Nord Renewables ApS

Læsøvej 1, DK-8940 Randers SV

Annual Report for 2023

CVR No. 42 18 76 15

The Annual Report was presented and adopted at the Annual General Meeting of the company on 13/5 2024

Ane Mette Lysbech-Kleis
Chairman of the general meeting

Contents

Management's statement

The Executive Board has today considered and adopted the Annual Report of Nord Renewables 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 and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2023.

In our opinion, 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.

Randers, 13 May 2024

Executive Board

Ane Mette Lysbech-Kleis CEO	Bo Munkholm Andersen CFO	Mirco Lother
Enis Moran		

Independent Auditor's report

To the shareholders of Nord Renewables ApS

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Nord Renewables ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the 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 Group 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 Consolidated Financial Statements and the Parent Company 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 consolidated financial statements and parent company 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 Group´s and the Parent 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 Group or the Parent 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 Group´s and the Parent 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 Group´s and the Parent 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 Group and the Parent 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Aalborg, 13 May 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Mads Meldgaard	Rasmus Mellergaard Stenskrog
State Authorised Public Accountant	State Authorised Public Accountant
mne24826	mne34161

Company information

The Company	Nord Renewables ApS Læsøvej 1 DK-8940 Randers SV CVR No: 42 18 76 15 Financial period: 1 January - 31 December Incorporated: 2 March 2021 Financial year: 3rd financial year Municipality of reg. office: Randers
Executive Board	Ane Mette Lysbech-Kleis Bo Munkholm Andersen Mirco Lother Enis Moran
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Skelagervej 1A DK-9000 Aalborg

Financial Highlights

Seen over a 3-year period, the development of the Group is described by the following financial highlights:

	Group		
	2023	2022	2021
	TDKK 12 months	TDKK 12 months	TDKK 10 months
Key figures			
Profit/loss			
Gross profit	105,631	162,387	53,838
Profit/loss of primary operations	-42,429	-41,333	-41,269
Profit/loss of financial income and expenses	-21,519	-11,071	-3,207
Net profit/loss for the year	-57,672	-47,379	-35,422
Balance sheet			
Balance sheet total	1,447,297	1,588,437	1,635,973
Investment in property, plant and equipment	40,741	117,895	228,310
Equity	493,554	177,763	416,839
Cash flows			
Cash flows from:			
- operating activities	35,435	139,148	-23,122
- investing activities	-13,646	-88,178	-928,288
- financing activities	-18,226	-43,667	964,620
Change in cash and cash equivalents for the year	3,563	7,303	13,210
Number of employees	42	34	28
Ratios			
Return on assets	-2.9%	-2.6%	-2.5%
Solvency ratio	34.1%	11.2%	25.5%
Return on equity	-17.2%	-15.9%	-17.0%

Management's review

Key activities

Nord Renewables ApS is an investment company with activities within renewable energy.

Development in the year

The financial year 2023 has been characterized as an overall normal wind year with normal power production from Group.

During 2023 merchant power price levels and volatility has declined compared to 2022 but remain at a higher level than the historic mean.

However, as the Group has hedged the majority of offtake volume on long-term hedging- and power price contracts, the Group only partially benefitted from the level of merchant prices during the year.

The Group has impaired Acquired other similar rights by DKKm 5,2 due to the Wind Estate A/S purchase price allocation value attributed to development projects being discontinued.

The consolidated income statement for 2023 shows EBIT (earnings before interest & taxes) of DKKm -42,4 and at 31 December 2023 the balance sheet shows consolidated equity of DKKm 493,6.

The realized EBIT did not meet the expectations from previous year's annual report of DKKm 10 – 25 net loss due to lower-than-expected power prices and impairment losses and is considered unsatisfactory by the Management.

Targets and expectations for the year ahead

Based on a normal wind year and assumed power prices Management expects consolidated EBIT (earnings before interest & taxes) in the range DKKm -30 to -15 for the year ahead.

Market risks

The Group is exposed to merchant power prices and has entered long-term fixed volume hedging- and power price contracts. The Group has a risk management- and power hedging policy that sets the baseline for future hedging levels on existing operational assets. The policy aims to manage volatility and generate stable cash flows using a rolling 3-year decreasing hedging profile.

The Group is partly funded by committed and non-committed loan- and debt facilities with floating interest rates based on market indices mainly CIBOR-3.

External environment

The Group is complying with Danish legislation for Environmental protection and applies risk assessment method standards (RAMS) for any procedures that involves commissioning or decommissioning of WTG's to ensure environmental protection is considered in the process.

Intellectual capital resources

The Group has a base of highly skilled employees which contribute to the value creation through extensive knowledge, knowhow and industry experience within renewable project development, construction, operations, and commercial asset management.

Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

Unusual events

The financial position at 31 December 2023 of the Group and the results of the activities and cash flows of the Group for the financial year for 2023 have not been affected by any unusual events.

Management's review

Subsequent events

During the beginning of 2024 merchant power price forward curves have decreased further reducing the negative mark-to-market value of the Group's fixed price financial hedge agreements and their impact on equity.

No other events materially affecting the Group’s financial position have occurred subsequent to the financial year-end.

Income statement 1 January - 31 December

	Note	Group		Parent company	
		2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Gross profit		**105,631**	**162,387**	**-97**	**-125**
Staff expenses	3	-33,012	-25,208	0	0
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	4,5	-115,048	-178,512	0	0
Profit/loss before financial income and expenses		**-42,429**	**-41,333**	**-97**	**-125**
Income from investments in subsidiaries		0	0	-59,446	-51,433
Income from investments in associates		4,443	6,667	0	0
Financial income	6	3,461	1,738	73	0
Financial expenses	7	-29,423	-19,476	0	0
Profit/loss before tax		**-63,948**	**-52,404**	**-59,470**	**-51,558**
Tax on profit/loss for the year	8	6,276	5,025	6	0
Net profit/loss for the year	9	**-57,672**	**-47,379**	**-59,464**	**-51,558**

Balance sheet 31 December

Assets

	Note	Group 2023	Group 2022	Parent company 2023	Parent company 2022
		TDKK	TDKK	TDKK	TDKK
Acquired other similar rights		390,951	403,467	0	0
Goodwill		46,135	52,481	0	0
Intangible assets	10	**437,086**	**455,948**	**0**	**0**
Land and buildings		19,574	18,725	0	0
Plant and machinery		887,061	945,395	0	0
Other fixtures and fittings, tools and equipment		4,599	3,440	0	0
Property, plant and equipment	11	**911,234**	**967,560**	**0**	**0**
Investments in subsidiaries	12	0	0	483,916	163,000
Investments in associates	13	12,371	14,569	0	0
Other investments	14	6,093	6,086	0	0
Fixed asset investments		**18,464**	**20,655**	**483,916**	**163,000**
Fixed assets		**1,366,784**	**1,444,163**	**483,916**	**163,000**
Trade receivables		26,519	51,261	0	0
Receivables from group enterprises		0	3,658	0	3,658
Receivables from associates		204	0	0	0
Other receivables		27,183	14,896	0	0
Deferred tax asset	17	0	50,603	0	0
Corporation tax receivable from group enterprises		0	0	43,137	0
Prepayments	15	2,531	3,343	0	0
Receivables		**56,437**	**123,761**	**43,137**	**3,658**
Cash at bank and in hand		**24,076**	**20,513**	**3,896**	**260**
Current assets		**80,513**	**144,274**	**47,033**	**3,918**
Assets		**1,447,297**	**1,588,437**	**530,949**	**166,918**

Balance sheet 31 December

Liabilities and equity

		Group		Parent company	
	Note	2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Share capital	16	42	42	42	42
Unpaid share capital		0	3,658	0	3,658
Reserve for hedging transactions		-71,715	-453,085	0	0
Reserve for exchange rate conversion		-216	789	0	0
Retained earnings		554,055	615,414	487,676	163,118
Equity attributable to shareholders of the Parent Company		**482,166**	**166,818**	**487,718**	**166,818**
Minority interests		11,388	10,945	0	0
Equity		**493,554**	**177,763**	**487,718**	**166,818**
Provision for deferred tax	17	112,688	104,363	0	0
Other provisions	18	18,547	0	0	0
Provisions		**131,235**	**104,363**	**0**	**0**
Mortgage loans		378,385	397,002	0	0
Credit institutions		43,402	46,205	0	0
Long-term debt	19	**421,787**	**443,207**	**0**	**0**
Mortgage loans	19	19,852	176,816	0	0
Credit institutions	19	166,401	3,093	0	0
Trade payables		16,468	37,392	0	0
Corporation tax		43,131	0	43,131	0
Other payables	20	154,869	645,803	100	100
Short-term debt		**400,721**	**863,104**	**43,231**	**100**
Debt		**822,508**	**1,306,311**	**43,231**	**100**
Liabilities and equity		**1,447,297**	**1,588,437**	**530,949**	**166,918**

Going concern	1
Subsequent events	2
Contingent assets, liabilities and other financial obligations	23
Related parties	24
Accounting Policies	25

Statement of changes in equity

Group

	Share capital	Unpaid share capital	Reserve for hedging transactions	Reserve for exchange rate conversion	Retained earnings	Equity excl. minority interests	Minority interests	Total
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	42	3,658	-453,085	789	615,414	166,818	10,945	177,763
Exchange adjustments	0	0	0	-1,005	0	-1,005	0	-1,005
Ordinary dividend paid	0	0	0	0	0	0	-3,150	-3,150
Payment of unpaid share capital	0	-3,658	0	0	3,658	0	0	0
Fair value adjustment of hedging instruments, beginning of year	0	0	631,493	0	0	631,493	-699	630,794
Fair value adjustment of hedging instruments, end of year	0	0	-142,557	0	0	-142,557	-23	-142,580
Tax on adjustment of hedging instruments for the year	0	0	-107,566	0	0	-107,566	159	-107,407
Other equity movements	0	0	0	0	-3,189	-3,189	0	-3,189
Net profit/loss for the year	0	0	0	0	-61,828	-61,828	4,156	-57,672
Equity at 31 December	**42**	**0**	**-71,715**	**-216**	**554,055**	**482,166**	**11,388**	**493,554**

Statement of changes in equity

Parent company

	Share capital	Unpaid share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	42	3,658	0	163,117	166,817
Exchange adjustments	0	0	-1,005	0	-1,005
Payment of unpaid share capital	0	-3,658	0	3,658	0
Fair value adjustment of hedging instruments, beginning of year	0	0	631,493	0	631,493
Fair value adjustment of hedging instruments, end of year	0	0	-142,558	0	-142,558
Tax on adjustment of hedging instruments for the year	0	0	-107,565	0	-107,565
Net profit/loss for the year	0	0	-380,365	320,901	-59,464
Equity at 31 December	**42**	**0**	**0**	**487,676**	**487,718**

Cash flow statement 1 January - 31 December

		Group	
	Note	2023	2022
		TDKK	TDKK
Result of the year		-57,672	-47,379
Adjustments	21	125,831	191,711
Change in working capital	22	-6,762	7,306
Cash flow from operations before financial items		**61,397**	**151,638**
Financial income		3,461	1,738
Financial expenses		-29,423	-14,228
Cash flows from operating activities		**35,435**	**139,148**
Purchase of property, plant and equipment		-22,194	-98,602
Fixed asset investments made etc		-7	-5,047
Sale of property, plant and equipment		1,914	8,735
Dividends received from associates		6,641	6,736
Cash flows from investing activities		**-13,646**	**-88,178**
Repayment of mortgage loans		-175,581	-49,299
Repayment of loans from credit institutions		0	-376,850
Raising of mortgage loans		0	386,474
Raising of loans from credit institutions		160,505	0
Cash capital increase		0	5
Dividend paid		-3,150	-3,997
Cash flows from financing activities		**-18,226**	**-43,667**
Change in cash and cash equivalents		**3,563**	**7,303**
Cash and cash equivalents at 1 January		20,513	13,210
Cash and cash equivalents at 31 December		**24,076**	**20,513**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		24,076	20,513
Cash and cash equivalents at 31 December		**24,076**	**20,513**

Notes to the Financial Statements

1. Going concern

The Group has realized a loss of DKK 57,672k in 2023, and equity is positive with DKK 493,554k at 31 December 2023. The equity has significantly increased since 31 December 2022 due to a positive regulation on fixed price financial hedge agreements of DKK 380,807k after tax, which has been recognized on equity. The fixed price financial hedge agreements have a remaining term up to 24 months and the fair value of the agreements amounts to DKK -142,580k before tax at 31 December 2023. The Group has the financing in place for the coming year and is budgeting with an EBIT in the range DKK -30,000k to DKK -15,000k.

2. Subsequent events

During the beginning of 2024 merchant power price forward curves have decreased further reducing the negative mark-to-market value of the Group's fixed price financial hedge agreements and their impact on equity.

3. Staff Expenses

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Wages and salaries	30,041	23,961	0	0
Pensions	2,167	460	0	0
Other social security expenses	804	787	0	0
	33,012	**25,208**	**0**	**0**
Including remuneration to the Executive Board:				
Executive board	3,884	0	0	0
	3,884	**0**	**0**	**0**
Average number of employees	**42**	**34**	**0**	**0**

The management board is remunerated in the subsidiary Wind Estate. The work effort in the parent company is considered insignificant, which is why no management remuneration is disclosed in the parent company.

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
4. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment				
Amortisation of intangible assets	13,641	13,323	0	0
Depreciation of property, plant and equipment	96,187	100,579	0	0
Impairment of intangible assets	5,220	64,610	0	0
	115,048	**178,512**	**0**	**0**

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
5. Special items				
Impairment of acquired other similar rights	5,220	64,610	0	0
	5,220	**64,610**	**0**	**0**

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
6. Financial income				
Income from securities, which are fixed assets	2,895	418	0	0
Other financial income	566	1,320	73	0
	3,461	**1,738**	**73**	**0**

7. Financial expenses

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Impairment losses on financial assets	465	5,125	0	0
Other financial expenses	28,784	14,228	0	0
Exchange adjustments, expenses	174	123	0	0
	29,423	**19,476**	**0**	**0**

8. Income tax expense

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Current tax for the year	43,229	0	-6	0
Deferred tax for the year	57,902	-61,341	0	0
	101,131	**-61,341**	**-6**	**0**
thus distributed:				
Income tax expense	-6,276	-5,025	-6	0
Tax on equity movements	107,407	-56,316	0	0
	101,131	**-61,341**	**-6**	**0**

9. Profit allocation

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Reserve for net revaluation under the equity method	0	0	-380,365	200,678
Minority interests' share of net profit/loss of subsidiaries	4,156	4,179	0	0
Retained earnings	-61,828	-51,558	320,901	-252,236
	-57,672	**-47,379**	**-59,464**	**-51,558**

Notes to the Financial Statements

10. Intangible fixed assets
Group

	Acquired other similar rights	Goodwill
	TDKK	TDKK
Cost at 1 January	445,580	63,449
Cost at 31 December	445,580	63,449
Impairment losses and amortisation at 1 January	42,113	10,969
Impairment losses for the year	5,220	0
Amortisation for the year	7,296	6,345
Impairment losses and amortisation at 31 December	54,629	17,314
Carrying amount at 31 December	**390,951**	**46,135**
Amortised over	5-25 years	10 years

11. Property, plant and equipment
Group

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment
	TDKK	TDKK	TDKK
Cost at 1 January	22,634	1,735,123	10,621
Additions for the year	1,239	36,421	3,081
Disposals for the year	0	-2,603	-3,829
Cost at 31 December	23,873	1,768,941	9,873
Impairment losses and depreciation at 1 January	3,909	789,728	7,183
Depreciation for the year	390	94,755	1,043
Impairment and depreciation of sold assets for the year	0	-2,603	-2,952
Impairment losses and depreciation at 31 December	4,299	881,880	5,274
Carrying amount at 31 December	**19,574**	**887,061**	**4,599**
Interest expenses recognised as part of cost	45-50 years	5-25 years	5 years
Interest expenses recognised as part of cost	0	6,130	0

12. Investments in subsidiaries

	Parent company 2023	Parent company 2022
	TDKK	TDKK
Cost at 1 January	700,359	700,359
Cost at 31 December	700,359	700,359
Value adjustments at 1 January	-537,359	-285,247
Exchange adjustment	-1,005	2,136
Net profit/loss for the year	-29,352	24,661
Fair value adjustment of hedging instruments for the year	381,369	-202,814
Amortisation of goodwill	-30,096	-76,095
Value adjustments at 31 December	-216,443	-537,359
Carrying amount at 31 December	**483,916**	**163,000**
Positive differences arising on initial measurement of subsidiaries at net asset value	513,504	513,504
Remaining positive difference included in the above carrying amount at	390,567	420,663

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership
Wind Estate A/S	Randers	1,000	100%
Wind Estate Hellas ApS	Randers	50	100%
Tagmark Vindselskab ApS	Aarhus	1,108	59%
Wind Estate UK ApS	Randers	50	100%
Wind Estate (UK) Limited	Huddersfield, UK	GBP 1	100%
Watson Head Wind Farm Limited	Huddersfield, UK	GBP 1	100%
Høgsted Vindkraft I/S	Hjørring	-	70%
Pearie Law II Wind Farm Limited	Huddersfield, UK	GBP 1	100%
Brownhill Wind Farm Limited	Huddersfield, UK	GBP 1	100%

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK

13. Investments in associates

	2023	2022	2023	2022
Cost at 1 January	8,768	28,174	0	0
Transfers for the year	0	-19,406	0	0
Cost at 31 December	8,768	8,768	0	0
Value adjustments at 1 January	5,801	1,057	0	0
Net profit/loss for the year	4,443	6,667	0	0
Dividends received	-6,641	-6,736	0	0
Transfers for the year	0	4,813	0	0
Value adjustments at 31 December	3,603	5,801	0	0
Carrying amount at 31 December	**12,371**	**14,569**	**0**	**0**

Investments in associates are specified as follows:

Name	Place of registered office	Ownership
Krusbjerg Vindkraft I/S	Herning	47%
Vester Barde Vindkraft I/S	Ringkjøbing-Skjern	30%
Assing Vindkraft I/S	Herning	29%
Abildå Vindkraft I/S	Herning	22%

14. Other fixed asset investments

Group

	Other investments
	TDKK
Cost at 1 January	6,086
Additions for the year	22
Disposals for the year	-15
Cost at 31 December	6,093
Carrying amount at 31 December	**6,093**

15. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions, interests and service contracts.

16. Share capital

	Number	Nominal value
		TDKK
A-shares	40,000	40
B-shares	2,316	2
C-shares	85	0
		42

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
17. Provision for deferred tax				
Deferred tax liabilities at 1 January	53,760	116,078	0	0
Adjustment to previous year	1,026	-977	0	0
Amounts recognised in the income statement for the year	-49,505	-5,025	0	0
Amounts recognised in equity for the year	107,407	-56,316	0	0
Deferred tax liabilities at 31 December	**112,688**	**53,760**	**0**	**0**
Recognised in the balance sheet as follows:				
Assets	0	50,603	0	0
Provisions	-112,688	-104,363	0	0
	112,688	**53,760**	**0**	**0**

2022: The recognised tax asset comprises tax loss carry-forwards and unused tax credits arising from temporary differences expected to be utilised within the next couple of years. In connection with the assessment of the utilisation of the tax asset, the company expects an increased activity and earning in the coming years especially due to new projects and positive adjustments on fixed price financial hedge agreements.

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK

18. Other provisions

Other provisions contain obligations related to projected future cost of decommissioning wind turbines.

Other provisions	18,547	0	0	0
	18,547	**0**	**0**	**0**
The provisions are expected to mature as follows:				
After 5 years	18,547	0	0	0
	18,547	**0**	**0**	**0**

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK

19. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Mortgage loans				
After 5 years	291,771	306,463	0	0
Between 1 and 5 years	86,614	90,539	0	0
Long-term part	378,385	397,002	0	0
Within 1 year	19,852	176,816	0	0
	398,237	**573,818**	**0**	**0**

19. Long-term debt

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Credit institutions				
After 5 years	32,186	33,832	0	0
Between 1 and 5 years	11,216	12,373	0	0
Long-term part	43,402	46,205	0	0
Within 1 year	2,804	3,093	0	0
Other short-term debt to credit institutions	163,597	0	0	0
	209,803	**49,298**	**0**	**0**

20. Derivative financial instruments

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK

Agreements have been entered into on derivative financial instruments in the form of hedging. The fair value of derivative financial instruments at the balance sheet date is:

Liabilities	142,580	630,794	0	0

Agreements on hedging on electricity price contracts have been entered to hedge future rates on the settlement of electricity production. The agreements have a remaining term of up to 24 months. The fair value of the agreements at the balance sheet date amounts to DKK -142,580k of which DKK -74,947k relates to 2024.

21. Cash flow statement - Adjustments

	Group 2023	Group 2022
	TDKK	TDKK
Financial income	-3,461	-1,738
Financial expenses	29,423	19,476
Depreciation, amortisation and impairment losses, including losses and gains on sales	114,012	175,499
Income from investments in associates	-4,443	-6,667
Tax on profit/loss for the year	-6,276	-5,025
Exchange adjustments	-1,005	2,136
Other adjustments	-2,419	8,030
	125,831	**191,711**

22. Cash flow statement - Change in working capital

	Group 2023	Group 2022
	TDKK	TDKK
Change in receivables	16,721	20,958
Change in trade payables, etc	-23,483	-13,652
	-6,762	**7,306**

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK

23. Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with mortgage credit institutes:

Land and buildings with a carrying amount of	19,574	18,725	0	0

As security for balances with mortgage credit institutions and credit institutions with a residual debt of DKK 398,237k, a mortgage (mortgage deeds) of DKK 418,536k has been pledged with security in wind turbines.

As security for balances with credit institutions, a mortgage (indemnity letters) of DKK 146,100k has been pledged with security in wind turbines and other moveable assets.

As security for balances with credit institutions a mortgage (bearer mortgage) of DKK 229,195k has been pledged with security in wind turbines. Furthermore a mortgage (bearer mortgage) of DKK 12,000k has been pledged with security in buildings.

Credit institutions have provided payment guarantees of DKK 27,427k.

Deposits with credit institutions are incl. DKK 1,623k placed in escrow accounts.

Credit institutions also have transport in electricity bills from Vindenergi Danmark and Energinet.

Guarantee obligations

Debt guarantee has been provided to credit institutions for the debt in Wind Estate (UK) Ltd., Watson Head Wind Farm Limited and Tagmark Vindselskab ApS.

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK

23. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The group has service contracts with service providers valid between 10-15 years from the start date. The obligation amounts to DKK 41,626k at 31 December 2023.

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the Group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company’s liability.

There are agreed the normal warranty obligations for the industry.

24. Related parties

	Basis
Controlling interest	
Nord Renewables Management Ltd, 5th floor, 15 Golden Square, London, UK	Primary shareholder

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act. No such transactions have occured.

Notes to the Financial Statements

25. Accounting policies

The Annual Report of Nord Renewables ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

Reclassifications have been made in the comparison year. The reclassifications have no impact on the year's result or equity. Besides the reclassifications the accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2023 are presented in TDKK.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

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.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Nord Renewables ApS, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Business combinations

Business acquisitions carried through on or after 1 July 2018

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition. Acquired contingent liabilities are recognised at fair value in the Consolidated Financial Statements to the extent that the value can be measured reliably.

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquistition of subsidiaries.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consideration is recognised directly in equity.

Translation policies

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.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as ”Other receivables” and ”Other payables”, respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting.

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in the fair value reserve under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

Notes to the Financial Statements

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 Group.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve the consolidated revenue for the year.

Other external expenses

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

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

Income from investments in subsidiaries and associates

The items “Income from investments in subsidiaries” and “Income from investments in associates” in the income statement include the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

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

Notes to the Financial Statements

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with the danish group companies. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life of 10 years, determined on the basis of Management's experience with the individual business areas.

Other intangible fixed assets

Acquired other rights are measured at cost less accumulated depreciation. 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: 5-25 years. Depreciations are started at the time of operation of plant and machinery.

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 contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

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:

Buildings	45-50 years
Plant and machinery	5-25 years
Other fixtures and fittings, tools and equipment	5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments 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, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount. If so, the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Investments in subsidiaries and associates

Investments in subsidiaries and associates are recognised and measured under the equity method.

Notes to the Financial Statements

The items “Investments in subsidiaries” and “Investments in associates” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries and associates is transferred upon distribution of profit to “Reserve for net revaluation under the equity method“ under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries and the associates.

Subsidiaries and associates with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other investments which consist of shares in wind turbine associations registered as interessentskaber (I/S) are measured at the lower of cost and 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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company’s experience from previous years.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions, interests and service contracts.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include obligations related to projected future cost of decommissioning wind turbines. Provisions are measured and recognised based on experience and estimates from a third party expert.

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.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Notes to the Financial Statements

Financial liabilities

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

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

Cash Flow Statement

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand".

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Return on assets	Profit/loss of ordinary primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity