
EDF EN Osterild ApS

c/o PricewaterhouseCoopers, Jens Chr. Skous Vej 1,
DK-8000 Aarhus C

Annual Report for 2020

CVR No 36 08 59 83

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
2 /7 2021

Michel Benoit
Chairman of the General
Meeting

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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of EDF EN Osterild ApS for the financial year 1 January - 31 December 2020.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2020 of the Company and of the results of the Company operations for 2020.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Aarhus C, 2 July 2021

Executive Board

Cédric Le Bousse
Manager

Board of Directors

Frédéric Belloy
Chairman

Cédric Le Bousse

Stéphane Bernard Debruyne

Independent Auditor's Report

To the Shareholder of EDF EN Osterild ApS

Qualified Opinion

We have audited the financial statements of EDF EN Osterild ApS for the financial year 1 January - 31 December 2020, comprising income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, except for the possible effects of the matter described in the "Basis for qualified opinion" section of our report, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for Qualified Opinion

EDF EN Osterild ApS has recognised a deferred tax asset of DKK 10,070 thousand in the balance sheet as of 31 December 2020. Income tax adjustment of deferred tax asset for the year of DKK 10,070 thousand is recognised and has increased the net profit of the financial year 2020. The deferred tax asset is recognised based on Management's expectation of utilisation within 3-5 years. Management has provided us with evidence for the expected utilisation of DKK 3,100 thousand based on expected result of the year for 2021. Management has not been able to provide further evidence that enable us to perform audit procedures over valuation of the utilisation of the remaining tax asset and income tax adjustment of deferred tax asset amounting to DKK 6,970 thousand. Accordingly, we have been unable to determine whether any adjustments to these amounts could have been necessary.

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either in-

Independent Auditor's Report

tends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Aarhus, 2 July 2021

KPMG P/S

Statsautoriseret Revisionspartnerselskab

CVR No 25 57 81 98

Katrine Gybel

State Authorised Public Accountant

mne45848

Company Information

The Company

EDF EN Osterild ApS
c/o PricewaterhouseCoopers, Jens Chr. Skous Vej 1
DK-8000 Aarhus C

CVR No: 36 08 59 83

Financial period: 1 January - 31 December

Municipality of reg. office: Aarhus

Board of Directors

Frédéric Belloy, Chairman
Cédric Le Bousse
Stéphane Bernard Debruyne

Executive Board

Cédric Le Bousse

Auditors

KPMG P/S
Statsautoriseret Revisionspartnerselskab
Bredskifte Allé 13
DK-8210 Aarhus V

Management's Review

Key activities

The company's purpose is to own and administer a test wind turbine project and other related business.

Development in the year

The income statement of the Company for 2020 shows a profit of DKK 13,843,954, and at 31 December 2020 the balance sheet of the Company shows negative equity of DKK 33,963,073.

At the end of 2020 the Company has lost more than half of its equity. The equity is expected to be restored through debt conversion and future earnings.

Uncertainty relating to recognition and measurement

A deferred tax asset of DKK 10,070 thousand is recognized as of 31 December 2020. In prior years, the deferred tax asset has been written down to 0 due to negative results in prior years and significant uncertainty relating to the utilization of the deferred tax asset.

The Company has realized a positive result for 2020 which is also expected for 2021. In addition, Management expects to realise a profit from sale of the windmill. Due to this Management has decided to recognize the full deferred tax asset as of 31 December 2020.

The measurement of the deferred tax asset is relating to uncertainty due to the general uncertainty of budgets and in particular projections. Management refers to note 1 for further disclosures relating to the uncertainty.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
Gross profit		23,211,854	7,929,842
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-17,437,756</u>	<u>-17,409,757</u>
Profit/loss before financial income and expenses		5,774,098	-9,479,915
Financial expenses	2	<u>-1,687,338</u>	<u>-1,269,289</u>
Profit/loss before tax		4,086,760	-10,749,204
Tax on profit/loss for the year	3	<u>9,757,194</u>	<u>0</u>
Net profit/loss for the year		<u>13,843,954</u>	<u>-10,749,204</u>

Distribution of profit

Proposed distribution of profit

Retained earnings		<u>13,843,954</u>	<u>-10,749,204</u>
		<u>13,843,954</u>	<u>-10,749,204</u>

Balance Sheet 31 December

Assets

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
Other fixtures and fittings, tools and equipment		26,647,443	43,469,199
Property, plant and equipment		26,647,443	43,469,199
Deposits		3,375,000	3,375,000
Fixed asset investments		3,375,000	3,375,000
Fixed assets		30,022,443	46,844,199
Trade receivables		5,760,154	0
Other receivables		191,052	11,952,058
Deferred tax asset	4	10,070,474	0
Prepayments		55,242	123,120
Receivables		16,076,922	12,075,178
Cash at bank and in hand		4,241,409	2,366,125
Currents assets		20,318,331	14,441,303
Assets		50,340,774	61,285,502

Balance Sheet 31 December

Liabilities and equity

	Note	2020 DKK	2019 DKK
Share capital	5	80,000	80,000
Retained earnings		-34,043,073	-47,887,027
Equity		-33,963,073	-47,807,027
Other provisions		13,713,853	13,097,853
Provisions		13,713,853	13,097,853
Trade payables		909,120	741,343
Payables to group enterprises		69,224,344	95,179,333
Corporation tax		313,280	0
Other payables		143,250	74,000
Short-term debt		70,589,994	95,994,676
Debt		70,589,994	95,994,676
Liabilities and equity		50,340,774	61,285,502
Uncertainty relating to recognition and measurement	1		
Contingent assets, liabilities and other financial obligations	6		
Related parties	7		
Accounting Policies	8		

Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	80,000	-47,887,027	-47,807,027
Net profit/loss for the year	0	13,843,954	13,843,954
Equity at 31 December	80,000	-34,043,073	-33,963,073

Notes to the Financial Statements

1 Uncertainty relating to recognition and measurement

The measurement of the deferred tax asset is relating to uncertainty due to the general uncertainty of budgets and in particular projections.

A deferred tax asset of DKK 10,070 thousand is recognized as of 31 December 2020. In prior years, the deferred tax asset has been written down to 0 due to negative results in prior years and significant uncertainty relating to the utilization of the deferred tax asset.

The Company has realized a positive result for 2020 which is also expected for 2021. In addition, Management expects to realise a profit from sale of the windmill. Due to this Management has decided to recognize the full deferred tax asset as of 31 December 2020.

	<u>2020</u> DKK	<u>2019</u> DKK
2 Financial expenses		
Interest paid to group enterprises	1,475,496	1,166,911
Other financial expenses	57,231	73,824
Exchange loss	154,611	28,554
	<u>1,687,338</u>	<u>1,269,289</u>
3 Tax on profit/loss for the year		
Current tax for the year	313,280	0
Deferred tax for the year	-10,070,474	0
	<u>-9,757,194</u>	<u>0</u>

Notes to the Financial Statements

	2020 DKK	2019 DKK
4 Deferred tax asset		
Tax asset at 1 January	-10,656,275	-6,475,074
Additions/disposals for the year	585,801	-4,181,201
Transferred to deferred tax asset	10,070,474	10,656,275
	<u>0</u>	<u>0</u>
Deferred tax asset		
Calculated tax asset	10,070,474	10,656,275
Write-down to assessed value	0	-10,656,275
Carrying amount	<u>10,070,474</u>	<u>0</u>

It is Management's expectation, that deferred tax asset will be fully utilized within 3-5 years. The measurement of the deferred tax asset is relating to uncertainty due to the general uncertainty of budgets and in particular projections. Management refers to note 1 for further disclosures relating to the uncertainty.

5 Share capital

The share capital consists of 80,000 shares of a nominal value of DKK 1. No shares carry any special rights.

At the end of 2020 the Company has lost more than half of its equity. The equity is expected to be restored through debt conversion and future earnings.

The ultimate parent company has provided a letter of support to EDF EN Denmark A/S and EDF EN Osterild ApS effective until 31 December 2021, comprising existing balances and additional liquidity requirements with a cap of DKK 15 million.

6 Contingent assets, liabilities and other financial obligations

Contingent assets

The Company has assumed rental obligations for a maximum term of 2 years and 8 months with an annual rental obligation of DKK 4,2 million. Total rental obligation of DKK 11,0 million.

The Company has entered into other service agreements totalling DKK 4,6 million at 31 December 2020, of which DKK 3,5 million falls due within 1 year.

Notes to the Financial Statements

7 Related parties

Ownership

The following shareholder is recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

EDF EN DENMARK A/S

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
Electricité de France S.A.	Paris, Frankrig

EDF EN Osterild ApS is part of the consolidated financial statements of Electricité de France S.A., which is the smallest group in which the company is included as a subsidiary and may be obtained at the following address:

Electricité de France S.A.
22-30, avenue de Wagram
avenue de Wagram
France

Notes to the Financial Statements

8 Accounting Policies

The Annual Report of EDF EN Osterild ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2020 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes to the Financial Statements

8 Accounting Policies (continued)

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, cost of goods sold and other external expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with . The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment

Notes to the Financial Statements

8 Accounting Policies (continued)

are recognised in cost over the period of construction.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	7 years
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Depreciation period and residual value are reassessed annually.

Investments

Deposits are recognised at amortised cost.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Provisions

Provisions comprise anticipated costs of re-establishment for the windmill. Provisions are recognised when, as a result of past events, the Company has a legal or a constructive obligation, and it is probable there may be outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at value in use.

Other provisions include warranty obligations in respect of repair work within the warranty period of . Provisions are measured and recognised based on experience with guarantee work.

Notes to the Financial Statements

8 Accounting Policies (continued)

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Other liabilities are measured at amortised cost, substantially corresponding to nominal value.