

Thor Wind Farm I/S

Vesterbrogade 1L, 4

1620 København V

CVR No. 41771321

Annual Report 2022

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 13 June 2023

Chairman of the general meeting
Karin Thunström

Thor Wind Farm I/S

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Thor Wind Farm I/S

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Company	Thor Wind Farm I/S Vesterbrogade 1L, 4 1620 København V
Business registration no.	41771321
Date of foundation	19 October 2020
Registered office	København
Financial year	1 January 2022 - 31 December 2022
Board of Directors	Karin Thunström Pia Lanken Allan Topp Petersen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup

Thor Wind Farm I/S

Management's Statement

Today, Management has considered and adopted the Annual Report of Thor Wind Farm I/S for the financial year 1 January 2022 - 31 December 2022.

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

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

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

København, 13 June 2023

Board of Directors

Karin Thunström
Chairman

Pia Lanken

Allan Topp Petersen

Independent Auditors' Report

To the Shareholders of Thor Wind Farm I/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Thor Wind Farm I/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, notes, including a summary of significant accounting policies ("financial statements").

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

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, 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.

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 intends 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

Independent Auditors' Report

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 judgment and maintain professional skepticism throughout the audit. We also:

- * Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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 the related disclosures made by Management.
- * Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements reflect 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.

Hellerup, 13 June 2023

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-no. 33771231

Claus Dalager
State Authorised Public Accountant
mne26745

Casper Larsen
State Authorised Public Accountant
mne45855

Thor Wind Farm I/S

Management's Review

The company's most important activities

Thor Wind Farm I/S was founded to build and operate the Thor Offshore Wind Farm. The establishment of the Thor Offshore Wind Farm is prompted by the Energy Agreement from 2018, after which the Danish Energy Agency prepared an EU tender. Thor Wind Farm I/S won the tender in December 2021.

In January 2022, the Danish Energy Agency and Thor Wind Farm I/S have entered into an "Agreement on the obligation to establish and connect the Thor Offshore Wind Farm to the grid".

- The Thor Offshore Wind Farm will be the largest offshore wind farm in Denmark to date and will be established in the North Sea approx. 22 km off the coast at Thorsminde in Jutland.
- The Thor Offshore Wind Farm will be established with a capacity of 1,000 MW and can annually produce approx. 5 TWh electricity corresponding to approx. 1. million households' annual consumption.
- The Thor Offshore Wind Farm must be fully established and connected to the grid by the end of 2027, and the production license is granted for 30 years with the option of being extended for 5 years.

The ultimate owner of Thor Wind Farm I/S is RWE AG, who is listed on the stock exchange in Frankfurt, Germany.

The development in activities and economic conditions

Thor Wind Farm I/S income statement for the financial year 2022 shows tEUR -108, and the balance per 31-12-2022 shows a balance sheet of tEUR 50.477, and an equity of tEUR -169.

In the financial year, investments were made in the establishment of the Thor Offshore Wind Farm of tEUR 47.816.

In the financial year and in the period leading up to the approval of the annual accounts for 2022, a large number of development activities have been carried out that support an efficient preparation of the construction of the Thor Offshore Wind Farm.

The year's development in activities and results are considered satisfactory.

Events after the end of the financial year

From the balance sheet date until today, no circumstances have arisen which would alter the assessment of the annual report.

Thor Wind Farm I/S

Accounting Policies

Reporting Class

The annual report of Thor Wind Farm I/S for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with addition of a few provisions for reporting class C.

The accounting policies used are unchanged compared to previous years, except that the annual report for 2022 is presented in EUR instead of DKK as in the previous financial year.

Comparative figures have been converted to EUR. The conversion has had no effect on the financial statement items including the opening equity balance for the financial year 2022.

Lack of comparability

Comparative figures cover the first financial year 2020-2021, which is a longer period than 2022.

General information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income statement

Gross result

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross result consists of other external expenses.

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received.

Accounting Policies

Amortisation and impairment of tangible and intangible assets

Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life
Properties	20-50 years
Plant and machinery	5-30 years

Land is not amortized.

Profit or loss resulting from the sale of intangible assets or property, plant and equipment is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the income statement under other operating income or expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement where they do not meet the criteria for capitalization.

Tax on net profit for the year

As a partnership, the company is not an independent tax subject, as the tax liability is borne by the company's capital owners. Current and deferred tax are therefore not recognized in the annual report.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

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

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

The carrying amounts of property plant and equipment are tested annually to determine whether there is any indication of impairment other than what is expressed by amortization and depreciation. If so, the assets are tested for impairment to determine whether the recoverable amounts are lower than the carrying amounts and the relevant assets are written down to such lower recoverable amounts. An impairment test is carried out annually of ongoing development projects, whether or not there is any indication of impairment.

The recoverable amount of an asset is determined as the higher of the net sales price and the value in use. Where the recoverable amount of the individual assets cannot be determined, the assets are grouped together into the smallest group of assets that can be estimated to determine an aggregate reliable recoverable amount for those units.

Thor Wind Farm I/S

Accounting Policies

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Liabilities

Other liabilities are measured at amortised cost, which usually corresponds to nominal value.

Other payables

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Thor Wind Farm I/S

Income Statement

	Note	2022 tEUR	2020/21 tEUR
Gross result		-108	-61
Profit from ordinary operating activities		-108	-61
Finance expenses	1	0	-1
Result for the year		-108	-62
Proposed distribution of results			
Retained earnings		-108	-62
Distribution of result		-108	-62

Thor Wind Farm I/S

Balance Sheet as of 31 December

	Note	2022 tEUR	2021 tEUR
Assets			
Property, plant and equipment in progress	2	50.093	2.277
Property, plant and equipment		50.093	2.277
Fixed assets		50.093	2.277
Other short-term receivables		384	12
Receivables		384	12
Current assets		384	12
Assets		50.477	2.289

Thor Wind Farm I/S

Balance Sheet as of 31 December

	Note	2022 tEUR	2021 tEUR
Liabilities and equity			
Retained earnings		-169	-62
Equity		-169	-62
Trade payables		20.298	0
Long-term liabilities other than provisions	3	20.298	0
Trade payables		2.122	92
Payables to group enterprises		28.227	2.258
Short-term liabilities other than provisions		30.348	2.351
Liabilities other than provisions within the business		50.647	2.351
Liabilities and equity		50.477	2.289
Contingent liabilities	4		
Collaterals and assets pledges as security	5		
Related parties	6		

Notes

	2022 tEUR	2020/21 tEUR
1. Capitalized finance expenses and income		
<i>Financial expenses</i>		
Interest, intercompany	-105	0
Currency adjustments	-7	0
Fees, guarantees	-895	0
Financial expenses, total	-1.007	0
<i>Financial income</i>		
Other interest	7	0
Financial income, total	7	0
Financial expenses, net (capitalized)	-1.000	0
2. Property, plant and equipment under construction		
Cost opening balance	2.277	0
Additions	47.816	2.277
Depreciation and amortization	0	0
Cost closing balance	50.093	2.277

Additions for 2022 include net capitalized finance expenses tEUR 1.000 as specified in note 1.

3. Long-term liabilities

	Due after 1 year tEUR	Due within 1 year tEUR	Due after 5 years tEUR
Trade payables	20.480	0	0
	20.480	0	0

4. Contingent liabilities

As part of the company's activity, Thor Wind Farm I/S has in January 2022 entered into an "Agreement on the obligation to establish and connect the Thor Offshore Wind Farm" with the Danish Energy Agency.

5. Collaterals and securities

A bank guarantee of DKK 400 million has been provided to Danish Energy Agency.

Thor Wind Farm I/S

Notes

6. Related parties

Controlling influence

RWE THOR 1 B.V.
Amerweg 1
4931 NC Geertruidenberg
Holland

RWE THOR 2 B.V.
Amerweg 1
4931 NC Geertruidenberg
Holland

RWE THOR 3 B.V.
Amerweg 1
4931 NC Geertruidenberg
Holland

RWE THOR 4 B.V.
Amerweg 1
4931 NC Geertruidenberg
Holland

RWE Renewables Denmark A/S
Vesterbrogade 1L, 4.
1620 København V
Denmark

RWE AG, RWE Platz 1, 45141 Essen, Germany, is the ultimate owner.

Transactions

In accordance with §98c, subsection of the Annual Accounts Act. 7, information on transactions with related parties is omitted, as all such transactions are considered to have taken place on market terms.