUR 100,000. Accordingly, an investment in the New Capital Securities is only suitable for investors who can bear the risks associated with the prohibition on selling and/or buying the New Capital Securities in nominal amounts of less than EUR 100,000.

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

Risk rating: Low.

2.2.3 Classification as "green" bonds

The Issuer will apply the net proceeds of the New Capital Securities to finance or re-finance certain eligible assets and projects (the "**Green Projects**") as described in the Issuer's green finance framework dated June 2021 (the "**Green Finance Framework**").

If the Issuer fails to apply all or part of the net proceeds of the New Capital Securities in compliance with the Green Finance Framework, there is a risk that the New Capital Securities will not meet the expectations of investors, which may in turn have a negative impact on the pricing of the New Capital Securities. Any failure by the Issuer to comply with the Green Finance Framework does not constitute a default under the Hybrid Conditions, and the Securityholders do not have any put option or other right of early redemption as a result.

In addition, there is a risk that the application of the net proceeds of the New Capital Securities 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.

Risk factors (19/23)

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 "EU GBS", and it is expected that during the life of the New Capital Securities, the EUGBS will be finalised and adopted. There is a risk that the Issuer's Green Finance Framework and the New Capital Securities will not qualify as "green" pursuant to the EUGBS, which in turn may have a negative impact on the pricing of the New Capital Securities.

Risk rating: Low.

2.3 Risks related to certain limitations of the Securityholders' rights

2.3.1 Limited remedies

In accordance with the Hybrid Conditions, the Securityholders (through Nordic Trustee A/S acting as agent of the Securityholders (the "**Securityholders' Agent**")) have limited remedies if the Issuer fails to pay any interest on the New Capital Securities when due or otherwise fails to comply with any obligation, condition, undertaking or provision binding on the Issuer under the Hybrid Conditions. Whilst the Securityholders' Agent (acting on the instructions of the Securityholders) may take steps, actions or proceedings against the Issuer to obtain payment or enforce any other obligation, condition, undertaking or provision, no such steps, actions or proceedings can oblige the Issuer to pay any amount in respect of the New Capital Securities sooner than the same would otherwise have been payable by the Issuer under the Hybrid Conditions. The New Capital Securities cannot cross-default based on non-payment on other securities or liabilities of the Issuer, except where such non-payment on other securities or liabilities itself results in the winding-up (in Danish: *konkurs*) of the Issuer. The Securityholders may also have limited ability to influence the outcome of any insolvency proceeding or restructuring outside of a formal insolvency proceeding with respect to the Issuer and may lose all or part of their investment in the New Capital Securities.

Risk rating: Medium.

2.3.2 No voting rights or control over shares

The New Capital Securities are non-voting with respect to general meetings of the shareholders of the Issuer. Consequently, the Securityholders cannot influence – *inter alia* – any decision by the Issuer to defer interest payments or to optionally settle deferred interest payments or any other decision by the Issuer's shareholders concerning the capital structure of the Issuer or otherwise.

Risk rating: Low.

3. Risks Relating to the New Senior Bonds (2022/2026)

This Part 3 presents risk factors relating to the New Senior Bonds (2022/2026). The risk factors are presented in three 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.

Risk factors (20/23)

3.1 Risks related to the nature of the New Senior Bonds (2022/2026)

3.1.1 Status of the New Senior Bonds (2022/2026), structural subordination and insolvency of subsidiaries

The Issuer's obligations under the New Senior Bonds (2022/2026) 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 New Senior Bonds (2022/2026) will rank *pari passu* with the Existing Senior Bonds (2022/2026) and the Existing Senior Bonds (2021/2025) issued by the Issuer. In addition, the Issuer may in the future issue or borrow additional debt ranking *pari passu* with the New Senior Bonds (2022/2026). Under the Senior 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 Senior Conditions.

Unsubordinated liabilities of the Issuer ranking *pari passu* with the New Senior Bonds (2022/2026) may also arise out of events that are not reflected in the financial statements of theIssuer, 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 New Senior Bonds (2022/2026).

The Issuer's obligations under the Existing Senior Bonds (2022/2026), the Existing Senior Bonds (2021/2025), the Revolving Credit Facility 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 New Senior Bonds (2022/2026) in the case of insolvency, including a winding-up (in Danish: *konkurs*) or reconstruction (in Danish: *rekonstruktion*) of the Issuer.

Furthermore, the New Senior Bonds (2022/2026) 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 Senior 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 New Senior Bonds (2022/2026).

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 New Senior Bonds (2022/2026). 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 New Senior Bonds (2022/2026).

Risk rating: High.

3.1.2 Service of New Senior Bonds (2022/2026) and distributions from subsidiaries

The New Senior Bonds (2022/2026) 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.

Risk factors (21/23)

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 New Senior Bonds (2022/2026) 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 New Senior Bonds (2022/2026) and the Bondholders may lose their investment, in whole or in part.

Risk rating: Low.

3.1.3 Early redemption – put option and call option

Under the Senior Conditions, each Bondholder has the right (put option) to require that the Issuer purchases all or some of its New Senior Bonds (2022/2026) upon the occurrence of a Put Option Event (as defined in the Senior 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 New Senior Bonds (2022/2026) put to it by the Bondholders. Failure to redeem or repurchase the New Senior Bonds (2022/2026) would adversely affect the Issuer, e.g., by causing insolvency or an event of default under the Senior Conditions, and thus adversely affect all the Bondholders and not only those that choose to exercise the put option.

In addition, the Senior Conditions include certain rights of the Issuer (call option) to redeem the New Senior Bonds (2022/2026), in whole or in part, prior to the maturity date at various call prices during the lifetime of the New Senior Bonds (2022/2026). During any period when the Issuer is able to redeem the New Senior Bonds (2022/2026), the market value of the New Senior Bonds (2022/2026) 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 New Senior Bonds (2022/2026) when the Issuer's cost of borrowing, generally or in respect of instruments which provide benefits to the Issuer similar to those of the New Senior Bonds (2022/2026), is lower than the interest payable on the New Senior Bonds (2022/2026). 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 New Senior Bonds (2022/2026) being redeemed and may only be able to reinvest the redemption proceeds at a significantly lower rate.

Risk rating: Low.

3.1.4 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.

Regulation (EU) 2016/1011 (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 New Senior Bonds (2022/2026) 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 New Senior Bonds (2022/2026) may be affected. In this case, the rate of interest on the New Senior Bonds (2022/2026) will be determined in accordance with the replacement of reference rate provisions as further set out in the Senior Conditions.

Risk rating: Low.

Risk factors (22/23)

3.2 Risks related to the suitability of the New Senior Bonds (2022/2026) as an investment

3.2.1 Secondary market and liquidity risk

The New Senior Bonds (2022/2026) will be issued as Temporary Bonds under, and as defined in, the Senior Conditions. This means that the New Senior Bonds (2022/2026) will be issued with a separate ISIN, which is different to the ISIN of the Existing Senior Bonds (2022/2026), and will not be listed on the date of issuance of the New Senior Bonds (2022/2026).

The Issuer will apply for listing of the New Senior Bonds (2022/2026) on Nasdaq Copenhagen A/S within four months of the date of issuance of the New Senior Bonds (2022/2026). Upon listing of the New Senior Bonds (2022/2026), the separate ISIN will be converted into the ISIN of the Existing Senior Bonds (2022/2026) whereby the New Senior Bonds (2022/2026) will be consolidated, and form part of a single series, with the New Senior Bonds (2022/2026).

Although the Issuer will apply for listing of the New Senior Bonds (2022/2026), the Issuer cannot assure that an active and liquid trading market will develop or be maintained for the New Senior Bonds (2022/2026).

The market price of the New Senior Bonds (2022/2026) could be subject to significant fluctuations. Historically, the markets for debt such as the New Senior Bonds (2022/2026) have been subject to disruptions that have caused substantial volatility in their prices. The market, if any, for the New Senior Bonds (2022/2026) may be subject to similar disruptions which may have a material adverse effect on the New Senior Bonds (2022/2026). 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 New Senior Bonds (2022/2026) without regard to the Group's business, financial position, earnings and ability to make payments under the New Senior Bonds (2022/2026).

In addition, pursuant to the Senior Conditions, all trades in the New Senior Bonds (2022/2026) (including the Existing Senior Bonds (2022/2026) following conversion of the separate ISIN for the New Senior Bonds (2022/2026) into the ISIN of the Existing Senior Bonds (2022/2026)) shall be in a minimum nominal amount of EUR 100,000. If a Bondholder holds New Senior Bonds (2022/2026) (and Existing Senior Bonds (2022/2026) following conversion of the separate ISIN for the New Senior Bonds (2022/2026) into the ISIN of the Existing Senior Bonds (2022/2026)) of less than a nominal amount of EUR 100,000 due to, e.g., a partial redemption of New Senior Bonds (2022/2026) in accordance with the Senior Conditions, the Bondholder cannot sell the remaining New Senior Bonds (2022/2026) without first purchasing New Senior Bonds (2022/2026) (or Existing Senior Bonds (2022/2026) following conversion of the separate ISIN for the New Senior Bonds (2022/2026) into the ISIN of the Existing Senior Bonds (2022/2026)) to increase its holding above EUR 100,000. Since all trades in the New Senior Bonds (2022/2026) must be in a minimum nominal amount of EUR 100,000, the Bondholder must then purchase New Senior Bonds (2022/2026) (or Existing Senior Bonds (2022/2026) following conversion of the separate ISIN for the New Senior Bonds (2022/2026) into the ISIN of the Existing Senior Bonds (2022/2026)) in a nominal amount of at least EUR 100,000. Accordingly, an investment in the New Senior Bonds (2022/2026) is only suitable for investors who can bear the risks associated with the prohibition on selling and/or buying the New Senior Bonds (2022/2026) 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 New Senior Bonds (2022/2026) 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 New Senior Bonds (2022/2026) reach the maturity date.

Risk rating: Low.

3.2.2 Classification as "green" bonds

The Issuer will apply the net proceeds of the New Senior Bonds (2022/2026) to finance or re-finance certain eligible assets and projects (the "**Green Projects**") as described in the Issuer's green finance framework dated June 2021 (the "**Green Finance Framework**").

Risk factors (23/23)

If the Issuer fails to apply all or part of the net proceeds of the New Senior Bonds (2022/2026) in compliance with the Green Finance Framework, there is a risk that the New Senior Bonds (2022/2026) will not meet the expectations of investors, which may in turn have a negative impact on the pricing of the New Senior Bonds (2022/2026). Any failure by the Issuer to comply with the Green Finance Framework does not constitute a default under the Senior Conditions, and the Bondholders do not have any put option or other right of early redemption as a result.

In addition, there is a risk that the application of the net proceeds of the New Senior Bonds (2022/2026) 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 "EU GBS", and it is expected that during the life of the New Senior Bonds (2022/2026), the EUGBS will be finalised and adopted. There is a risk that the Issuer's Green Finance Framework and the New Senior Bonds (2022/2026) will not qualify as "green" pursuant to the EUGBS, which in turn may have a negative impact on the pricing of the New Senior Bonds (2022/2026).

Risk rating: Low.

3.3 Risks related to certain limitations of the Bondholders' rights

3.3.1 "No action" clause

In accordance with the Senior Conditions, Nordic Trustee A/S, as agent and representative on behalf of the bondholders (the "**Bondholders' Agent**") will represent the Bondholders in all matters relating to the New Senior Bonds (2022/2026) 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 Bondholders' Agent to take such action. Pursuant to the Senior Conditions, remedies afforded to the Bondholders are vested with the Bondholders' Agent, thus preventing individual Bondholders from taking separate action ("no action" clause). The Bondholders accordingly face a risk that the Bondholders' 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

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

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	9M 2022 LTM	9M 2022	9M 2021	2021	2020	2019
Revenue	581,440	337,713	84,926	328,653	206,962	238,804
Net result after tax from equity-accounted investments	11,365	11,178	1,088	1,275	(4,878)	2,504
Results from investments in joint ventures	*6,098*	*7,050*	*(341)*	*(1,293)*	*(6,396)*	-
Results from investments in associates	*5,267*	*4,128*	*1,429*	*2,568*	*1,518*	-
Other income	2,789	2,787	993	995	4,808	6,835
Direct costs	(390,546)	(218,692)	(54,553)	(226,407)	(132,946)	(190,614)
Gross profit	**205,048**	**132,986**	**32,454**	**104,516**	**73,946**	**57,529**
Staff costs	(22,507)	(18,032)	(7,502)	(11,977)	(7,381)	(6,695)
Other external costs	(23,183)	(18,710)	(6,842)	(11,315)	(5,368)	(6,529)
EBITDA	**159,358**	**96,244**	**18,110**	**81,224**	**61,197**	**44,305**
Depreciation & impairment	(12,559)	(7,369)	(12,235)	(17,425)	(11,671)	(5,894)
Operating profit (EBIT)	**146,799**	**88,875**	**5,875**	**63,799**	**49,526**	**38,411**
Financial income	2,217	5,336	16,052	12,933	2,815	12,148
Financial expenses	(17,867)	(15,270)	(11,411)	(14,008)	(14,566)	(13,117)
Profit/loss before tax	**131,149**	**78,941**	**10,516**	**62,724**	**37,775**	**37,442**
Tax	(13,388)	(11,184)	(2,887)	(5,091)	(8,109)	(1,461)
Profit/loss for the period	**117,761**	**67,757**	**7,629**	**57,633**	**29,666**	**35,981**
Attributable to:						
Shareholders of the Company	104,455	54,430	1,263	51,288	16,644	26,654
Hybrid capital holders	9,188	9,188	6,608	6,608	-	-
Non-controlling interests (NCI)	4,118	4,139	(242)	(263)	13,022	9,327
Profit/loss for the period	**117,761**	**67,757**	**7,629**	**57,633**	**29,666**	**35,981**

European Energy's balance sheet

EUR '000	9M 2022	9M 2021	2021	2020	2019
ASSETS					
Goodwill	10,405	3,802	4,528	-	-
Property, plant and equipment	154,059	146,211	157,283	130,594	134,213
Lease assets	12,066	9,475	9,875	9,396	9,091
Investments in joint ventures	26,267	13,431	13,743	10,334	11,112
Investments in associates	19,621	16,160	17,083	15,239	13,693
Other investments	13,452	8,466	8,468	7,497	4,394
Loans to related parties	43,793	56,888	56,852	45,346	35,620
Loans to joint ventures	*40,141*	*52,482*	*51,913*	*41,051*	-
Loans to associates	*3,652*	*4,406*	*4,939*	*4,295*	-
Trade receivables and contract assets	33,662	6,037	10,731	2,907	4,241
Other receivables	2,811	9,011	2,975	12,340	15,133
Deferred tax	13,513	7,153	6,294	4,798	2,292
Prepayments	-	-	-	-	3,923
Total non-current assets	**329,649**	**276,634**	**287,832**	**238,451**	**233,712**
Inventories	910,831	570,579	524,830	325,211	227,131
Trade receivables and contract assets	62,042	24,531	56,149	27,298	16,920
Other receivables	48,207	34,897	31,687	21,664	8,270
Prepayments	41,635	26,106	46,143	5,301	6,116
Free cash and cash equivalents	104,028	121,173	173,718	86,771	82,278
Restricted cash and cash equivalents	15,633	23,048	53,643	35,121	31,244
Total current assets	**1,182,376**	**800,334**	**886,170**	**501,366**	**371,959**
TOTAL ASSETS	**1,512,025**	**1,076,968**	**1,174,002**	**739,817**	**605,671**

EUR '000	9M 2022	9M 2021	2021	2020	2019
EQUITY AND LIABILITIES					
Equity					
Share capital	40,601	40,455	40,559	40,430	40,331
Retained earnings and reserves	141,029	95,001	147,179	94,650	77,797
Equity attributable to shareholders of the Company	**181,630**	**135,456**	**187,738**	**135,080**	**118,128**
Hybrid capital	150,000	150,000	150,000	75,000	-
Non-controlling interests	18,881	23,425	12,750	25,188	19,475
Total Equity	**350,511**	**308,881**	**350,488**	**235,268**	**137,603**
Liabilities					
Bond	362,593	277,121	285,383	194,144	192,017
Project financing	387,368	265,161	301,409	187,917	140,743
Other debt	81,909	10,349	12,377	2,139	905
Lease liabilities	10,025	8,530	9,220	8,307	13,037
Provisions	25,373	22,256	23,868	20,390	6,096
Deferred tax	19,918	13,459	12,378	11,999	10,241
Total non-current liabilities	**887,186**	**596,876**	**644,635**	**424,896**	**363,039**
Project financing	110,844	78,655	45,589	33,504	66,772
Lease liabilities	3,050	1,943	2,123	1,739	1,493
Trade payables	107,023	37,798	62,526	11,629	8,981
Payables to related parties	323	2,629	11,431	11	2,117
Corporation tax	9,212	7,708	9,756	6,851	4,777
Provisions	2,950	4,090	4,254	4,400	2,800
Deferred income	7,497	2,774	4,239	2,654	-
Other payables	33,429	35,614	38,961	18,865	18,089
Total current liabilities	**274,328**	**171,211**	**178,879**	**79,653**	**105,029**
Total liabilities	**1,161,514**	**768,087**	**823,514**	**504,549**	**468,068**
TOTAL EQUITY AND LIABILITIES	**1,512,025**	**1,076,968**	**1,174,002**	**739,817**	**605,671**

European Energy's cash flow statement

EUR '000	9M 2022 LTM	9M 2022	9M 2021	2021	2020	2019
Profit before tax	131,149	78,941	10,516	62,724	37,775	37,442
Adjustments for:						
Financial income	(2,217)	(5,336)	(16,052)	(12,933)	(2,815)	(12,148)
Financial expenses	17,867	15,270	11,411	14,008	14,566	13,117
Depreciation and impairment	12,559	7,369	12,235	17,425	11,671	5,894
Profit/loss from equity-accounted companies	(11,365)	(11,178)	(1,088)	(1,275)	4,878	(2,504)
Results from investments in joint ventures	*(6,098)*	*(7,050)*	*341*	*1,293*	*6,396*	-
Results from investments in associates	*(5,267)*	*(4,128)*	*(1,429)*	*(2,568)*	*(1,518)*	-
Change in net working capital, excluding inventories	34,428	37,249	11,122	8,301	7,044	(14,561)
Change in inventories	(266,966)	(320,368)	(242,126)	(188,724)	(92,446)	153
Interest paid on lease liabilities	(460)	(331)	(272)	(401)	(413)	(152)
Dividends[1]	3,287	3,173	943	1,057	1,613	1,556
Other non-cash items	(19,878)	(16,151)	2,873	(854)	(4,122)	(2,980)
Cash generated from operating activities before financial items and tax	**(101,596)**	**(211,362)**	**(210,438)**	**(100,672)**	**(22,249)**	**25,817**
Taxes paid	(8,113)	(5,509)	(1,948)	(4,552)	(3,727)	(538)
Interest paid and realised currency losses	(40,991)	(30,335)	(3,616)	(14,272)	(12,000)	(11,459)
Interest received and realised currency gains	3,806	2,817	3,732	4,721	2,360	5,864
Cash flow from operating activities	**(146,894)**	**(244,389)**	**(212,270)**	**(114,775)**	**(35,616)**	**19,684**
Acquisition/disposal of property, plant and equipment	(19,933)	(3,744)	(29,833)	(46,022)	(3,822)	28,307
Acquisition/disposal of other investments	(4,674)	(4,675)	(36)	(35)	(224)	65
Acquisition of subsidiaries	(7,628)	(7,541)	(1,256)	(1,343)	-	(27,276)
Proceeds from disposal of equity-accounted investments	-	-	-	-	-	682
Investments in joint ventures and associates	(5,314)	(4,900)	(3,229)	(3,643)	(1,549)	(1,479)
Loans to joint ventures and associates	1,289	(380)	(13,791)	(12,122)	(17,380)	(11,893)
Cash flow from investing activities	**(36,260)**	**(21,240)**	**(48,145)**	**(63,165)**	**(22,975)**	**(11,594)**
Proceeds from issue of bonds	74,287	74,287	297,750	297,750	-	200,535
Repayment of bonds	325	-	(205,360)	(205,035)	-	(88,400)
Proceeds from project financing	305,379	234,003	160,926	232,302	205,952	88,551
Repayment of project financing	(191,546)	(123,352)	(38,531)	(106,725)	(201,371)	(160,358)
Repayment of lease liabilities	(2,156)	(1,880)	(1,240)	(1,516)	(2,000)	(467)
Payables to associates	(13,696)	(11,108)	2,618	30	(2,106)	1,636
Capital increase through exercise of warrants	338	338	130	130	404	-
NCI's share of capital increase of disposal of subsidiaries	-	-	-	-	-	(4,563)
Purchase of treasury shares	-	-	(21)	(21)	(18)	-
Proceeds from issue of hybrid capital	-	-	75,967	75,967	73,391	-
Coupon payments, hybrid capital	(9,188)	(9,188)	(6,608)	(6,608)	-	-
Transactions with non-controlling interests	(5,338)	(5,660)	(3,187)	(2,865)	(7,291)	-
Cash flow from financing activities	**158,405**	**157,440**	**282,444**	**283,409**	**66,961**	**36,934**
Cash and cash equivalents related to acquired companies	189	489	300	-	-	9,912
Change in cash and cash equivalents	**(24,560)**	**(107,700)**	**22,329**	**105,469**	**8,370**	**54,936**
Cash and cash equivalents at beginning of period	144,221	227,361	121,892	121,892	113,522	58,586
Cash and cash equivalents end of period	**119,661**	**119,661**	**144,221**	**227,361**	**121,892**	**113,522**
Of which restricted cash and cash equivalents	**15,633**	**15,633**	**23,048**	**53,643**	**35,121**	**31,244**
Non-restricted cash and cash equivalents at end of period	**104,028**	**104,028**	**121,173**	**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