

# **KEA Holding I ApS**

**Gyngemose Parkvej 50  
2860 Søborg**

**CVR no. 37 45 96 74**

**Annual report for the period  
1 January to 31 December 2023  
(8th Financial year)**

Adopted at the annual general  
meeting on 10 July 2024

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Jan Paulsen  
chairman

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## **Statement by management on the annual report**

The supervisory board and executive board have today discussed and approved the annual report of KEA Holding I ApS for the financial year 1 January - 31 December 2023.

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 company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Søborg, 10 July 2024

### **Executive board**

Knud Erik Andersen  
Director

### **Supervisory board**

Knud Erik Andersen

Anette Meldgaard Andersen

August Gunnar Meldgaard  
Andersen

## **Independent auditor's report**

### ***To the shareholders of KEA Holding I ApS***

#### **Opinion**

We have audited the financial statements of KEA Holding I ApS for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

#### **Basis for Opinion**

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 requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 the 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 intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

## Independent auditor's report

### 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.

## **Independent auditor's report**

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.

### **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 Financial Statements Act.

Based on the work we have performed, we conclude that 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 of management's review.

Copenhagen, 10 July 2024

KPMG  
Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98

Kenn Wolff Hansen  
statsaut. revisor  
MNE no. mne30154

## Company details

### The company

KEA Holding I ApS  
Gyngemose Parkvej 50  
2860 Søborg

CVR no.: 37 45 96 74

Reporting period: 1 January - 31 December 2023

Incorporated: 1 January 2016

Domicile: Gladsaxe

### Supervisory board

Knud Erik Andersen  
Anette Meldgaard Andersen  
August Gunnar Meldgaard Andersen

### Executive board

Knud Erik Andersen, director

### Auditors

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
2100 København

### Consolidated financial statements

The company is reflected in the group report for the ultimate parent company KEA Holding III ApS

The group report of KEA Holding III ApS can be obtained at the following address:

Gyngemose Parkvej 50  
DK-2860 Søborg  
Denmark

## Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	2023	2022	2021	2020	2019
	TEUR	TEUR	TEUR	TEUR	TEUR
<b>Key figures</b>					
<b>Profit/loss</b>					
Gross profit	-94	-35	-9	-138	-28
Net financials	50.290	64.925	43.103	18.027	23.139
Profit/loss for the year	50.095	64.892	43.079	17.934	23.069
<b>Balance sheet</b>					
Balance sheet total	200.540	188.068	153.881	115.198	97.933
Equity	200.022	187.004	153.608	114.316	96.341
<b>Financial ratios</b>					
Solvency ratio	99,7%	99,4%	99,8%	99,2%	98,4%
Return on equity	25,9%	38,1%	32,2%	17,0%	27,7%

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies..

## **Management's review**

### **Business review**

The main focus of the KEA Holding I Group is developing and constructing wind turbines and solar parks. Another focus of the Group is purchasing existing renewable energy parks and the financing of these for either disposal or operation.

The most significant part of the activities in the Group are related to the subsidiary European Energy A/S.

### **Recognition and measurement uncertainties**

The recognition and measurement of items in the annual report is not associated with any uncertainty.

### **Unusual matters**

The company's financial position at 31 December 2023 and the results of its operations for the financial year ended 31 December 2023 are not affected by any unusual matters.

### **Financial review**

The company's income statement for the year ended 31 December 2023 shows a profit of TEUR 50.095, and the balance sheet at 31 December 2023 shows equity of TEUR 200.022.

## Management's review

### Significant events occurring after the end of the financial year

The subsidiary European Energy A/S signed an agreement with Mitsubishi HC Capital inc. to acquire 20% ownership in European Energy A/S.

Below is the European Energy A/S company announcement 2/2024 of 19 January 2024:

"Today, European Energy A/S (European Energy) has signed an investment agreement with Mitsubishi HC Capital Inc. (Mitsubishi HC Capital), a Japanese company listed on the Tokyo and Nagoya Stock Exchanges.

Pursuant to the investment agreement, Mitsubishi HC Capital will subscribe for around 72 million ordinary new shares and purchase, in aggregate, around 3 million ordinary shares from the three major shareholders in European Energy ultimately controlled by Knud Erik Andersen, Mikael D. Pedersen and Jens-Peter Zink. As a result, Mitsubishi HC Capital will at closing of the transaction hold 20% of the outstanding shares and voting rights in European Energy.

Through the transaction, European Energy will raise gross proceeds of approximately EUR 700 million. The capital raise will strengthen European Energy's balance sheet and will be used to contribute to the continued growth of European Energy.

As part of the transaction, Mitsubishi HC Capital will actively collaborate towards the value creation and strategic growth of European Energy, including through representation on the Board of Directors of European Energy.

Closing of the transaction was subject to fulfilment of certain customary closing conditions, including regulatory approvals and was finalised in H1 of 2024."

Apart from above, Management is not aware of any subsequent matters that could be of material importance to European Energy Group's financial position.

## **Management's review**

### **Expected development of the company, including specific prerequisites and uncertainties**

For the 2024 financial year, management expect growth in the financial results compared to 2023, due to continued expansion of the subsidiary European Energy's activity level.

In European Energy A/S, the expectation for 2024 is EBITDA of EUR 230m, equivalent to growth of approximately 30% over realised EBITDA in 2023. We expect that the result will fluctuate over the quarters as usual, depending upon the timing of larger divestment of energy parks.

Profit before tax is also expected to continue to grow, but at a lower rate than EBITDA. We assess that the risk factors constitute a less risky environment compared to last year and could therefore only impact realised EBITDA by a margin of +/- 10% compared to the outlook.

As a result of this, the expectation for KEA Holding I ApS is a profit before tax of EUR 70m-90m.

### **Impact on the external environment and measures taken to prevent, reduce or mitigate damage**

Reference is given to the descriptions in the Management's Review section in the Annual Report for 2023 for the subsidiary European Energy A/S. The information given here also applies for KEA Holding I ApS.

### **Research and development activities in or for the company**

Reference is given to the descriptions in the Management's Review section in the Annual Report for 2023 for the subsidiary European Energy A/S. The information given here also applies for KEA Holding I ApS.

### **Profit/(loss) for the year relative to the expectations most recently expressed**

In European Energy A/S, the expectation for 2023 was announced on 28 February 2023. The expectations were EBITDA and Profit before tax of EUR 180m and EUR 140m respectively, with a risk margin of +/- 20%. With final EBITDA for the year was EUR 178m and the profit before tax was EUR 124m, the expectations were achieved.

## **Management's review**

### **Statutory corporate social responsibility report**

The main focus of KEA Holding I is developing and constructing wind turbines and solar parks. Another focus of the Group is purchasing existing renewable energy parks and the financing of these for either disposal or operation. The most significant part of the activities in the Group are related to the subsidiary European Energy A/S.

At present, KEA Holding I ApS does not have established Corporate Social Responsibility policies due to the limited scope and financial nature of our company and our activities and since most of our impacts on the E, S and G are placed at the subsidiary European Energy A/S. As our operations evolve, we will reassess the need for CSR initiatives and policies within the company. However, we can refer to the Group's CSR report, which provides comprehensive information on CSR initiatives and commitments undertaken by the entire group: <https://europeanenergy.com/ir-material/>

## Management's review

### Policies on the underrepresented gender

#### *Board of Directors*

##### *Information on equal distribution of women and men*

The Board of Directors consist of three members and consist of two male members and one female member. Due to the number of members, the current distribution is considered as an equal distribution and the the target figures according to Section 99B of the Danish Financial Statements Act are considered as fulfilled.

#### *Other management levels*

##### *Information on exempt from providing information on target figures of underrepresented gender for other management levels due to the number of employees*

The Executive Board only consists of one member, why the target figures according to Section 99B of The Danish Financial Statements Act is not relevant.

Overview according to section 99B, 1:

	2023
Supreme Governing Body	
Total number of members	3
Underrepresented gender in %	33 %
Other management levels	
Total number of members	1

### Statement of policy for data ethics

Description of the disclosing of statement of policy for data ethics is not given, but is given on consolidated level

At present KEA Holding I ApS does not have a formal Data Ethics policy due to the limited scope and financial nature of our activities, which do not involve extensive handling or processing of data.

However, we can refer to the Group's statement of policy for data ethics, since the most significant part of the activities in the Group are related to the subsidiary European Energy A/S:

## **Management's review**

Link to statement of policy for data ethics

*<https://europeanenergy.com/ir-material/>*

## **Accounting policies**

The annual report of KEA Holding I ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C .

The accounting policies applied are consistent with those of last year.

The annual report for 2023 is presented in TEUR

Pursuant to sections §112, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

### **Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

### **Income statement**

#### **Other external expenses**

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

## **Accounting policies**

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

### **Income from investments in subsidiaries and associates**

The proportionate share of the profit/loss for the year of subsidiaries is recognised in the company's income statement after full elimination of intra-group profits/losses.

The proportionate share of the profit/loss for the year of associates is recognised in the company's income statement after elimination of the proportionate share of intra-group profits/gains.

### **Tax on profit/loss for the year**

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

## **Accounting policies**

### **Balance sheet**

#### **Investments in subsidiaries and associates**

Investments in subsidiaries and associates are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, plus or less unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method. Negative goodwill is recognised in the income statement on acquisition. Where the negative goodwill relates to contingent liabilities having been taken over, the negative goodwill is not recognised until the contingent liabilities have been settled or no longer exist.

Investments in subsidiaries and associates with a negative net asset value are measured at DKK 0, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the receivable, the balance is recognised under provisions.

Net revaluations of investments in subsidiaries and associates are taken to the net revaluation reserve according to the equity method in so far as that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be declared before the annual report of KEA Holding I ApS is adopted are not taken to the net revaluation reserve.

#### **Impairment of fixed assets**

The carrying amount of investments in subsidiaries and associates is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets. Write-down is made to the lower of the recoverable amount and the carrying amount.

The recoverable amount is the higher of the net present value and the value in use less expected costs to sell. The net present value is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

#### **Receivables**

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

## **Accounting policies**

### **Prepayments**

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

### **Cash and cash equivalents**

Cash and cash equivalents comprise deposits at banks.

### **Equity**

#### **Reserve for net revaluation according to the equity method**

The reserve for net revaluation according to the equity method in the company's financial statements comprises net revaluation of investments in subsidiaries relative to the cost.

### **Dividends**

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

### **Income tax and deferred tax**

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

The company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

## Accounting policies

### Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign exchange adjustments of balances with separate entities which are considered part of the investment in the subsidiary are taken directly to the fair value reserve under 'Equity'. Correspondingly, foreign exchange gains and losses on loans and derivative financial instruments entered into to hedge net investments in such entities are taken directly to equity.

### Cash flow statement

No cash flow statement has been prepared for the parent company, as the parent company's cash flows are included in the consolidated cash flow statement, see section 86(4) of the Danish Financial Statements Act.

### Financial Highlights

Definitions of financial ratios.

Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$

**Income statement**  
**1 January 2023 - 31 December 2023**

	<u>Note</u>	<u>2023</u> TEUR	<u>2022</u> TEUR
<b>Revenue</b>		<b>0</b>	<b>0</b>
Other external expenses	1	<u>-94</u>	<u>-35</u>
<b>Gross profit</b>		<b>-94</b>	<b>-35</b>
Income from investments in subsidiaries	2	49.965	64.855
Income from investments in associates	3	90	52
Financial income	4	306	39
Financial costs	5	<u>-71</u>	<u>-21</u>
<b>Profit/loss before tax</b>		<b>50.196</b>	<b>64.890</b>
Tax on profit/loss for the year		<u>-101</u>	<u>2</u>
<b>Profit/loss for the year</b>		<b><u>50.095</u></b>	<b><u>64.892</u></b>
Distribution of profit	6		

**Balance sheet 31 December**

	<u>Note</u>	<u>2023</u> TEUR	<u>2022</u> TEUR
<b>Assets</b>			
Investments in subsidiaries	7	199.031	174.798
Investments in associates	8	0	1.935
Receivables from related entities	9	428	5.588
Other fixed asset investments	9	941	222
Other receivables	9	0	229
<b>Fixed asset investments</b>		<u><b>200.400</b></u>	<u><b>182.772</b></u>
<b>Total non-current assets</b>		<u><b>200.400</b></u>	<u><b>182.772</b></u>
Other receivables		0	53
Deferred tax asset		0	1
Corporation tax		0	238
<b>Receivables</b>		<u><b>0</b></u>	<u><b>292</b></u>
<b>Cash at bank and in hand</b>		<u><b>140</b></u>	<u><b>5.004</b></u>
<b>Total current assets</b>		<u><b>140</b></u>	<u><b>5.296</b></u>
<b>Total assets</b>		<u><u><b>200.540</b></u></u>	<u><u><b>188.068</b></u></u>

**Balance sheet at 31 December 2023**

	<u>Note</u>	<u>2023</u> TEUR	<u>2022</u> TEUR
<b>Equity and liabilities</b>			
Share capital		84	84
Reserve for net revaluation under the equity method		195.621	173.482
Retained earnings		4.317	13.438
<b>Equity</b>	10	<b><u>200.022</u></b>	<b><u>187.004</u></b>
Payables to related parties		400	834
<b>Total non-current liabilities</b>	11	<b><u>400</u></b>	<b><u>834</u></b>
Trade payables		73	10
Corporation tax		45	182
Other payables		0	38
<b>Total current liabilities</b>		<b><u>118</u></b>	<b><u>230</u></b>
<b>Total liabilities</b>		<b><u>518</u></b>	<b><u>1.064</u></b>
<b>Total equity and liabilities</b>		<b><u>200.540</u></b>	<b><u>188.068</u></b>
Significant events occurring after the end of the financial year	12		
Contingent liabilities	13		
Related parties and ownership structure	14		
Fee to auditors appointed at the general meeting	15		

## Statement of changes in equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed extraordinary dividend	Total
Equity at 1 January	84	173.482	13.438	0	187.004
Extraordinary dividend paid	0	0	0	-11.366	-11.366
Fair value adjustment of hedging instruments	0	-23.457	0	0	-23.457
Other equity movements	0	-2.254	0	0	-2.254
Net profit/loss for the year	0	49.953	-11.224	11.366	50.095
Distributed dividends from investments in subsidiaries	0	-2.015	2.015	0	0
Distributed dividends from investments in associates	0	-88	88	0	0
<b>Equity at 31 December</b>	<b>84</b>	<b>195.621</b>	<b>4.317</b>	<b>0</b>	<b>200.022</b>

## Notes

	<u>2023</u>	<u>2022</u>
	TEUR	TEUR
<b>1 Staff costs</b>		
Number of fulltime employees on average	<u>0</u>	<u>0</u>
<p>According to section 98 B(3) of the Danish Financial Statements Act, remuneration to the executive board has not been disclosed.</p>		
<b>2 Income from investments in subsidiaries</b>		
Share of profits of subsidiaries	50.189	64.855
Profit or loss from sale of subsidiaries	<u>-224</u>	<u>0</u>
	<b><u>49.965</u></b>	<b><u>64.855</u></b>
<b>3 Income from investments in associates</b>		
Share of profits of associates	0	52
Profit or loss from sale of associates	<u>90</u>	<u>0</u>
	<b><u>90</u></b>	<b><u>52</u></b>
<b>4 Financial income</b>		
Income from fixed asset investments	46	0
Interest received from subsidiaries	210	0
Other financial income	49	36
Exchange adjustments	<u>1</u>	<u>3</u>
	<b><u>306</u></b>	<b><u>39</u></b>
<b>5 Financial costs</b>		
Other financial costs	57	21
Exchange adjustments costs	<u>14</u>	<u>0</u>
	<b><u>71</u></b>	<b><u>21</u></b>

## Notes

	<u>2023</u>	<u>2022</u>
	TEUR	TEUR
<b>6 Distribution of profit</b>		
Extraordinary dividend for the year	11.366	0
Reserve for net revaluation under the equity method	49.953	0
Retained earnings	<u>-11.224</u>	<u>64.892</u>
	<b><u>50.095</u></b>	<b><u>64.892</u></b>
<b>7 Investments in subsidiaries</b>		
Cost at 1 January	1.340	1.340
Additions for the year	0	0
Disposals for the year	-3	0
Transfers for the year	<u>2.073</u>	<u>0</u>
Cost at 31 December	<u>3.410</u>	<u>1.340</u>
Revaluations at 1 January	173.458	148.786
Disposals for the year	-300	0
Net profit/loss for the year	50.189	64.855
Dividend received	-2.015	-8.700
Fair value adjustment of hedging instruments for the year	-23.457	-27.357
Other equity movements, net	<u>-2.254</u>	<u>-4.126</u>
Revaluations at 31 December	<u>195.621</u>	<u>173.458</u>
<b>Carrying amount at 31 December</b>	<b><u>199.031</u></b>	<b><u>174.798</u></b>

## Notes

Investments in subsidiaries are specified as follows:

Name	Registered office	Ownership interest
European Energy Holding ApS	Søborg, Denmark	100%
EWf Fünf Zwei GmbH & Co. KG	Husum, Germany	55%

	2023 TEUR	2022 TEUR
<b>8 Investments in associates</b>		
Cost at 1 January	1.911	179
Additions for the year	341	1.732
Disposals for the year	-179	0
Transfers for the year	-2.073	0
Cost at 31 December	0	1.911
Revaluations at 1 January	24	0
Disposals for the year	64	0
Net profit/loss for the year	0	52
Dividend received	-88	-28
Revaluations at 31 December	0	24
<b>Carrying amount at 31 December</b>	<b>0</b>	<b>1.935</b>

## Notes

### 9 Fixed asset investments

	Receivables from related entities	Other fixed asset investments	Other receiv- ables
Cost at 1 January	5.588	222	229
Additions for the year	2.683	941	645
Disposals for the year	-7.843	-222	-874
Cost at 31 December	428	941	0
<b>Carrying amount at 31 December</b>	<b>428</b>	<b>941</b>	<b>0</b>

### 10 Equity

The share capital consists of 625 shares of a nominal value of TEUR 1. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

### 11 Long term debt

	Debt at 1 January	Debt at 31 December	Instalment next year	Debt outstanding after 5 years
Payables to related parties	834	400	0	0
	<b>834</b>	<b>400</b>	<b>0</b>	<b>0</b>

## Notes

### 12 Significant events occurring after the end of the financial year

The subsidiary European Energy A/S signed an agreement with Mitsubishi HC Capital inc. to acquire 20% ownership in European Energy A/S.

Below is the European Energy A/S company announcement 2/2024 of 19 January 2024:

"Today, European Energy A/S (European Energy) has signed an investment agreement with Mitsubishi HC Capital Inc. (Mitsubishi HC Capital), a Japanese company listed on the Tokyo and Nagoya Stock Exchanges.

Pursuant to the investment agreement, Mitsubishi HC Capital will subscribe for around 72 million ordinary new shares and purchase, in aggregate, around 3 million ordinary shares from the three major shareholders in European Energy ultimately controlled by Knud Erik Andersen, Mikael D. Pedersen and Jens-Peter Zink. As a result, Mitsubishi HC Capital will at closing of the transaction hold 20% of the outstanding shares and voting rights in European Energy.

Through the transaction, European Energy will raise gross proceeds of approximately EUR 700 million. The capital raise will strengthen European Energy's balance sheet and will be used to contribute to the continued growth of European Energy.

As part of the transaction, Mitsubishi HC Capital will actively collaborate towards the value creation and strategic growth of European Energy, including through representation on the Board of Directors of European Energy.

Closing of the transaction was subject to fulfilment of certain customary closing conditions, including regulatory approvals and was finalised in H1 of 2024."

Apart from above, Management is not aware of any subsequent matters that could be of material importance to European Energy Group's financial position.

### 13 Contingent liabilities

The company is jointly taxed with its parent company, KEA Holding III ApS (management company), and jointly and severally liable with other jointly taxed entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest and royalties.

## Notes

### 14 Related parties and ownership structure

#### Controlling interest

The shareholder Knud Erik Andersen has the controlling interest of the company through:

- KEA Holding III ApS, Gyngemose Parkvej 50, 2860 Søborg

#### Other related parties

Related parties in European Energy Holding ApS include the following:

- Subsidiaries in European Energy Holding ApS
- Subsidiaries and associates in European Energy Group
- Subsidiaries and associates in KEA Holding III Group
- Board members in European Energy A/S

#### Transactions

Transactions with related parties:

Costs paid to group entities: TEUR 2 (2022: TEUR 12)

Interest income from related parties: TEUR 210 (2022: TEUR 0)

Interest expenses to group entities: TEUR 0 (2022: TEUR 0)

Receivables from related parties: TEUR 428 (2022: TEUR 5.588)

Payables to related parties: TEUR 400 (2022: TEUR 834)

#### Ownership structure

According to the company's register of shareholders, the following shareholder holds at least 5% of the votes or at least 5% of the share capital:

KEA Holding III ApS, Gyngemose Parkvej 50, DK-2860 Søborg

#### Consolidated financial statements

The company is reflected in the group report for the ultimate parent company KEA Holding III ApS

The group report of KEA Holding III ApS can be obtained at the following address:

Gyngemose Parkvej 50  
DK-2860 Søborg  
Denmark

## Notes

### **15 Fee to auditors appointed at the general meeting**

Reference is given to the consolidated financial statements for 2023 for KEA Holding III ApS.