Investor presentation

September 23, 2025

Skåramåla Hybrid park, Sweden

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

Agenda

1. Transaction overview
2. Introduction to EE
3. Market & Business update
4. Financial performance
5. Risk factors

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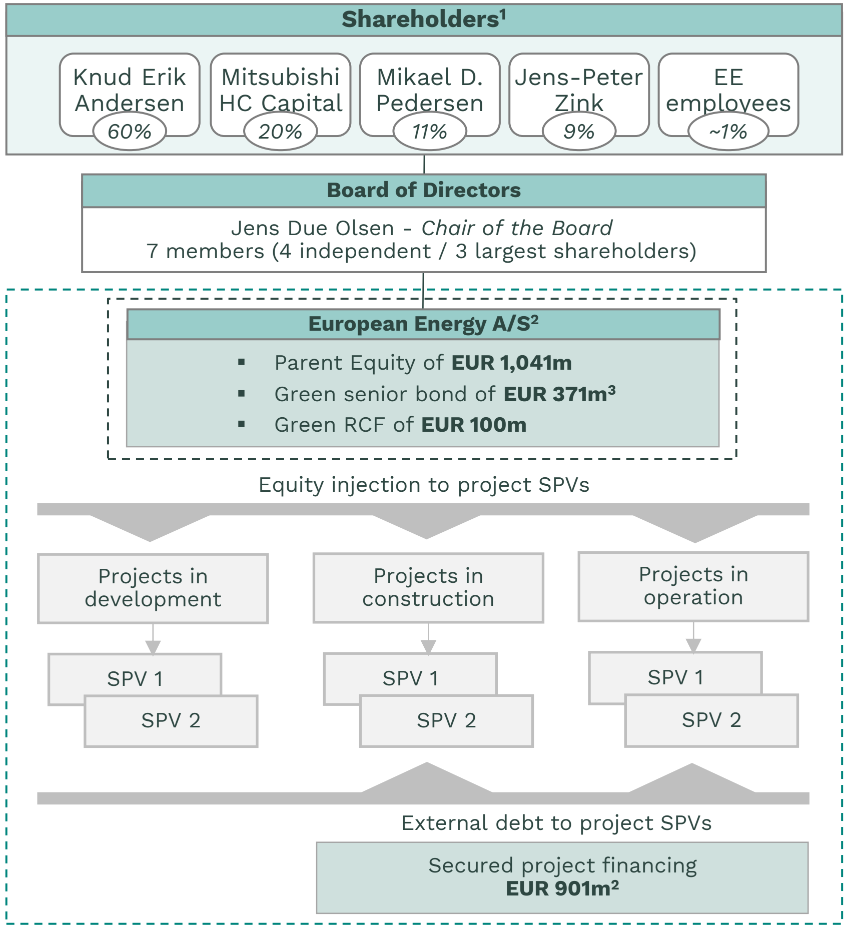
European Energy announces a new 3Y Green senior bond



Group covenant: Project Debt to PPEI ≤ 75%

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

- European Energy (EE) has announced an issuance of a new 3Y green senior unsecured bond with maturity in 2028 to finance future investments
- 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, construction, operation and maintenance of renewable energy projects (such as solar and wind power, storage of electricity and PtX)
- 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 has in recent years been raised in the unrated Nordic bond market as senior unsecured bonds but also includes a Revolving Credit Facility (RCF). Parent debt is serviced by i) profit from sale of energy parks and projects ii) cash flow from sale of energy (from operating assets/IPP) and iii) EPC/Asset Management fees
- The project-level financing is predominantly provided 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, a recourse element to European Energy A/S via a parent company 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 favorable financing terms and matches a potential exit strategy

Notes: 1) Holdings split by voting rights; 2) As per H1 2025; 3) at H1'25 European Energy had a senior bonds of nominal value of EUR 375m which was tapped with additional EUR 25m in July, taking it to EUR 400m

Indicative key terms for the new senior unsecured green bond

Issuer:	European Energy A/S
Country:	Denmark
Rating:	Unrated
Status:	Senior Unsecured
Amount:	Minimum EUR 75m under a framework of EUR 250m
Maturity:	October 2028 (3 years)
Call option:	All of the bonds (or some if total issue remains > EUR 75m) can be repaid at a price related to the time passed since issuance: <12M @ 100% + MW; 12-18M @ 100% + 50% of Margin for 1 year; 18M-24M @ 100% + 35% of Margin for 1 year; 24M-30M @ 100% + 20% of Margin for 1 year; 30M-33M @ 100% + 12,5% of Margin for 1 year; 33M-36M @ 100%
Interest rate:	3m Euribor + Margin of [•]bps, paid quarterly in arrear (zero EURIBOR floor), act/360
Financial Undertakings:	Maintenance Covenants • Equity Ratio (parent company): ≥ 25% • Project Debt to PPEI Ratio: ≤ 75% • Minimum liquidity (parent company) corresponding to aggregate estimated amount of interest payable in respect of the bonds for the next three (3) Interest Periods Incurrence Test (parent company): • Equity Ratio: ≥ 35% • ICR: ≥ 2.75x
General Undertakings:	Standard general undertakings pursuant to the terms and conditions, including *inter alia*: • Distributions • Financial Indebtedness • Negative Pledge • Financial Support • Nature of Business
Put option:	101% upon a change of control event or a listing failure event
Docs:	Standalone, Danish law
Denomination:	EUR 0.01 (minimum trading unit EUR 100k)
Listing:	Nasdaq Copenhagen or other regulated market subsequent to the placing, intention to list within 6 months after the First Issue Date
Use of Proceeds:	The Net Proceeds from the issuance of the Initial Bonds shall be used for financing or refinancing of eligible projects in accordance with the Green Finance Framework dated October 2024
Agent:	Nordic Trustee
Joint Bookrunners:	DNB Carnegie, Nordea & SEB
Target market:	Eligible counterparties, professional clients and certain retail investors (contact Joint Bookrunners for full target market assessment)

European Energy's activities support a Low-Carbon climate resilient future

Our Green Finance Framework is structured in accordance with:

- The 2021 International Capital Markets Association's (ICMA) Green Bond Principles (GBP)
- The 2023 Loan Market Association (LMA)
- The Asia Pacific Loan Market Association (APLMA)
- The Loan Syndications and Trading Association's (LSTA) Green Loan Principles (GLP)

The framework includes **green bonds and green loans** which are used to finance or refinance eligible assets and projects as well as for **"general corporate purpose" financing** if the Green Corporate Eligibility Criteria are fulfilled

The eligible asset category is "Renewable energy" and can be mapped to the following EU Taxonomy activities:

- Development, construction, operation and maintenance of renewable energy projects (i.e. **solar, wind, storage of electricity and Power-to-X facilities**), with relevant EU Taxonomy activities: 3.10, 4.1, 4.3, 4.10, 7.6

Eligible assets and projects **may cover both operational expenditures and capital expenditures**, such as labour costs or spending on R&D

This Green Finance Framework replaced our prior green finance framework dated from June 2021

Second Party Opinion (pre-issuance)

S&P Global

Assessment: **Dark Green**

Activities that **correspond** to the long-term vision of a **Low-Carbon climate resilient future**

Process selection

- European Energy's investment committee is responsible for ensuring that only projects aligned with the framework are financed with proceeds from green bonds

Management of proceeds

- European Energy has established a Green Finance Register. Through the register, we monitor a portfolio of Eligible Assets and provide an overview of the allocation of the net proceeds from the Green Finance Instruments issued or borrowed on a portfolio basis to the respective Eligible Assets

Reporting

- European Energy will publish an annual report on the allocation and impact of Green Finance Instruments issued or borrowed under this Green Finance Framework on a portfolio basis

Agenda

Mokoan Solar Park, Australia

Founded in **2004**

24 markets

6 technologies

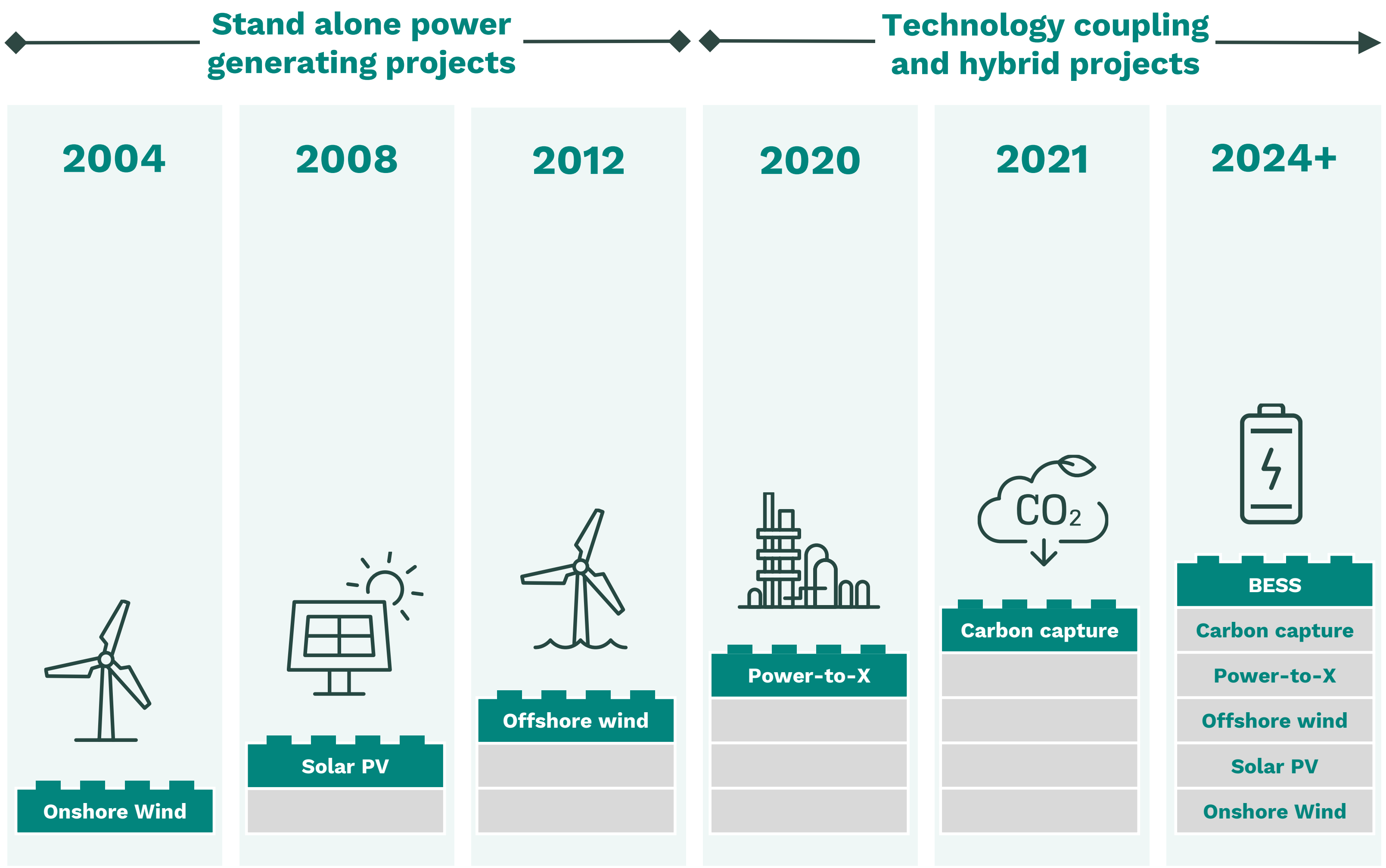
45 GW pipeline holding ~**800 projects**

End-to-end **value chain capabilities**

Installed **capacity** of **+2 GW** since **2021**

890 employees across **29 offices**

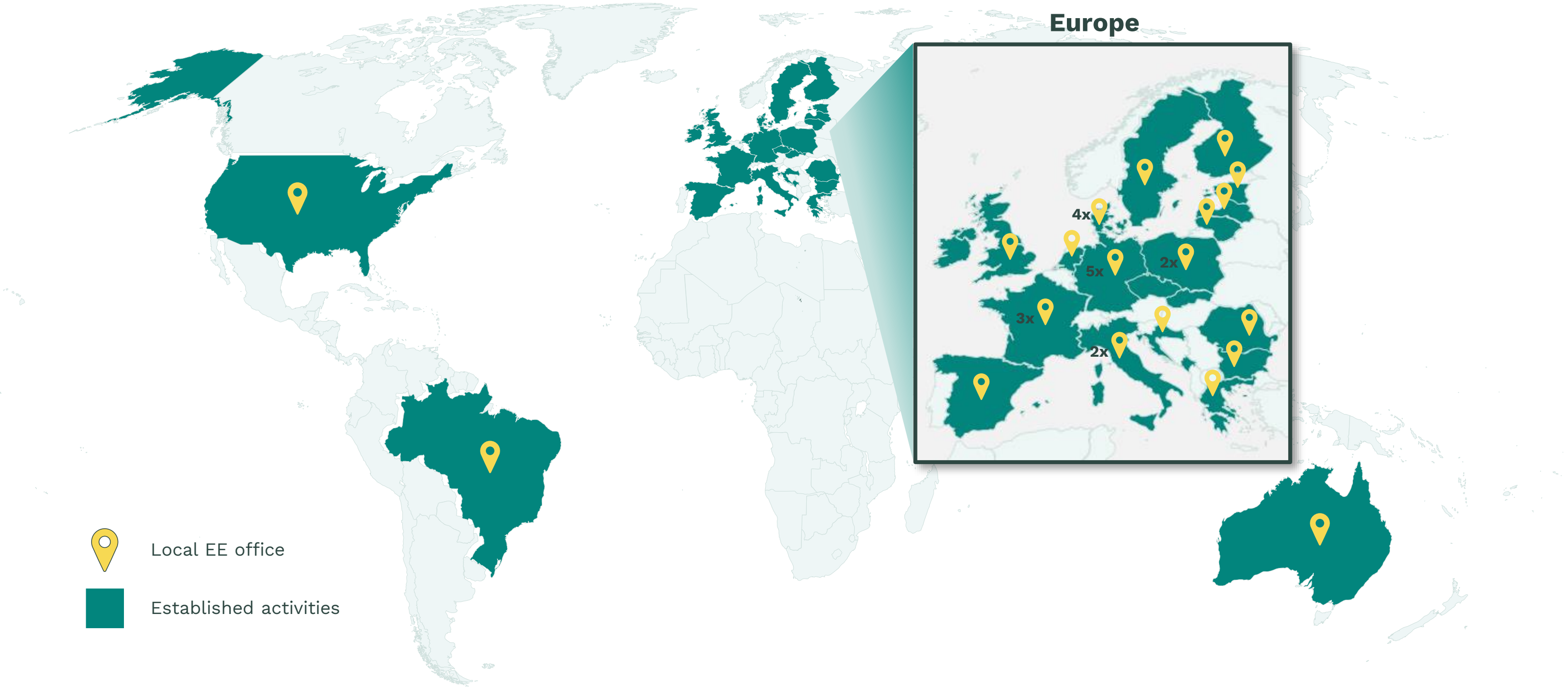
Since 2004, we have developed renewable energy projects with a growing focus on technology coupling



- European Energy was incepted in 2004 with a narrow technology and market footprint focusing solely on onshore wind project
- Since then, additional power generating technologies were added, but still solely as stand-alone projects
- In 2020 the addition of Power-to-X projects was initiated on top of existing power producing assets, implementing the first technology hybrid projects enabling possibilities to harvest direct synergies
- Since 2020 and onwards focus has been to utilize technology synergies across to optimize projects, effectively changing the focus from power producing assets to integrated energy solutions utilizing and optimizing our internal value chain capabilities to support future growth

We hold a diversified geographical footprint in 24 relatively low-risk markets

European Energy target markets



EE targets predominantly **mature**, **low-risk markets** in Europe and OECD, and has **established 29 local offices** across **20 markets** as a **key enabler** to **secure new projects**

	Technology					Local office
	Solar	Onshore wind	BESS	Power-to-X	Offshore wind	
DK	✓	✓	✓	✓	✓	✓
AUS	✓	✓	✓	✓		✓
PL	✓	✓	✓			✓
DE	✓	✓	✓			✓
IT	✓	✓	✓			✓
FR	✓		✓			✓
UK	✓	✓	✓			✓
US	✓		✓	✓		✓
SE	✓	✓	✓	✓		✓
RO	✓	✓	✓			✓
BG		✓				✓
GR	✓	✓				✓
IE	✓		✓			
NL	✓	✓	✓			✓
LT	✓	✓	✓	✓	✓	✓
LV	✓		✓		✓	✓
FI	✓	✓	✓			✓
BR	✓	✓		✓		✓
ES	✓			✓		✓
ME	✓	✓				
EE		✓	✓		✓	✓
CZ	✓		✓			
HR	✓					✓
SK	✓					

Legend

- Solar
- Onshore wind
- BESS
- Offshore wind
- Power-to-X

Key credit highlights

Market	1	**Climate goals and Energy independence**	Climate change, increasing global temperatures[1] and energy independence targets drive expansion policies in global renewable capacity. Global renewable capacity is expected to grow by almost 2.4 TW between 2022 and 2027 (5-year period), compared to approx. 2.0 TW from 2010 to 2021 (10-year period)
	2	**Electrification and demand growth**	Rising power demand, especially from heavy industries and ICT industry (Information and Communications Technology), as well as increasing demand for contracted capacity (PPAs[2] and CFDs[3]) drives long-term renewable energy build-out
Business	3	**Diversified project portfolio**	We have a broadly diversified project portfolio across 24 markets (mainly OECD), 6 technologies and ~800 projects. This reduces concentration risks and provides a more resilient business model
	4	**High-value portfolio**	Our high-value portfolio constitutes projects which are ready-to-build, under construction or in operation. The high value portfolio holds a substantial level of 8.3 GW of projects across multiple countries and technologies, providing a strong basis for future income. This is also the portfolio of projects which constitute the primary part of our project sales, either as RTB, Forward or COD sales.
	5	**Integrated business model**	We have in-house competencies within development, structuring, EPC, power sales and asset management i.e. across the full value chain. This enables us to control costs, profitability and risks of our projects which has resulted in successful completion of more than 250 projects all generating positive results
	6	**Flexible CapEx and DevEx spend**	We manage investment spend continuously with due considerations to our financial performance and capacity, market sentiment and where financially attractive opportunities exist (e.g. in terms of offtake or financing) with the aim of always achieving satisfactory earnings margins and maintaining a comfortable liquidity position
	7	**Efficient value-creation**	Our projects have a short lead-time of 12-24 months from ready-to-build to commercially operational with divestment optionality throughout the phases also reducing exposure to general market risks
	8	**Diversified earnings mix**	Our key earnings providers - project sales and power sales – both yield attractive margins. By balancing recurring power sales and more volatile project sales we achieve a more stable earnings profile. In addition to this projects for sale are kept on inventory whilst still producing power and generating cash flows and earnings.
	9	**Disciplined investment decisions**	Fully integrated project management model with specific gate requirements including market-based return requirements and risk assessment, effectively safeguarding financial profitability of materialized projects either kept on balance sheet or divested
Financial	10	**Proven full-cycle track record**	Long-term trajectory of delivering consistent EBITDA growth through the ability to (i) develop and de-risk greenfield projects to RTB, (ii) structure and commercialise projects to FID, (iii) construct with disciplined cost control and minimal overruns, and (iv) harvest value either via high-margin divestments or retaining projects on balance sheet and securing long-term contracted cash flows and earnings.
	11	**Strong shareholder commitments**	Strong ownership backing from original founders and a prominent external investor, dedicated to the continued growth of the company and with limited possibilities of dividends

Notes: 1) IEA world energy outlook Stated Policies Scenario concludes increase in global temperatures of 2,5 degrees 2) Power purchase agreements are offtake agreements for a percentage of the power produced by a project. 3) Contract for difference are offtake agreements provided by governments to contract revenue for the future

Renewable energy platform with offering across the value chain

Business model is fully integrated covering 5 stages and is well-proven with a track-record of +250 projects

Development | **Structuring** | **Construction** | **Divestment / Ownership** | **Asset management**

Development

Site selection, securing land, environmental assessments, permits and grid

Software tool to identify new development sites


WTG site & layout


Solar site & layout

Structuring

Group level
Optimising capital structure to fund growth and ensure liquidity management

Project level
Offtake (2)
Procurement (1)
Financing (3)

Design & engineering
In-house competencies to handle all key design and engineering activities

Construction

Managing construction phase from final design to grid connection

Strong track-record for constructing assets

~1.4%
Average cost overrun for projects (2019-2024)[1]

Divestment / Ownership

Divestment
Sale and handover of renewable energy assets to long-term investors

18% solar
24% wind
Average divestment gross profit margin for projects sold after COD (2018-2024)[2]

Ownership
Electricity sales and evaluate strategic rationale e.g., for repowering

Asset management

Monitoring and increasing asset performance as well as managing administrative tasks

Full scope asset mgmt. services including O&M

O&M
360° scope
Commercial mgmt.
Technical mgmt.

Solar
Onshore wind
BESS
Offshore wind
Power-to-X

Notes: 1) Simple average of the difference between budgeted capex at Final Investment Decision (FID) and realized capex for each project reaching Commercial Operation Date (COD) 2) Simple average of realized gross profit margin on divested operational projects – gross profit margins on RTB and Forward divestments are even higher due to lower amount of invested capital

Agenda

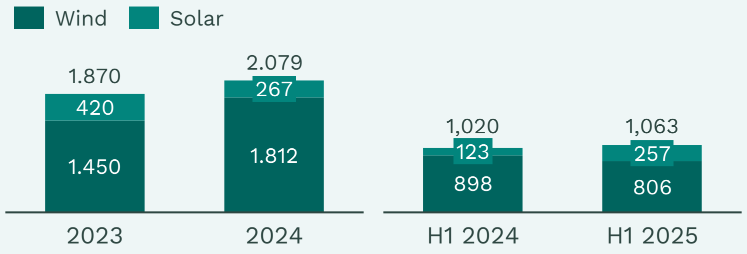
1. Transaction overview
2. Introduction to EE
3. Market & Business update
4. Financial performance
5. Risk factors

Mokoan Solar Park, Australia

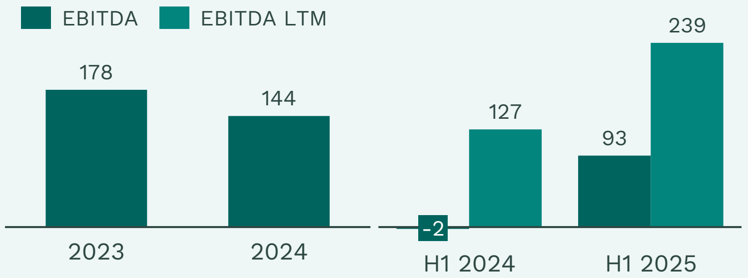
European Energy key highlights from H1 2025

- **Strong financial performance:** record-high H1 EBITDA of EUR 93m and last 12 months EBITDA of EUR 239m due to strong project sales performance
- **Growth in Power Sales**: gross profit of EUR 33m (+20% YoY) due to 1,063 GWh produced (+4% YoY) and higher compensation received from a supplier due to performance issues
- **Satisfactory Project Divestments**: 8 projects totalling 1.3 GW divested across 3 transactions generating EUR 99m in gross profit up from EUR 3m the year before with an average realised gross profit margin of 24% in line with historical levels
- **Strong Financial Position**: H1 2025 liquidity of EUR 235m, comprising EUR 138m in free cash and EUR 97m in undrawn committed credit facilities, ensuring robust financial flexibility
- **Highest construction activity ever**:
  - A total of 1.7 GW of projects were under construction with 1,380 MW of Solar PV, 147 MW of Wind parks and 137 MW of PtX/BESS
  - On 35 sites across eight European countries and Australia
- **Advancing PtX Projects**:
  - The world's first large-scale commercial e-methanol facility, Kassø e-methanol facility, was officially inaugurated in May, after having produced the first e-methanol in March
  - European Energy has taken the Final Investment Decision to expand the Måde Green Hydrogen production site, with the addition of an electrolyser unit now underway

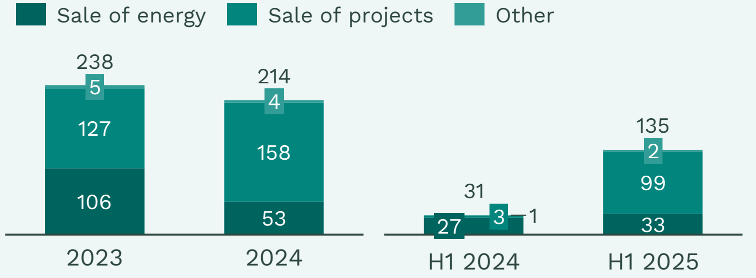
Electricity sale, GWh



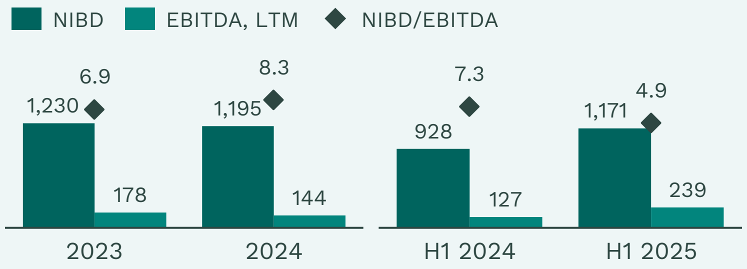
EBITDA and EBITDA LTM, EURm



Gross profits, EURm



Net Debt to EBITDA LTM, EURm



Main events H1 2025

JANUARY

- European Energy unveiled its first battery storage project with Kragerup Estate which will provide the company with valuable operational experience in integrating battery solutions in the grid
- Largest utility-scale solar project divested in the US, bringing the total capacity divested in the country to 906 MW since we entered the market in 2021

FEBRUARY

- European Energy commissioned Mokoan, its first solar park in Australia. Located in Victoria State, the solar park has a capacity of 58 MW

MARCH

- Agreement signed to divest a wind and solar project in Lithuania with a total capacity of up to 474 MW to Energix – Renewable Energies Ltd
- European Energy successfully produced the first e-methanol at the Kassø Power-to-X facility. The methanol was produced in the first methanol line out of two at the facility and was achieved using biogenic CO_2 sourced locally at the biogas facility in Tønder
- Lidsø solar park on the island of Lolland, Denmark, was divested to Alight, a Nordic solar developer and independent power producer. The solar park has a capacity of 213 MW
- Agreement signed with Enea to divest six operational wind farms in the West Pomeranian region of Poland

APRIL

- In connection with the Danish state visit to France, we signed a declaration with TotalEnergies on renewable energy development in Denmark
- We started producing industry-grade e-methanol from our Kassø Power-to-X facility, and we received the first ever EU certification on green fuels

MAY

- We officially inaugurated the Kassø e-methanol facility, the world's first large-scale commercial e-methanol facility
- We completed the sale of an 83.5 MW wind portfolio in Poland to ENEA Group

JUNE

- We secured a EUR 145m long-term loan for a Lithuanian renewable energy and battery portfolio
- We signed a PPA with Amazon for three Australian solar parks
- We secured more than EUR 70m in financing for solar parks in Australia

EUROPEAN ENERGY

Significant commercial Power-to-X breakthroughs in 2025

Kassø PtX was officially inaugurated and supplying e-methanol to offtakers

- The world's largest market-based e-methanol facility was completed, inaugurated and brought into operation in May 2025, following just 18 months of construction. The plant will produce up to 32,000 tonnes of e-methanol annually and supply around 50 GWh of heating to the local district heating network
- Shortly after, the first deliveries of e-methanol from Kassø took place as Laura Maersk—the first container vessel purpose-built for utilizing e-methanol—was bunkered at the port of Aabenraa. Production is now ramping up, and all customers, including Novo Nordisk and the LEGO Group are expected to receive green fuels from Kassø in the second half of 2025
- In April 2025 the project was officially certified as producer of e-methanol under the EU's new sustainability framework for renewable fuels. The certification is the first of its kind for methanol production, confirming that the methanol production meets the criteria for renewable fuels of non-biological origin under the Renewable Energy Directive
- The combined Kassø e-methanol facility and solar park was developed by European Energy and now operated in collaboration with Mitsui & Co., who bought 49% of the project in 2023

Expansion of Green Hydrogen production in Måde PtX

- In parallel with the Kassø PtX breakthroughs, European Energy has taken Final Investment Decision to expand the Måde Green Hydrogen production site, with the addition of an electrolyser unit now underway

Kassø PtX, world's first large-scale commercial e-methanol facility

Kassø PtX, First raw e-methanol produced 12th of March 2025

Diversified pipeline across 6 technologies and 24 markets with proven ability to progress and commercialize projects

As of H1 2025, our secured pipeline amounts to ~45 GW across various phases

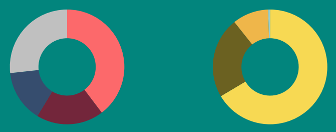
RTB: 1.6 GW

FID: 0.7 GW

COD: 0.1 GW

Development pipeline
36.4 GW
2024: 40.1 GW

Geography | Technology



Structuring pipeline
5.3 GW
2024: 4.4 GW

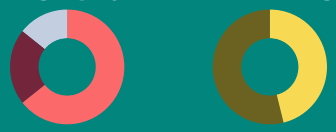
Geography | Technology

Construction pipeline[1]
1.7 GW
2024: 1.2 GW

Geography | Technology

Operational portfolio
1.3 GW
2024: 1.3 GW

Geography | Technology



Total
44.7 GW
2024: 46.7 GW

Geography | Technology

As of H1 2025, our projects sales amounts to 1.3 GW split across 3 different sales types

Project sales RTB
1.0 GW
2024: 0.9 GW

Project sales Forward
0.2 GW
2024: 0.3 GW

Project sales COD
0.1 GW
2024: 0.0 GW

Total project sales
1.3 GW
2024: 1.2 GW

Geography
- Northern Europe
- Southern Europe
- Central Europe
- Rest of World

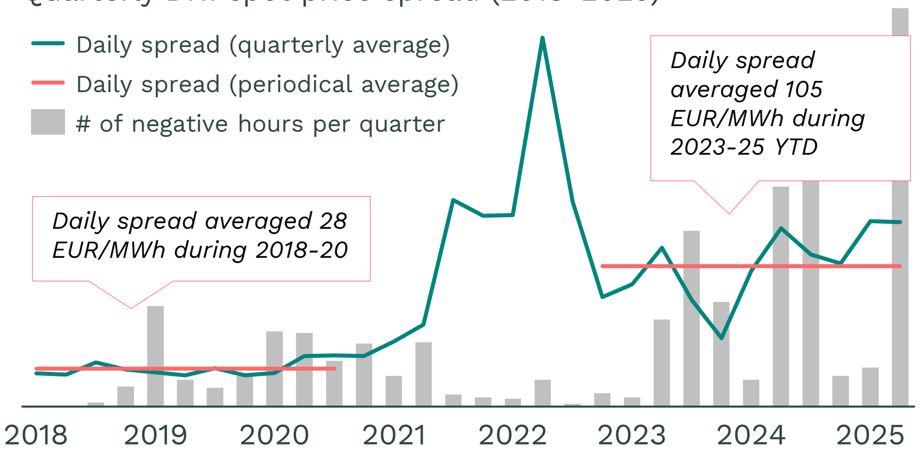
Technology
- Solar PV
- Offshore wind
- PtX
- Onshore wind
- BESS
- Other

Notes: 1) Construction portfolio includes forward sold projects until COD whereafter the project will leave our portfolio

We are uniquely positioned to capitalize on the improved business case of BESS rollout

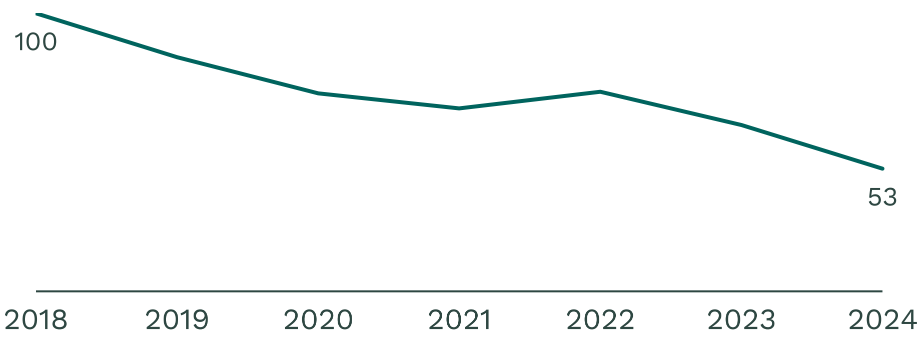
Time shift potential

Quarterly DK1 spot price spread (2018-2025)



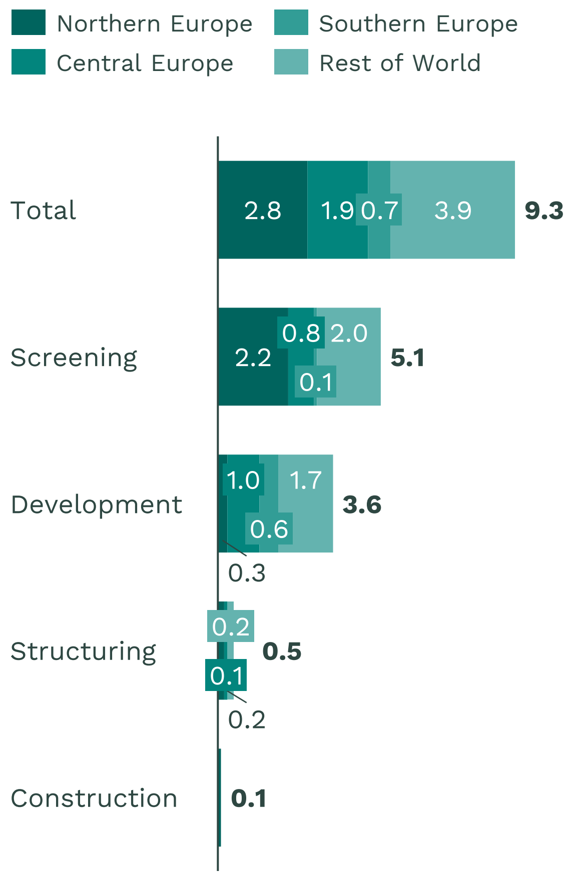
Battery price development

Battery pack prices 2018-2024 (2018 = 100)



BESS pipeline

GW, by geography and phases



- Fundamental shifts in power supply have increased power price volatility with wider daily spreads and a growing number of negative-price hours, especially in high-renewable markets, which together has strengthened the overall BESS business case
- Battery prices have dropped ~50% over the past six years, significantly improving project economics and accelerating potential adoption
- We have continued to expand our BESS pipeline reaching a total of 9.3GW as of H1 2025 primarily originating from co-location with generating asset
- We are uniquely positioned to scale quickly by leveraging secured grid capacity, land, and a large pipeline of renewable generation assets to maximize time-shift potential

Sources: BNEF and Nordpool

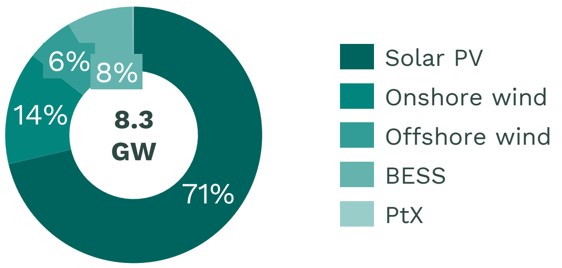
Increasing high value portfolio supports future earnings growth

High-value Portfolio[1]

GW, by current phase

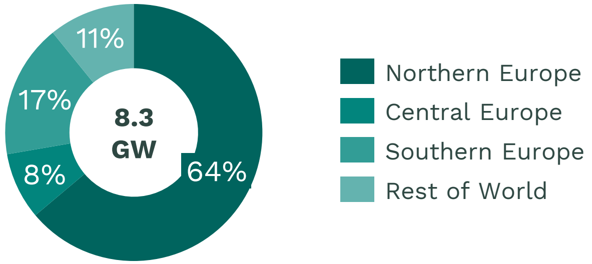
High-value Portfolio by Technology

% of GW, H1 2025



High-value Portfolio by Country

% of GW, H1 2025



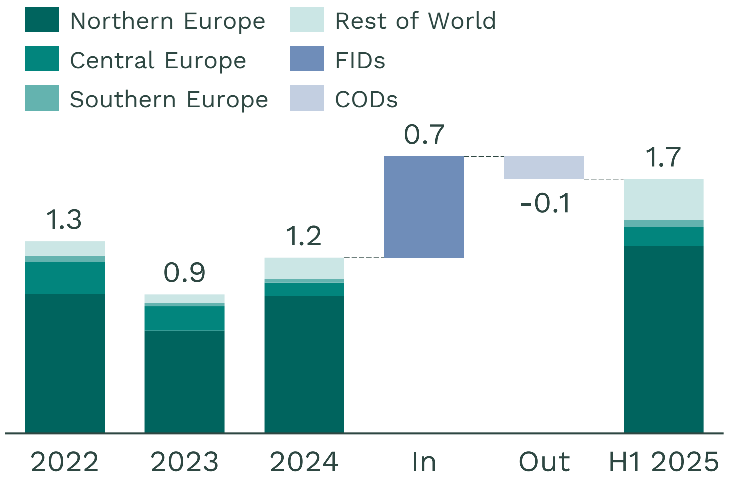
- At the end of H1 2025, our high-value portfolio comprised 187 projects with commercial value as these have reached a stage where they are divestible
- Our high-value portfolio amounted to 8.3 GW, reflecting a net increase of 1.5 GW since end of 2024
- Our structuring portfolio expanded significantly from 4.4 GW to 5.3 GW, as many projects progressed to RTB
- Our construction portfolio increased by 0.6 GW, as we brought 0.7 GW of projects to FID and 0.1 GW to COD
- The total of our operating portfolio remained unchanged at 1.3 GW, but included a decrease of 0.1 GW from project sales and an increase of 0.1 GW of CODs

Notes: 1) High-value portfolio comprises projects in structuring, construction and operations (IPP portfolio). Projects in these phases are routinely divested and therefore a leading indicator of value. Construction portfolio includes forward sold projects until COD

Our construction activity reached historical heights in H1 2025

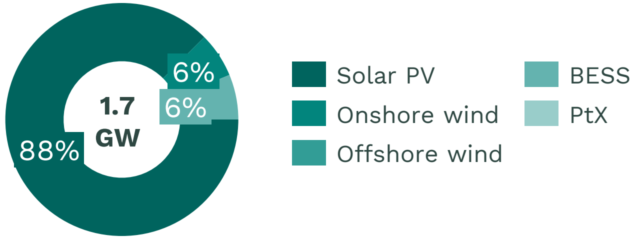
Construction portfolio[1]

GW, historical development



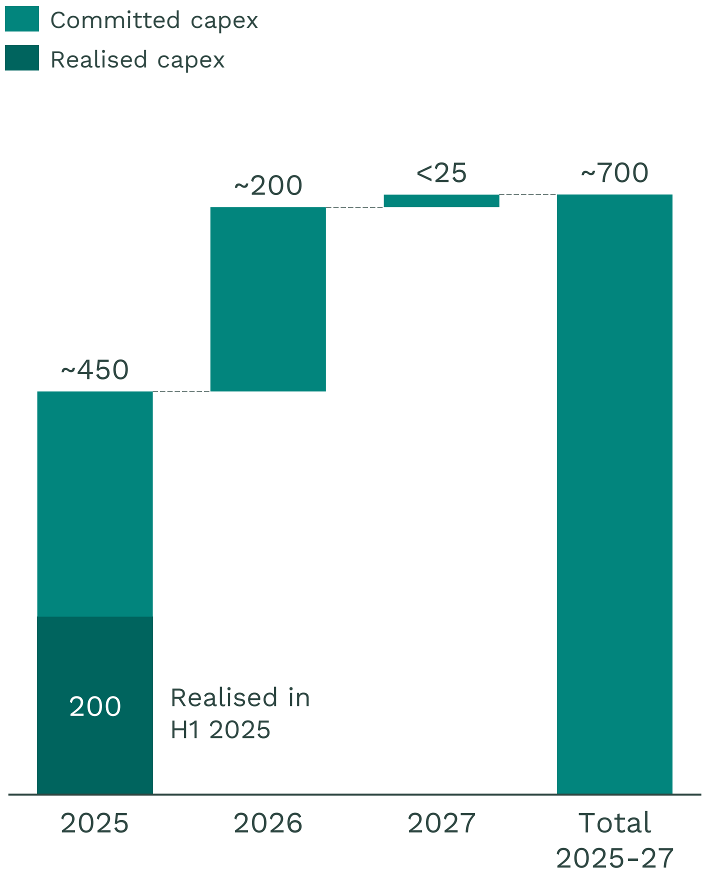
Construction by Technology

% of GW



Capex commitments

Committed capex 2025-27, EURm



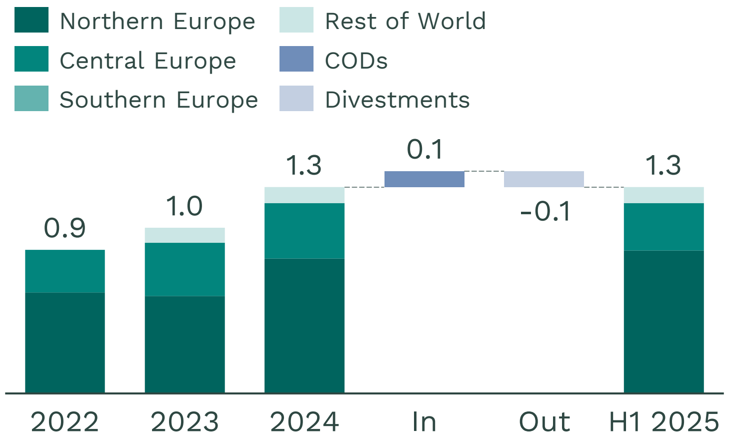
- During H1 2025, our construction portfolio has progressed well with both additions of 0.7 GW from FIDs and reduction of 0.1 GW from CODs
- We maintain strong cost discipline, with historical construction cost overruns averaging only ~1.4%[2]
- Our portfolio is well diversified across regions and technologies, reducing exposures towards individual projects
- Our committed capex has a relatively short time horizon, providing us with high flexibility to adjust our investment and spend profile if needed, while 60–90% of committed capex is or will be financed through secured project financing

Notes: 1) Construction portfolio includes forward sold projects until COD 2) Calculated as simple average of the difference between budgeted capex at FID and realized capex for each project reaching COD

Record high operating portfolio and well diversified production profile

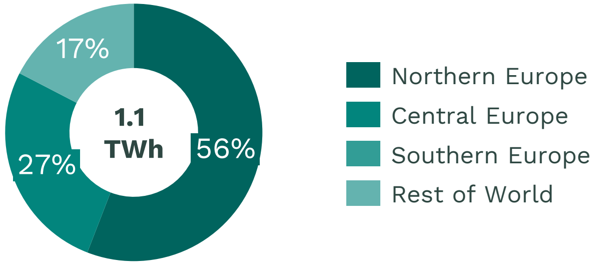
Power Producing Assets (IPP Portfolio)

GW, by geography



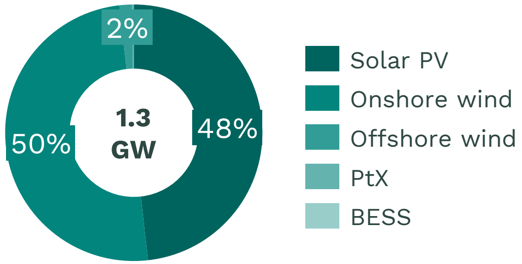
Power Production by Region

% of GWh, H1 2025



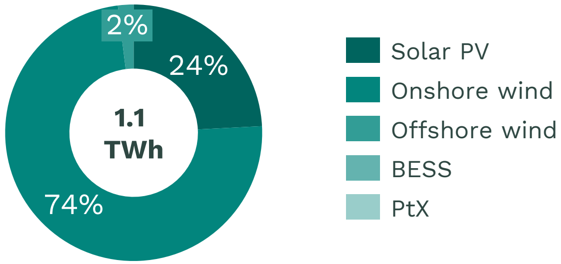
IPP Portfolio by Technology

% of GW, H1 2025



Power Production by Technology

% of GWh, H1 2025

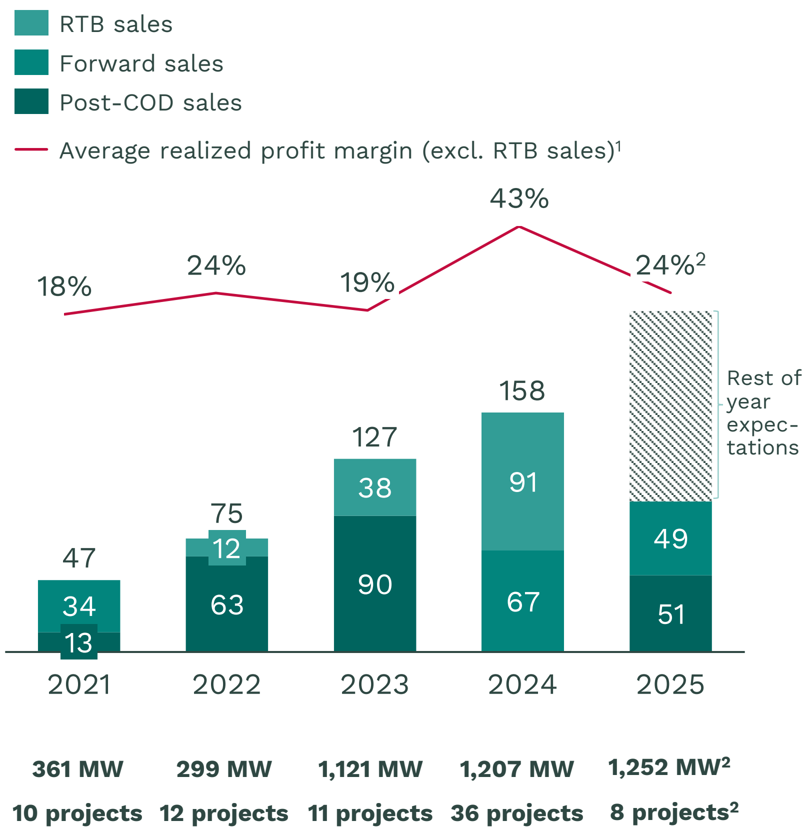


- After a normalization period since peak in mid-2022, power prices seem to have stabilized at a higher level than before the 2022 energy crisis
- The majority of our power producing assets are hedged through CfDs or PPAs but in some cases with a smaller merchant element
- We have a well-diversified IPP portfolio across technologies, predominantly based in Northern Europe
- Our actual power production originates predominantly from Onshore Wind projects, but with a growing profile from Solar PV as well

We have ~2 GW of projects ready for divestment across phases in our high-value portfolio

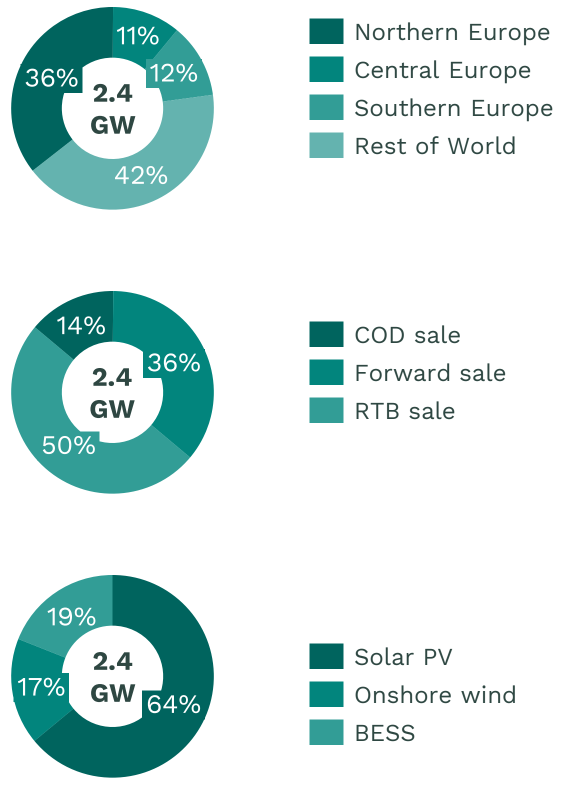
Gross Profit from Project sales

EURm



Sales Ready Pipeline

% of GW



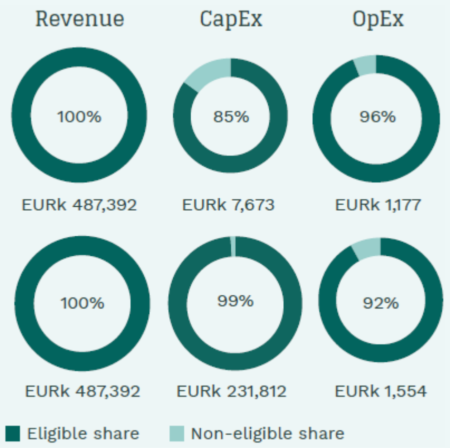
- Project sales were record-high in H1 2025 both in terms of MW and gross profit and in line with expectations showcasing there is an active market for high-quality assets. Gross profit margin was 24% on average over H1 2025, in line with historical levels
- Projects sales are generally based on auctions, bilateral agreements or partnerships, and in H1 2025 sales were split across all our 3 sales types RTB-, Forward- and COD sales
- Current sales pipeline for rest of 2025 contains approx. 40 projects with a total capacity of approx. 2.4 GW split across +20 transactions
- The M&A market in some markets are still muted with no improvements in geopolitics and only small improvements in sentiment around the green transition, as well as with an ample supply of renewable energy assets due to financial difficulties among some players in the renewable industry. This could result in longer timelines to conclude sales compared to our expectation which could impact our earnings negatively this year

Notes: 1) Profit margins are highly dependent on the transaction types in a given year. In 2024, our profit margin solely depends on forward sales and RTB sales that typically have a higher profit margin than Post-COD sales. 2) Based on YTD closed project sales

Sustainability highlights

EU Taxonomy for sustainable activities

100% of our revenue was Taxonomy-eligible in H1 2025. We have a total of seven Taxonomy-eligible economic activities, covering a large portfolio of renewable energy solutions, to demonstrate our substantial contribution to climate change mitigation.



Our Taxonomy-eligible CapEx was 99% in H1 2025, when accounting for additions to both assets held as inventory (EURk 224,139) and property, plant and equipment (EURk 7,673).

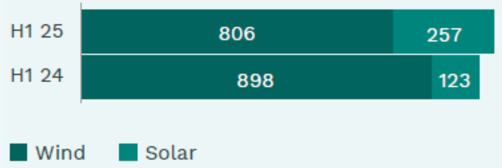
A total of EURk 231,812 is a more representative result signifying the actual scale of the company's investments in renewable energy solutions.

As a renewable energy developer, we divest assets at various project stages. Most of our assets are held as inventory and not as PPE. However, the scope of CapEx and OpEx within the EU Taxonomy solely relates to assets held as PPE, which reduces our share of Taxonomy-eligible CapEx to 85%. The non-eligible share (15%) covers leased offices and office equipment.

Renewable electricity production

GWh

1,063



We produced a total of 1,063 GWh of renewable electricity in H1 2025. Solar power production increased by 110% in H1 2025 mainly driven by the grid connection of new solar farms in ultimo 2024 in both Europe and Australia.

GHG emissions intensity

gCO_2eq/kWh, Scope 1 and 2 (market-based)

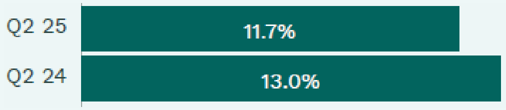
0.12

Our scope 1 and 2 GHG emissions intensity was 0.12 gCO2eq per kWh of renewable electricity produced, which is a decline of 36% compared to FY 2024 (0.19).

Employee turnover rate (permanent)

%

- 1.3%p



In Q2 2025, our total permanent employee turnover-rate was 11.7%. Attracting, developing and retaining our employees is of utmost importance. In Q2 2025, we employed 890 employees.

Avoided GHG emissions

tCO_2eq

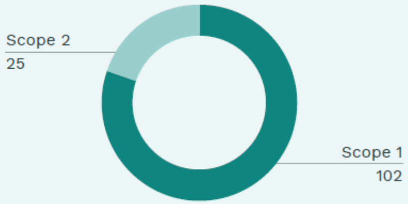
255,176

We avoided an estimated 255,176 tonnes of CO_2eq GHG emissions through the 1,063 GWh renewable electricity we produced in H1 2025, which is 4% more than in H1 2024.

Scope 1 and 2 GHG emissions

tCO_2eq

127



In H1 2025, our Scope 1 GHG emissions amounted to 102 tCO_2eq and our market-based Scope 2 GHG emissions amounted to 25 tCO2eq.

Serious injuries

number

0 Own employees

1 Contractors' employees

In Q2 2025, we improved structured follow-ups on HSE incidents reporting through a newly implemented process, improved quality of follow-up actions, and speed of implementation.

Agenda

1. Transaction overview
2. Introduction to EE
3. Market & Business update
4. Financial performance
5. Risk factors

Drawsko Wind Park, Poland

Best H1 results ever due to improving project sales

H1 2025 EBITDA of EUR 93m (increase from EUR -2m in H1 2024), driven by

- Gross profit from sales of energy parks and projects totalled EUR 99m, up from EUR 3m in H1 2024. Sales of energy parks and projects were realised at solid margins (average of 24%) in line with historical levels, partly offset by screening costs and costs related to lost tribunal court case (EUR -6.5m)
- Gross profit from the sale of energy was EUR 33m, an increase from EUR 27m for the same period in 2024, driven by higher revenue and partly off-set by higher balancing costs resulting in lower margins (to 50% from 62%)
- An increase in overhead costs of EUR 8m or 21% mainly due to higher number of employees and a changed method for bonus and other staff related accruals

H1 2025 profit before tax of EUR 36m (increase from EUR -50m in H1 2024), driven by

- Higher EBITDA
- Net financial costs increasing from EUR -38m in H1 2024 to EUR -46m in H1 2025. Our cost of debt was lower in H1 2025 compared to the year before due to mainly lower base rates. However, this has been more than counterbalanced by costs related to unwinding of a financial hedge as part of closing a project sales transaction in the period (EUR 19m) as well as interest costs related to the lost tribunal case

Income statement

EURm	H1 2024	H1 2025
Sale of energy parks and projects	3	99
Sale of energy	27	33
Asset management and other fees	2	4
Non-reportable and eliminations	0	-1
Gross profit	**32**	**135**
Overhead costs	-34	-42
EBITDA	**-2**	**93**
Depreciation and impairment	-9	-10
Operating profit	**-12**	**83**
Net financial items	-38	-46
Profit before tax	**-50**	**36**

Stable balance sheet development during H1 2025

Small decrease in balance sheet due to strong project sales during H1 2025

- Total equity was EUR 1,063m at end of H1 2025, an increase of EUR 35m or 3% from end of 2024 mainly due to profits for period
- Net Interest-bearing debt have remained stable with
  - project financing decreasing by EUR 188m due to redemption/deconsolidation of debt in connection with project sales exceeding new construction loans
  - counterbalanced by lower cash position of EUR 132m as cash was invested into increasing construction activities
- On the asset side, Inventory have decreased by EUR 37m to EUR 1,676m, mainly because of sales of energy parks and projects in operation exceeding the investments in the development and construction activities
- Cash/cash equivalents EUR 161m which together with undrawn committed RCFs of EUR 97m leaves European Energy comfortably funded

Strong operating cash flows in H1 2025 on the back of strong project sales

- The H1 2025 operating cash flow was an inflow of EUR 87m compared to an outflow of EUR 200m for H1 2024. The improvement was driven by lower net investments in projects recorded as inventories and improved operating profit both because of the significant higher sales of energy parks and projects
- Investing activities during H1 2025 was a net cash outflow of EUR 37m, at level with H1 2024, when disregarding investments in securities (EUR 201m) during H1 2024
- Financing activities for H1 2025 resulted in a net cash outflow of EUR 182m (H1 2024: net cash inflow of EUR 447m), mainly driven by higher repayments of project financing in connection with sales of energy parks. In H1 2024, net inflows was related to the issuance of share capital to MHC, repayment of senior bonds and redemption of hybrid capital

Balance sheet

EURm	2024	H1 2025
Property, plant and equipment	188	187
Inventories	1,713	1,676
Equity	1,028	1,063
Hybrid capital	-	-
Net interest-bearing debt (NIBD)	1,195	1,171

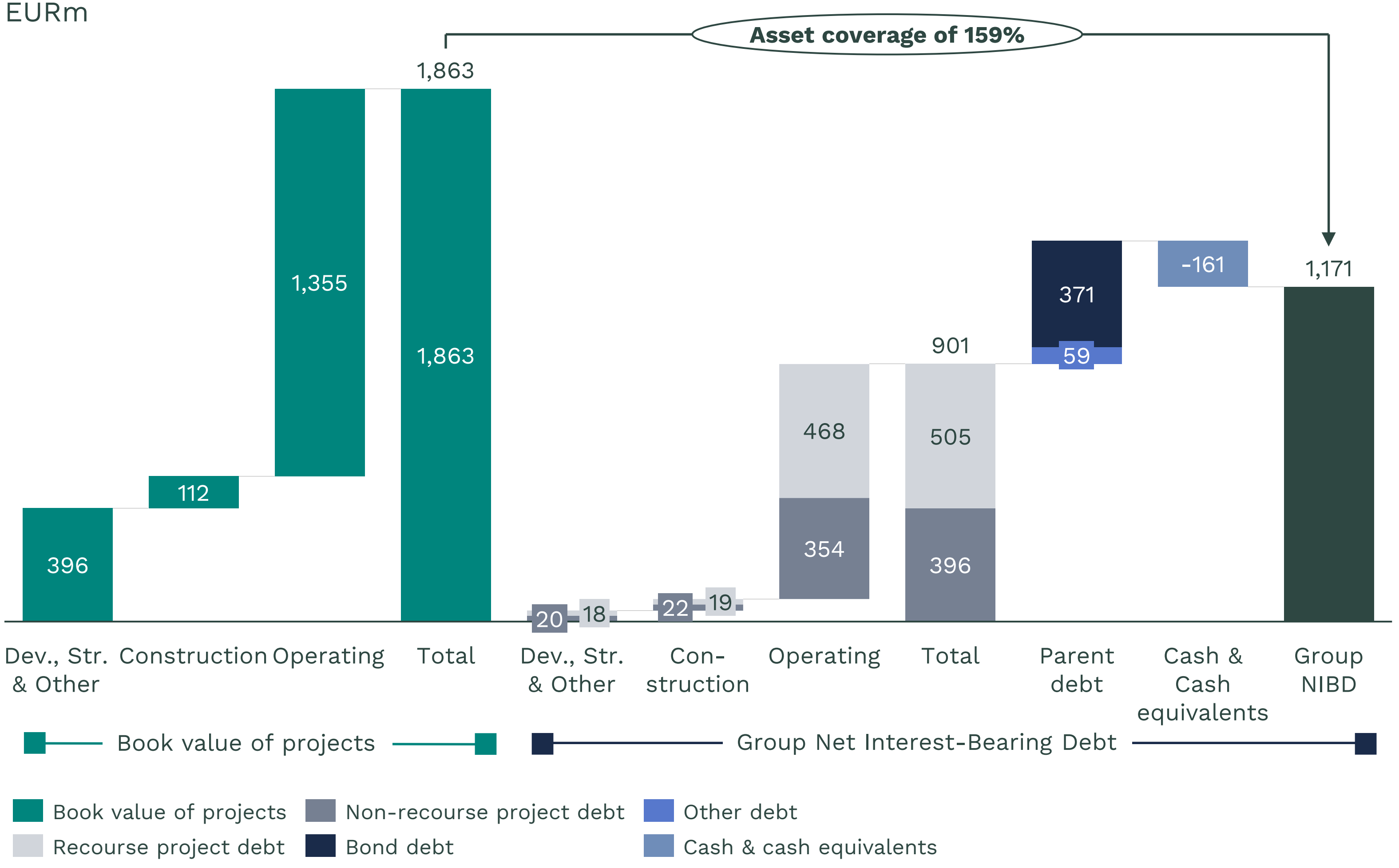
Cash flow statement

EURm	H1 2024	H1 2025
Cash flow from operating activities (excl. change in inventories)	-39	50
Change in inventories	-161	37
Cash flow from investing activities	-234	-37
Cash flow from financing activities	447	-182
Change in cash and cash equivalents	**14**	**-132**
Cash and cash equivalents (balance sheet)	132	161

Strong asset coverage maintained in H1 2025 by balanced investments and project sales

Breakdown of book value of assets and debt

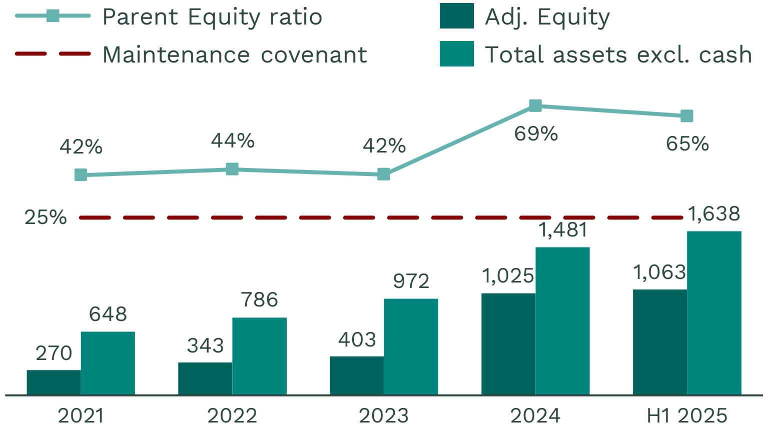
EURm



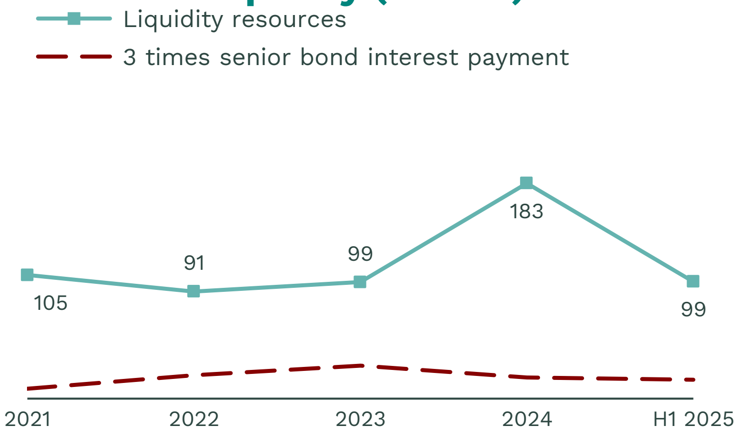
- Most of the asset base of the Group relates to renewable energy projects showcased under Property, Plant & Equipment and Inventory (PPE&I). At end of H1 2025, the total value has decreased slightly from EUR 1,900m to EUR 1,863m, due to continued investments in new and existing projects counterbalanced by project sales concluded in H1 2025
- At end of H1 2025, project debt totals EUR 901m corresponding to an average project debt ratio of 48%. Of this, EUR 505m (56%) had recourse to the parent. Following the completion of the projects, the project debt will be refinanced into non-recourse debt
- Asset coverage ratio at H1 2025 is 159% based on the book value of project assets and group NIBD. Historically, we've realized a profit margin of ~25% on COD sales, potentially increasing asset value of projects in construction and operation by EUR ~350m and asset coverage ratio to ~190%

Key credit ratios stayed strong during H1 2025 due to realized project sales

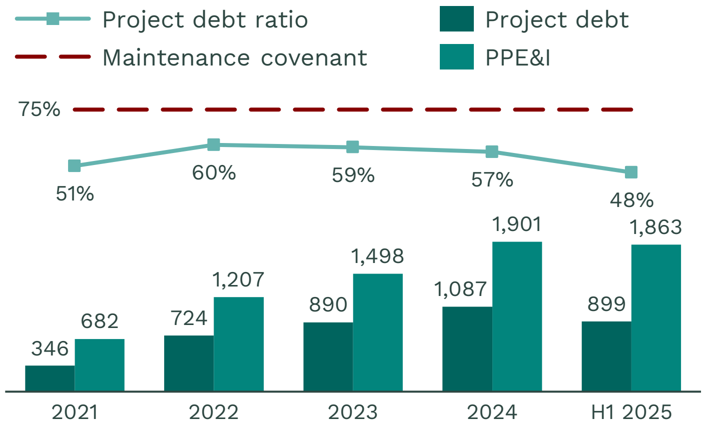
Equity ratio (Parent)



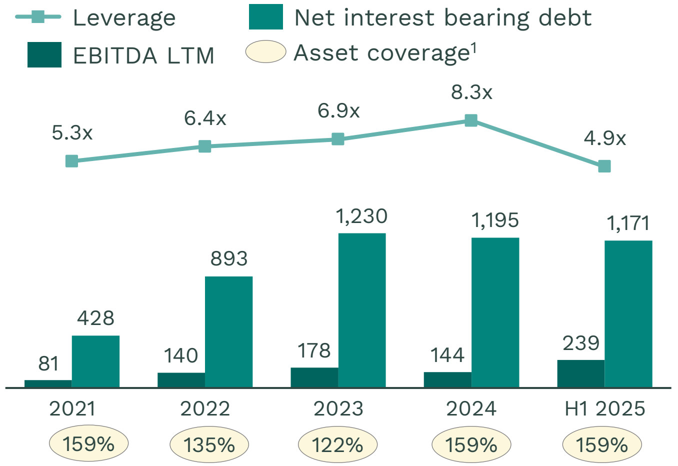
Minimum liquidity (Parent)



Project debt ratio (Group)



Leverage (Group)



Notes: 1) Asset coverage is calculated as PPE&I divided by net interest-bearing debt

Maintenance covenants

Our Senior bond and RCF includes 3 maintenance covenants, effectively limiting the overall gearing of the Group:

1. Minimum parent company equity to total assets (excl. cash) of 25%
2. Minimum available liquidity reserve in the parent company of interest payable on the outstanding senior bonds for next 3 periods
3. Maximum group project-level financing to group project assets (PPE and Inventories) of 75%

Key credit metrics

Besides above maintenance covenants, we are monitoring the quarterly development of Group Leverage ratio. As this is highly affected by the inherent volatile earnings from project sales, this should be seen together with the development in asset coverage and the potential deleveraging capabilities when closing project sales

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5. Risk factors

Risk factors (1/13)

RISK FACTORS

This section presents certain risk factors, which are specific to European Energy A/S (the "**Issuer**") and the new senior unsecured green bonds due 2028 (the "**New Bonds**") contemplated to be issued by the Issuer. 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 or not to invest in the New Bonds.

The risk factors are presented in six 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.

In these risk factors, references to the Issuer include, where the context requires, the Issuer and the Issuer's subsidiaries (the "**Group**"). Holders of the New Bonds are referred to as the "**Bondholders**".

Risks Relating to the Issuer

1. Risks related to the Issuer's business activities

1.1 Construction of renewable energy projects

The Group's business comprises the construction of renewable energy projects, including wind projects, solar projects and power-to-x ("**P2X**") projects. As an integrated part of these projects, the Group's business also comprises battery storage. The construction of renewable energy projects 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 relate to costs and timing. The construction work may be subject to cost-overruns and/or delays for a number of reasons, including:

- Delayed and/or poor performance by the Group's 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.
- Shortage of specialists required for the development of renewable energy projects, which may delay the completion of a project.
- Cumbersome procedures for obtaining requisite construction permits, grid connection and final operation permits, which may significantly delay the completion of a project.
- Increased costs of raw materials due to – *inter alia* – inflation risks associated with delayed completion of a project, tariffs and other trade barriers and/or warfare and international sanctions, such as those relating to Russia's military action against Ukraine that started in February 2022, which may result in higher prices and supply constraints on key materials for the Group's projects.

Any delay in the construction of the Issuer's renewable energy projects may also result in other losses to the Issuer, including loss of income from power production, failure to benefit from attractive feed-in tariff schemes and costs of meeting obligations under a power purchase agreement ("**PPA**").

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

Risk rating: High.

Risk factors (2/13)

1.2 Ability to divest projects

The Group's business model is dependent upon the ability to successfully divest projects that are either ready-to-build ("**RTB**"), in construction or once the construction is complete and the project is in commercial operation. There are a number of risks, which can delay or otherwise impair the successful divestment of projects by the Group and thus adversely affect the Group's cash flow, revenue and profit as well as its 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.

The successful divestment of the Group's projects is increasingly dependent on the Group's ability to secure PPAs on attractive terms. In addition, the profitability of in particular solar projects and hence investor demand for such projects may be dependent on the availability of battery storage to address intra-day swings in electricity prices. If the Group fails to secure attractive PPAs and/or integrate battery storage into its projects in a manner that meets evolving investor demand, the Group may not be able to sell its projects in a timely manner, on profitable terms or at all.

The Group's sales processes may be delayed for a number of reasons many of which are outside of the Group's control, including (but not limited to) (i) volatility and uncertainty in respect of key drivers impacting the valuation of renewable energy projects, such as electricity prices and ongoing discussions relating to regulatory reforms, (ii) fluctuations in market interest rates impacting return requirements of investors in renewable energy projects, and (iii) challenges in obtaining debt financing for projects especially those with less attractive PPAs. In addition, financial difficulties among some developers in the renewable energy industry, such as the insolvency related cases recently experienced in Denmark, may lead to ample supply of renewable energy assets and thereby result in excess supply and lower sale prices.

If the Group fails to successfully divest its projects at attractive valuations or at all, this could have a material adverse effect on the Issuer's business, financial condition and results of operations.

Risk rating: High.

1.3 Risks relating to divested projects

The Group is also exposed to risks in respect of projects that are successfully divested. When selling projects, the Group provides customary warranties, indemnities and guarantees to the buyers, often for a period of two to five years. Such warranties, indemnities and guarantees may be provided by a subsidiary of the Issuer as seller and/or by the Issuer. Among others, the Group may accept to give certain guarantees to the buyers relating to – *inter alia* – the project's fulfilment of permits or satisfaction of project specific criteria for receiving subsidies. Such guarantees can force the Group to allocate human and financial resources to the project after its divestment and potentially lead to direct payment obligations. If the project does not perform as expected or otherwise experiences issues after the disposal relating to – *inter alia* – structural or geotechnical design, the Group may be exposed to claims and litigation by the buyer, which could result in the Group having to pay substantial damages, penalties, litigation costs, pre- and post-award interest and other costs.

In addition, a part of the sales price for a project may be withheld by the buyer or held in escrow until the fulfilment of certain conditions subsequent. This can further force the Group to allocate resources to the project after its divestment and there is a risk that the Group may not recover the full sales price if the conditions subsequent are not met and/or if the buyer defaults on its payment obligations.

Furthermore, in some instances a part of the sales price for a renewable energy project is deferred by reference to earn-out mechanisms. In this case, the revenue and income resulting from a divestment may be dependent on the productivity of the project after its divestment and may turn out to be lower than expected. Deferred payment may also expose the Group to a credit risk on the buyer of the project. Should the buyer not be able to pay an earn-out or other deferred consideration when it becomes due, this would have a negative impact on the Issuer's business, financial condition and results of operations.

The use of earn-out mechanisms may also give rise to legal disputes and related litigation after the disposal of a project. The Group is currently engaged in a legal dispute with the buyer of certain wind projects in Lithuania relating to an earn-out mechanism under the sales agreement. The buyer has refused to pay the full earn-out and, as a result, the Group has initiated arbitration proceedings to recover the full earn-out amount. There is a risk that the arbitration case could be decided against the Group such that the Group will not receive the expected additional earn-out amount. While the Group has not yet received the additional earn-out amount from the buyer, the Issuer has previously recorded a portion of the expected additional earn-out amount as EBITDA in its financial statements. If the arbitral tribunal were to decide that the Group is not entitled to the additional earn-out amount, for whatever reason, the EBITDA previously recorded in respect thereof may need to be reversed. This could have a material adverse effect on the Issuer's financial condition and results of operation.

Risk rating: Medium.

Risk factors (3/13)

1.4 Relationships with external partners

The Group develops, constructs and operates many of its projects in cooperation with external partners. For example, in 2023 the Group partnered with Mitsui & Co., Ltd. who invested in the Group's e-methanol facility in Kassø, and in December 2024 the Group divested half of a solar park in Latvia to Sampension. 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, financial condition and results of operations.

Risk rating: Medium.

1.5 Key personnel and shareholders

The Issuer is dependent on its management, department heads and other key personnel due to the extensive knowledge and industry experience these persons possess within the Issuer's main business areas, including solar photovoltaic ("**Solar PV**"), onshore wind, offshore wind, P2X and battery storage. It is critical to the Issuer's business that it is able to attract and retain key personnel across various functions such as project development, engineering, procurement, construction, financing, acquisitions and divestments.

There is a risk that the Issuer may lose staff to competitors who may be willing and able to pay higher salaries and/or offer more competitive benefits. If the Issuer's key personnel decides to leave the Issuer, this may result in a loss of knowhow and may delay or prevent the implementation of the Group's projects as the Issuer may not be able to recruit personnel with comparable qualifications and expertise in a timely manner.

It is also essential that the Group is able to recruit qualified staff on a regular basis, including to support the continued expansion of the Issuer's business. Due to the offices being located 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. If the Issuer fails to attract and retain key personnel, this may delay or prevent the implementation of the Issuer's business strategy and thereby negatively impact the Issuer's business, financial condition and results of operations.

In addition, the Issuer is a privately held company with four large shareholders, including the three founders of the Issuer's business and Mitsubishi HC Capital Inc. which acquired a 20% shareholding in the Issuer in April 2024. Although the Issuer has appointed department heads and an extended management group, the Issuer remains dependent on the management of its main shareholders, including the three shareholders who founded the Issuer's business. If any of the main shareholders suddenly and unexpectedly were to cease being involved in the management of the Issuer, this could have a negative impact on the management and operation of the Group.

Risk rating: Medium.

Risk factors (4/13)

1.6 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 shutdown.

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. In addition, insurance against unfavourable weather conditions may not be available on commercially attractive terms or at all in certain jurisdictions where the Group operates due to – *inter alia* – the increasing number of extreme weather events. This could have a negative impact on the Issuer's business, financial condition and results of operations.

Risk rating: Medium.

1.7 Relationships with suppliers

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

When constructing wind parks, Solar PV plants, P2X plants and battery storage projects 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. 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 construction or operations of a plant until a replacement supplier has been found. Any loss of a supplier and/or inability of a supplier to fulfil its obligations to the Group could have a negative impact on the Issuer's reputation, business, financial condition and results of operations.

The Group is further exposed to the risk of shortage in supply. Bottlenecks and/or delays can occur in all parts of the Group's supply chain. Disruptions in the supply chain can potentially result in project delays and economic losses to the Issuer.

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.

1.8 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 tariffs and other trade barriers as well as uncertainties resulting from geopolitical conflicts such as the ongoing conflict between Russia and Ukraine which has resulted in an increased volatility in commodity prices. The Group generally does not engage in hedging transactions to manage such commodity price risks, but, as a general rule, enters into fixed price contracts when ordering components for projects going into construction.

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

Risk rating: Medium.

Risk factors (5/13)

1.9. 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 renewable 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. Conflicts with other public/political agendas may also arise such as construction of renewable energy projects in areas where conservation of fauna and wildlife is also highly prioritised. In addition, the procedures for obtaining requisite permits and grid connection can be challenging and lead to significant delays in the development of renewable energy projects despite political initiatives to accelerate permit procedures, such as the European Wind Power Action Plan. 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, financial condition 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 or at all. 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 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, financial condition and results of operations.

Risk rating: Low.

2. Economic and market risks

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

A part of the income generated by the Group's wind farms and Solar PV plants is not covered by fixed prices (such as guaranteed feed-in tariffs, long term PPAs or fixed price premiums), but 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 due to – *inter alia* – reduction in demand, weather conditions, network failures or new capacity being added to the market.

The Group 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, the Group may be required to financially settle the value of the lost production under the hedging agreement. There is also a risk that the PPAs entered into by the Group may not at all times correspond to the power production of relevant project companies, which in turn may result in a requirement for the Group to financially settle its obligations under the PPAs. In each case, if the spot prices at the relevant time 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.

The Group is further exposed to the risk of intra-day swings in electricity prices and the lack of available battery storage that can allow for the electricity to be stored and sold when prices are more favourable. The market price of electricity can be subject to significant volatility intra-day and at times even become negative due to over-production. This may result in a risk that the Group may need to cease its production and/or to sell the electricity at a loss.

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. Any breach of liquidity financial covenants and/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 Bonds.

Risk rating: High.

Risk factors (6/13)

2.2 Geopolitical and other macroeconomic risks

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 tension in the Middle East and global pandemics such as COVID-19, and (iii) the overall geopolitical environment, including acts of war, terrorist attacks, security operations, international sanctions, tariffs and other forms of trade barriers. 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 has in recent years been characterised by uncertainty due to – *inter alia* – increased levels of public debt in many of the leading global economies, interest rate volatility and inflation, the ongoing military conflict in Ukraine, tensions in the Middle East relating to the Israel and Hamas conflict, the European energy crisis, shipping security risks around the Red Sea, supply-chain constraints, international sanctions, tariffs and other forms of trade barriers. 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 lower demand for renewable energy projects, 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 operations.

There is a risk that future sanctions, tariffs and other barriers 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 and steel from China for its operations in Europe. If import of solar panels and/or steel from China were to become restricted by sanctions, tariffs or other barriers it may be difficult for the Group to find alternative supply sources and/or the costs of any such alternative supply sources may be higher. This could result in a significant decrease in the Issuer's business activity and have a significant negative impact of the Issuer's ability to complete existing projects and/or develop new projects. In addition, any duties and tariffs imposed on imports of solar panels and/or steel from China could have a negative impact on the profitability of the Group's projects.

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

Risk rating: High.

2.3 Competition and technological development of renewable energy production

The Group operates in 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 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.

In addition, the technology of renewable energy generation, including wind turbine generators, Solar PV plants, P2X plants and battery storage, advances at a rapid 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. 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 any of this occur, it could have a negative impact on the Group's ability to compete efficiently and/or the profitability of its projects, which could have a negative impact on the Issuer's business, financial condition and results of operations.

Risk rating: Medium.

2.4 Power-to-x, battery storage and other new technologies

The Group is involved in some of the first P2X projects in Denmark. The Group has constructed a green hydrogen facility in Måde, Denmark, which was finalised in the first half of 2024, and the Group's first green hydrogen from wind power was produced in June 2024. In addition, the Group operates an e-methanol facility in Kassø, Denmark, which is owned by the Group in a partnership with Mitsui & Co., Ltd.

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, financial condition and results of operations.

In addition, the Group has entered into other new technologies, including carbon capture (through the Issuer's acquisition of Ammongas A/S) and battery storage. The Group's investment in battery storage aims to countervail the risks associated with fluctuations in the production of solar and wind energy based on weather conditions and the time of day, which may lead to periods of over- and/or under-production. The adoption of newly developed technologies involves a risk that the technologies may turn out to be unreliable or otherwise experience unexpected deficiencies, which may impair the productivity of the affected projects. The Group's battery storage projects are generally an integrated part of the Group's solar and wind projects. As a result, if the battery storage project fails, this may in turn have a negative impact on the profitability of the solar or wind project to which the battery storage project relates and may also delay or wholly prevent the Group's successful divestment of such project. If the Issuer fails to successfully adopt and develop new technologies, such as carbon capture and battery storage, this could have a material adverse effect on the Issuer's business, financial condition and results of operations.

Risk rating: Medium.

Risk factors (7/13)

3.0 Legal, regulatory and IT risks

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. 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, whether such subsidies apply to the Group directly or to other stakeholders in the Group’s value chain and thereby indirectly impacting the Group. Any reduction of current actions favouring “green energy” may have a negative impact on the Issuer’s business, financial condition and results of operations.

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

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

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

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

Risk rating: Medium.

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. 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 has paid additional taxes for the financial years 2017, 2018 and 2019, however the dispute is still ongoing and the final outcome is pending trial. In addition, the Group is involved in a dispute with the Danish tax authorities relating to transfer pricing for the tax years 2017, 2018 and 2019 in respect of which a total provision of EUR 1.2 million, plus interest has been recognised in the Issuer’s annual consolidated financial statements for the financial year ending 31 December 2024.

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, any changes to applicable Danish and international tax legislation and/or any unfavorable outcomes from current or future disputes or proceedings could have a material adverse effect on the Issuer’s business, financial condition and results of operations.

Risk rating: Medium.

Risk factors (8/13)

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 mechanisms 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. Political views and related regulatory changes, such as 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's business, financial condition and results of operations.

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. In addition, regulators may increase the costs of permits and grid connection of renewable energy projects, which may make the projects less profitable to the Issuer.

Risk rating: Medium.

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 shut down 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 renewable energy projects. There is a risk that the Group's security measures will not be sufficient to prevent a material disruption, breach, or compromise of its IT systems, 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.

3.5 Risks relating to Environmental, Social and Governance

The Group is exposed to risks associated with the increasing levels of scrutiny from its stakeholders related to Environmental, Social and Governance ("**ESG**") matters, which continue to evolve. If the Group does not adapt to, or comply with, relevant ESG standards, regardless of whether there is a legal requirement to do so, it may have a negative impact on the Group's reputation and/or access to financing and may expose the Group to investigations and litigation.

In addition to voluntary initiatives, various legislative developments related to ESG are emerging in Europe and globally. For example, the Issuer is subject to disclosure requirements through the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). The rapidly evolving legislation poses challenges for companies related to navigating the complex regulations, meeting the data and reporting requirements, and integrating necessary managements systems for the due diligence processes. If the Group does not comply with these regulations, the Group might face financial penalties and reputational damage. In addition, non-compliance with ESG regulation and standards may hinder the Group's ability to invest in projects and/or dispose of projects as ESG considerations become increasingly important for investment decisions.

Risk rating: Medium.

Risk factors (9/13)

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

4.1 Project financings

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

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

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

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

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

Risk rating: High.

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 and its subsidiaries have debt that carries a floating interest rate by reference to benchmark rates such as BBSW, CDI, CIBOR, EURIBOR, SOFRA, SONIA, STIBOR and WIBOR with respect to debt denominated in AUD, BRL, DKK, EUR, USD, GBP, SEK and PLN, respectively. The Issuer and its subsidiaries may also in the future issue or borrow additional debt with a floating interest rate by reference to benchmark rates. Consequently, an increase in the applicable benchmark rates could increase the Issuer's and its subsidiaries' financing costs in respect of present and/or future debt of the Issuer and its subsidiaries. Any significant increase of the Issuer's and its subsidiaries' financing costs could have a negative impact on the Group's liquidity position and could potentially result in a breach of financial covenants under the Group'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 Bonds.

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

Risk rating: High.

Risk factors (10/13)

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 in the form of the Issuer's outstanding EUR 400,000,000 senior unsecured green bonds due 2027 (the "**Existing Bonds**"). The Issuer has also entered into a EUR 100,000,000 green revolving credit facility provided to the Issuer by a Nordic bank club (the "**Revolving Credit Facility**").

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 Existing Bonds and the New Bonds. 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.

Some of the Issuer's financing agreements include financial and other covenants. The Issuer's ability to comply with such covenants depends on a number of factors many of which are outside of the Issuer's control. 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. Such cross default and cross acceleration clauses are included in both the terms and conditions of the New Bonds, the terms and conditions of the Existing Bonds and the terms of the Revolving Credit Facility.

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 business, financial condition and results of operation and thereby on the Issuer's ability to fulfil its obligations under the New Bonds.

Risk rating: High.

4.4 Parent company guarantees

Debt financing for the development and construction of 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 construction financing will be directly transferred to the Issuer and the risks for the Group's overall result are increased. As at 30 June 2025, the total construction debt in subsidiaries with recourse to the Issuer amounted to approx. EUR 505 million (as at 30 June 2024: EUR 430 million).

The Issuer also provide other parent company guarantees in the ordinary course of business, including – *inter alia* – guarantees relating to the design, procurement and construction of projects, grid connection guarantees and guarantees given in connection with divestment of projects as described under the risk factor in Section 1.2 (*Ability to divest projects*) above. Thereby, the risks associated with the obligations being guaranteed are transferred directly to the Issuer and the risks for the Group's overall result are increased.

Risk rating: Medium.

4.5 Foreign exchange risk

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

The Group conducts the majority of its business in EUR and the annual accounts are prepared in EUR. However, the Group also has exposures towards PLN and BRL relating to its business in Poland and Brazil and, to a lesser degree, GBP and AUD relating to its business in the United Kingdom and Australia. In addition, the Group has exposures towards USD mainly relating to supplies from China.

Changes in the exchange rate between EUR and other currencies to which the Group is exposed (e.g., BRL, PLN, GBP, AUD and USD) may therefore influence the Group's financial results and could have a negative impact on the Issuer's financial condition and results of operations. 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 total exposure is estimated to have a significant impact on the Group's result.

Risk rating: Medium.

Risk factors (11/13)

5. Risks Relating to the New Bonds

5.1 Status of the New Bonds, structural subordination and insolvency of subsidiaries

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

The New Bonds will rank *pari passu* with the Existing Bonds and the Revolving Credit Facility. In addition, the Issuer may in the future issue or borrow additional debt ranking *pari passu* with the New Bonds.

Unsubordinated liabilities of the Issuer ranking *pari passu* with the New Bonds may also arise out of events that are not reflected in the financial statements of the Issuer, including, without limitation, the issuance of parent company guarantees as described under the risk factor in Section 4.4 (*Parent company guarantees*) above. 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 Bonds.

The Issuer's obligations under the Existing Bonds, 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 Bonds in the case of insolvency, including a winding-up (in Danish: *konkurs*) or reconstruction (in Danish*: rekonstruktion*) of the Issuer.

Furthermore, the New Bonds are structurally subordinated to all creditors of the Issuer's direct and indirect subsidiaries, including (but limited to) construction financings and project financings in 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 addition, in some cases several subsidiaries of the Issuer are part of a joint project financing providing for cross-guarantees and security in respect of several unrelated projects. In this case, the creditors under such joint project financing may be entitled to claim against the assets of all such subsidiaries in priority to the New Bonds.

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

Risk rating: High.

5.2 Service of New Bonds and distributions from subsidiaries

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

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

Risk rating: Low.

5.3 Early redemption – put option and call option

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

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

Risk rating: Low.

Risk factors (12/13)

5.4 . Risks associated with the regulation and reform of EURIBOR

EURIBOR and other interest rates and indices which are deemed to be ”benchmarks” are the subject of ongoing national and international regulatory discussions and proposals for reform. Some of these reforms are already effective while others are yet to be implemented. 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 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014, as amended (the “**Benchmark Regulation**”) could have a material impact on the New Bonds linked to EURIBOR, in particular, if the methodology or other terms of the ”benchmark” are changed in order to comply with the terms of the Benchmark Regulation. Such changes could – *inter alia* – have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark.

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

Any future regulation and reform of EURIBOR, including any temporary or permanent discontinuance of the current EURIBOR, could have a material adverse effect on the value of and return on the New Bonds linked to EURIBOR.

Risk rating: Low.

6. Risks related to the suitability of the New Bonds as an investment

6.1 Secondary market and liquidity risk

There is a risk that no active and liquid trading market will develop or be maintained for the New Bonds. This may in turn have a negative impact on the ability of the Bondholders to sell the New Bonds and/or the price at which Bondholders will be able to sell the New Bonds.

The market price of the New Bonds could be subject to significant fluctuations. Historically, the markets for debt such as the New Bonds have been subject to disruptions that have caused substantial volatility in their prices. The market, if any, for the New Bonds may be subject to similar disruptions which may have a material adverse effect on the New Bonds. In 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 as well as the volatility arising following the so-called Liberation Day tariff announcement in April 2025, which, if continued, expanded and/or repeated in the future, could adversely affect the market price of the New Bonds without regard to the Group’s business, financial position, earnings and ability to make payments under the New Bonds.

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

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

Risk rating: Low.

Risk factors (13/13)

6.2 Classification as “green” bonds

The Issuer will apply the net proceeds of the New Bonds to finance or re-finance a portfolio of eligible projects (the “**Eligible Projects**”) as further described in the Issuer’s green finance framework dated October 2024 (the “**Green Finance Framework**”). However, there is a risk that suitable Eligible Projects will not be available and/or capable of being implemented in the manner and timeframe anticipated. In addition, there is a risk that the Eligible Projects will not generate the environmental or other outcome as originally expected or anticipated by the Issuer. Any such event could reduce the demand and liquidity for the New Bonds and the market price of the New Bonds.

Furthermore, in light of the continuing development of legal, regulatory and market convention in the green and sustainable financing market, there is a risk that the application of the net proceeds of the New Bonds in accordance with the Green Finance Framework may not satisfy, in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply (for example in respect of complying with the EU taxonomy set forth in the EU Taxonomy Regulation as described below), 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. This may in turn have a negative impact on the pricing of the New Bonds and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular green purpose.

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 (the “**EU Taxonomy Regulation**”) 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 set forth in the EU Taxonomy Regulation has been and remains 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 has referenced the “substantial contribution criteria” of the EU taxonomy set forth in the EU Taxonomy Regulation when developing the Green Finance Framework, the Eligible Projects will not be aligned with the EU taxonomy.

On 30 November 2023, Regulation (EU) 2023/2631 of the European Parliament and of the Council of 22 November 2023 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (the “**EU Green Bonds Regulation**”) was published in the Official Journal of the European Union. The EU Green Bond Regulation entered into force on 20 December 2023 and became applicable from 21 December 2024. The EU Green Bond Regulation introduces a voluntary label (“**European Green Bond**” or “**EuGB**”) for issuers of “green” use of proceeds bonds where the proceeds will be invested in economic activities aligned with the EU taxonomy set forth in the EU Taxonomy Regulation. The New Bonds will not be aligned with such standard for European Green Bonds and are intended to comply with the criteria and processes set out in the Issuer’s Green Finance Framework only. It is not clear at this stage what impact the EU Green Bond Regulation may have on investor demand for, and pricing of, “green” use of proceeds bonds that do not meet the standard For European Green Bonds. There is a risk that it could reduce demand and liquidity for the New Bonds and the market price of the New Bonds.

Risk rating: Low.

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