

Encavis Wind Danmark ApS

c/o Momentum Gruppen A/S, Københavnsvej 81, 4000 Roskilde

CVR no. 38 65 22 81

Annual report 2023

Approved at the Company's annual general meeting on 27 June 2024

Chair of the meeting:

DocuSigned by:
Anders Egebjerg Jensen
.....170F42064F704AA.....
Anders Egebjerg Jensen

Contents

Statement by the Executive Board	2
Independent auditor's report	3
Management's review	5
Financial statements 1 January - 31 December	6
Income statement	6
Balance sheet	7
Statement of changes in equity	9
Notes to the financial statements	10

Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Encavis Wind Danmark 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 financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Roskilde, 27 June 2024
Executive Board:

DocuSigned by:

.....
331A23E14DB14C3...
Michael Kubicek

DocuSigned by:

.....
213C3A8337AC478...
Ingo Volker Willi Ermel

Independent auditor's report

To the shareholder of Encavis Wind Danmark ApS

Conclusion

We have conducted an extended review of the financial statements of Encavis Wind Danmark ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work we have performed, in our opinion, the financial statements give a true and fair view of the financial position of the Company 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 conclusion

We conducted our extended review in accordance with the Danish Business Authority's standard on extended review for Small entities and FSR - Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Independence

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

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

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance for our conclusion on the financial statements and perform specifically required supplementary procedures to obtain additional assurance for our conclusion.

An extended review comprises procedures that primarily consist of making enquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

Statement on the Management's review

Management is responsible for the Management's review.

Our conclusion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Independent auditor's report

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

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aarhus, 27 June 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Peter U. Faurshou
State Authorised Public Accountant
mne34502

Management's review

Company details

Name	Encavis Wind Danmark ApS c/o Momentum Gruppen A/S, Københavnsvej 81, 4000 Roskilde
Address, Postal code, City	
CVR no.	38 65 22 81
Established	17 May 2017
Registered office	Roskilde
Financial year	1 January - 31 December
Executive Board	Michael Kubicek Ingo Volker Willi Ermel
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management commentary

Business review

The entities purpose is to conduct business with ownership and operation of renewable energy plants and, in the opinion of the Management Board, related activities.

Financial review

The income statement for 2023 shows a profit of DKK 32,132 thousand against a profit of DKK 20,673 thousand last year, and the balance sheet at 31 December 2023 shows equity of DKK 68,004 thousand.

Management considers the Company's financial performance in the year satisfactory.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2023	2022
	Gross profit	47,231	43,672
	Amortisation of property, plant and equipment	-15,757	-15,757
	Other operating expenses	0	-11
	Profit before net financials	31,474	27,904
	Income from investments in group entities	17,270	6,749
	Financial income	330	0
3	Financial expenses	-7,098	-8,158
	Profit before tax	41,976	26,495
4	Tax for the year	-9,844	-5,822
	Profit for the year	32,132	20,673
	Recommended appropriation of profit		
	Extraordinary dividend distributed in the year	0	10,000
	Retained earnings	32,132	10,673
		32,132	20,673

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	ASSETS		
	Fixed assets		
5	Property, plant and equipment		
	Land and buildings	9,480	10,342
	Plant and machinery	158,350	173,244
		<u>167,830</u>	<u>183,586</u>
6	Investments		
	Investments in group entities	45,938	49,909
	Deposits	77	0
		<u>46,015</u>	<u>49,909</u>
	Total fixed assets	<u>213,845</u>	<u>233,495</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	7,645	8,107
	Receivables from group entities	3,215	0
	Joint taxation contribution receivable	15,163	3,851
	Other receivables	629	321
	Prepayments	1,070	798
		<u>27,722</u>	<u>13,077</u>
	Cash	<u>13,722</u>	<u>10,455</u>
	Total non-fixed assets	<u>41,444</u>	<u>23,532</u>
	TOTAL ASSETS	<u>255,289</u>	<u>257,027</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	50	50
	Retained earnings	67,954	35,822
	Total equity	68,004	35,872
	Provisions		
	Deferred tax	16,090	15,428
	Total provisions	16,090	15,428
	Liabilities other than provisions		
7	Non-current liabilities other than provisions		
	Mortgage debt	46,941	56,822
	Payables to group entities	90,221	135,651
		137,162	192,473
	Current liabilities other than provisions		
7	Short-term part of long-term liabilities other than provisions	9,325	8,606
	Trade payables	1,003	607
	Corporation tax payable	14,330	4,040
	Joint taxation contribution payable	9,375	0
	Deferred income	0	1
		34,033	13,254
	Total liabilities other than provisions	171,195	205,727
	TOTAL EQUITY AND LIABILITIES	255,289	257,027

- 1 Accounting policies
- 2 Staff costs
- 8 Contractual obligations and contingencies, etc.
- 9 Security and collateral
- 10 Related parties

Financial statements 1 January - 31 December**Statement of changes in equity**

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2023	50	35,822	35,872
Transfer through appropriation of profit	0	32,132	32,132
Equity at 31 December 2023	50	67,954	68,004

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Encavis Wind Danmark ApS for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Pursuant to section 110(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Income statement

Revenue

Income from the sale of electricity, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

The items revenue, cost of sales, other operating income and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Depreciation

The item comprises depreciation of property, plant and equipment.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Land and buildings	15-25 years
Plant and machinery	15-25 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Profit/loss from investments in group entities

The item includes dividend received from group entities in so far as the dividend does not exceed the accumulated earnings in the group entity in the period of ownership.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish group entities. Group entities are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge 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 the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, 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.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Deposits

Deposits are measured at amortised cost.

Investments in group entities

Investments in group entities are measured at cost. Dividends received that exceed the accumulated earnings in the group entity during the period of ownership are treated as a reduction in the cost of acquisition.

Impairment of fixed assets

The carrying amount of property, plant and equipment and investments in group entities is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial 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 has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Financial statements 1 January - 31 December**Notes to the financial statements****1 Accounting policies (continued)****Equity*****Proposed dividends***

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes and deferred tax

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the group entities' income taxes vis à vis the tax authorities as the group entities pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

2 Staff costs

The Company has no employees.

DKK'000	2023	2022
3 Financial expenses		
Interest expenses, group entities	5,846	6,917
Other financial expenses	1,252	1,241
	7,098	8,158

Financial statements 1 January - 31 December**Notes to the financial statements**

DKK'000	2023	2022
4 Tax for the year		
Deferred tax adjustments in the year	9,844	5,822
	<u>9,844</u>	<u>5,822</u>

5 Property, plant and equipment

DKK'000	Land and buildings	Plant and machinery	Total
Cost at 1 January 2023	14,614	263,683	278,297
Cost at 31 December 2023	14,614	263,683	278,297
Impairment losses and depreciation at 1 January 2023	4,272	90,439	94,711
Depreciation	862	14,894	15,756
Impairment losses and depreciation at 31 December 2023	5,134	105,333	110,467
Carrying amount at 31 December 2023	<u>9,480</u>	<u>158,350</u>	<u>167,830</u>

6 Investments

DKK'000	Investments in group entities	Deposits	Total
Cost at 1 January 2023	72,147	0	72,147
Additions	0	77	77
Cost at 31 December 2023	72,147	77	72,224
Value adjustments at 1 January 2023	-22,238	0	-22,238
Impairment losses	-3,971	0	-3,971
Value adjustments at 31 December 2023	-26,209	0	-26,209
Carrying amount at 31 December 2023	<u>45,938</u>	<u>77</u>	<u>46,015</u>

Group entities

Name	Legal form	Domicile	Interest	Equity DKK'000	Profit/ loss DKK'000
Nørhede- Hjortmose Vindkraft	I/S	Denmark	81.50%	46,690	21,188

7 Non-current liabilities other than provisions

DKK'000	Total debt at 31/12 2023	Short-term portion	Long-term portion	Outstanding debt after 5 years
Mortgage debt	56,266	9,325	46,941	9,971
Payables to group entities	90,221	0	90,221	90,221
	<u>146,487</u>	<u>9,325</u>	<u>137,162</u>	<u>100,192</u>

Repayment of payables to group enterprises can be made by the borrower at any time.

Financial statements 1 January - 31 December

Notes to the financial statements

8 Contractual obligations and contingencies, etc.

Other contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes for income year 2019 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 20th december 2019.

Other financial obligations

Other financial obligations consist of interminable service agreements with remaining contracts of 2 - 10 years. The obligation amounts to DKK 38,040 thousand.

The Company is jointly and severally liable for Nørhede-Hjortmose Vindkraft I/S.

9 Security and collateral

Property, plant and equipment at a carrying amount of DKK 167,830 thousand at 31 December 2023 have been put up as security for debt to mortgage credit institutions, totalling DKK 56,266 thousand.

Investments in group entities at a carrying amount of DKK 45,938 thousand at 31 December 2023 have been put up as security for debt to banks, totalling DKK 0 thousand.

Security has been provided in certain pledge accounts. The book value of the assets in which security has been provided is DKK 0 thousand.

In addition, security is provided in insurances, the right of accession in service agreements and trade receivables for bank debt. The book value of the trade receivables from electricity production amounts to DKK 7,645 thousand per 31 December 2023.

10 Related parties

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Encavis AG	Germany, Hamburg	www.encavis.com

PENNEO

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registreret, og informationerne er listet herunder.

“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Peter Ulrik Faurischou

EY Godkendt Revisionspartnerselskab CVR: 30700228

Statsaut. revisor

På vegne af: EY Godkendt Revisionspartnerselskab

Serienummer: 4a896e38-9731-42bd-abad-34eec4d34b82

IP: 37.96.xxx.xxx

2024-06-28 13:00:58 UTC



Dette dokument er underskrevet digitalt via **Penneo.com**. Signeringsbeviserne i dokumentet er sikret og valideret ved anvendelse af den matematiske hashværdi af det originale dokument. Dokumentet er låst for ændringer og tidsstempelt med et certifikat fra en betroet tredjepart. Alle kryptografiske signeringsbeviser er indlejret i denne PDF, i tilfælde af de skal anvendes til validering i fremtiden.

Sådan kan du sikre, at dokumentet er originalt

Dette dokument er beskyttet med et Adobe CDS certifikat. Når du åbner dokumentet

i Adobe Reader, kan du se, at dokumentet er certificeret af **Penneo e-signature service <penneo@penneo.com>**. Dette er din garanti for, at indholdet af dokumentet er uændret.

Du har mulighed for at efterprøve de kryptografiske signeringsbeviser indlejret i dokumentet ved at anvende Penneos validator på følgende websted: **<https://penneo.com/validator>**