Nord Renewables ApS

Læsøvej 1, DK-8940 Randers SV

Annual Report for 2 March - 31 December 2021

CVR No 42 18 76 15

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 27/4 2022

Erik Abraham
Chairman of the General Meeting

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Management's Statement

The Executive Board has today considered and adopted the Annual Report of Nord Renewables ApS for the financial year 2 March - 31 December 2021.

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 2021 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2021.

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, 27 April 2022

Executive Board

Erik Abraham	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 2021 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 2 March - 31 December 2021 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 2 March - 31 December 2021, 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 Financials 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.

Independent Auditor's Report

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

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group'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 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 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, 27 April 2022
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Mads Meldgaard
State Authorised Public Accountant
mne24826

Rasmus Mellergaard Stenskrog
State Authorised Public Accountant
mne34161

Company Information

The Company	Nord Renewables ApS Læsøvej 1 DK-8940 Randers SV CVR No: 42 18 76 15 Financial period: 2 March - 31 December Incorporated: 2 March 2021 Financial year: 1st financial year Municipality of reg. office: Randers
Executive Board	Erik Abraham Mirco Lother Enis Moran
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Skelagervej 1A DK-9000 Aalborg
Lawyers	Kromann Reumert Rådhuspladsen 3 8000 Aarhus Ret & Råd Østervold 20, 3 8900 Randers
Bankers	Nykredit Tankedraget 25 9000 Aalborg

Financial Highlights

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

	Group
	2021
	TDKK
Key figures	
Profit/loss	
Gross profit/loss	53.838
Profit/loss before financial income and expenses	-41.269
Net financials	-3.207
Net profit/loss for the year	-35.422
Balance sheet	
Balance sheet total	1.635.973
Equity	416.839
Cash flows	
Cash flows from:	
- operating activities	-23.122
- investing activities	-928.288
including investment in property, plant and equipment	-228.310
- financing activities	964.620
Change in cash and cash equivalents for the year	13.210
Number of employees	28
Ratios	
Return on assets	-2,5%
Solvency ratio	25,5%
Return on equity	-17,0%

Management's Review

Key activities

Nord Renewables ApS is an investment company and it's key activity is to own shares in Wind Estate A/S and its subsidiaries.

The Nord Renewables Group is one of Denmark's leading energy companies in producing and selling electricity from wind turbines. The activities of the Group include the entire value chain from design and construction of new wind farms, acquisition of existing wind turbines as well as operation, monitoring service and maintenance of the Group's entire wind turbine portfolio enabling the Group to sell the produced electricity on the Nordpool stock exchange.

Development in the year

In 2021, Nord Renewables ApS purchased all shares in Wind Estate A/S and the underlying entities incl. all activities in the UK.

The year 2021 has been characterized by a low wind year. This has resulted in a lower production in the Companies owned by Nord Renewables ApS and a lower revenue for the entire year.

Further the power prices have risen through the year creating an increased volatility in power prices. In addition, profiling costs has also increased due to the increase in power prices.

The Companies owned by Nord Renewables ApS has not been able to capitalize on the increases in power prices as the production had already been hedged prior to the increases in power prices. Please refer to note 1 for further clarification.

As a result, the consolidated result for the year was approximately DKK - 35,4 million after tax.

The consolidated equity at the end of the year was approximately DKK 416,9 million.

Overall, the financial ratios for the year have developed worse than budgeted due to the reasons mentioned above. Management considers both the consolidated result for the year and the other financial ratios to be unsatisfactory.

Targets and expectations for the year ahead

A similar activity level is expected in the year ahead. Further we expect a normal wind year hence we expect a consolidated loss for the year 2022 in the range of DKK 11 - 15 million.

Risk on power prices

The Group entities have hedged positions on power prices - both financially and physically for various periods and various volumes to accommodate future risk in changes in power prices.

Management's Review

Risk on currency

To avoid currency risks all mortgage and bank debt have been obtained in local currency.

Risk on interest rates

The Group entities have both committed and uncommitted debt facilities. Further part of the debt is based on fixed interest rates whereas other parts are based on variable interest rates.

Research and development

The development activities consist exclusively of the development of new renewable energy facilities.

External environment

The Group entities continuously tries to improve and take the greatest possible account to external environmental conditions.

Intellectual capital resources

The Group entities is dependent on highly skilled human resources. The culture and the working environment of the employees within the Group has enabled us to continuously find talent in the past, present and future.

Subsequent events

The Russian invasion of Ukraine has increased the volatility in the power prices. This could potentially have a negative impact on the hedging positions within the Group. But given that we expect a normal wind year the invasion should not materially impact the assessment of the Annual Report as the Group has the production capacity to accommodate this negative impact of the hedging positions.

Income Statement 2 March - 31 December

	Note	Group 2/3-2021 - 31/12-2021 DKK	Parent company 2/3-2021 - 31/12-2021 DKK
Gross profit/loss		**53.838.433**	**-2.613.122**
Staff expenses	2	-15.671.220	0
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	3	-79.436.073	0
Profit/loss before financial income and expenses		**-41.268.860**	**-2.613.122**
Income from investments in subsidiaries		0	-33.628.161
Income from investments in associates		2.153.074	0
Financial income	4	598.294	0
Financial expenses	5	-5.958.859	-75
Profit/loss before tax		**-44.476.351**	**-36.241.358**
Tax on profit/loss for the year	6	9.054.402	0
Net profit/loss for the year		**-35.421.949**	**-36.241.358**

Balance Sheet 31 December

Assets

	Note	Group 2021 DKK	Parent company 2021 DKK
Acquired other similar rights		477.287.049	0
Goodwill		58.825.147	0
Intangible assets	7	**536.112.196**	**0**
Land and buildings		18.819.196	0
Plant and machinery		932.238.116	0
Other fixtures and fittings, tools and equipment		2.632.623	0
Property, plant and equipment in progress		0	0
Property, plant and equipment	8	**953.689.935**	**0**
Investments in subsidiaries	9	0	415.113.138
Investments in associates	10	29.231.465	0
Other investments	11	5.668.276	0
Other receivables	11	2.631.615	0
Fixed asset investments		**37.531.356**	**415.113.138**
Fixed assets		**1.527.333.487**	**415.113.138**
Trade receivables		51.796.982	0
Other receivables		33.534.232	0
Deferred tax asset	15	7.440.951	0
Prepayments	12	2.656.949	0
Receivables		**95.429.114**	**0**
Cash at bank and in hand		**13.209.936**	**428.273**
Currents assets		**108.639.050**	**428.273**
Assets		**1.635.972.537**	**415.541.411**

Balance Sheet 31 December

Liabilities and equity

	Note	Group 2021 DKK	Parent company 2021 DKK
Share capital	13	42.185	42.185
Reserve for hedging transactions		-250.271.113	0
Reserve for exchange rate conversion		-1.346.602	0
Retained earnings		666.966.941	415.349.226
Equity attributable to shareholders of the Parent Company		**415.391.411**	**415.391.411**
Minority interests		1.447.460	0
Equity		**416.838.871**	**415.391.411**
Provision for deferred tax	15	123.519.372	0
Provisions		**123.519.372**	**0**
Mortgage loans		181.417.673	0
Long-term debt	16	**181.417.673**	**0**
Mortgage loans	16	55.224.829	0
Credit institutions		426.147.744	0
Trade payables		51.788.691	0
Other payables	17	381.035.357	150.000
Short-term debt		**914.196.621**	**150.000**
Debt		**1.095.614.294**	**150.000**
Liabilities and equity		**1.635.972.537**	**415.541.411**

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Statement of Changes in Equity

Group

	Share capital	Share premium account	Reserve for net revaluation under the equity method	Reserve for hedging transactions	Reserve for exchange rate conversion	Retained earnings	Equity excl. minority interests	Minority interests	Total
	DKK	DKK	DKK	DKK	DKK	DKK	DKK	DKK	DKK
Equity at 2 March	0	0	0	0	0	0	0	0	0
Cash payment concerning formation of entity	40.000	0	0	0	0	0	40.000	0	40.000
Cash capital increase	2.185	35.095.766	0	0	0	0	35.097.951	0	35.097.951
Extraordinary dividend paid	0	0	0	0	0	0	0	-10.286.186	-10.286.186
Contribution from group	0	0	0	0	0	668.112.533	668.112.533	0	668.112.533
Exchange adjustments relating to foreign entities	0	0	0	0	-1.346.602	0	-1.346.602	0	-1.346.602
Fair value adjustment of hedging instruments, beginning of year	0	0	0	50.502.847	0	0	50.502.847	0	50.502.847
Fair value adjustment of hedging instruments, end of year	0	0	0	-371.474.946	0	0	-371.474.946	-3.337.115	-374.812.061
Tax on adjustment of hedging instruments for the year	0	0	0	70.700.986	0	0	70.700.986	734.165	71.435.151
Other equity movements	0	0	0	0	0	0	0	13.517.187	13.517.187
Net profit/loss for the year	0	0	0	0	0	-36.241.358	-36.241.358	819.409	-35.421.949
Transfer from share premium account	0	-35.095.766	0	0	0	35.095.766	0	0	0
Equity at 31 December	**42.185**	**0**	**0**	**-250.271.113**	**-1.346.602**	**666.966.941**	**415.391.411**	**1.447.460**	**416.838.871**

Statement of Changes in Equity

Parent company

	Share capital	Share premium account	Reserve for net revaluation under the equity method	Reserve for hedging transactions	Reserve for exchange rate conversion	Retained earnings	Equity excl. minority interests	Minority interests	Total
	DKK	DKK	DKK	DKK	DKK	DKK	DKK	DKK	DKK
Equity at 2 March	0	0	0	0	0	0	0	0	0
Cash payment concerning formation of entity	40.000	0	0	0	0	0	40.000	0	40.000
Cash capital increase	2.185	35.095.766	0	0	0	0	35.097.951	0	35.097.951
Contribution from group	0	0	0	0	0	668.112.533	668.112.533	0	668.112.533
Exchange adjustments relating to foreign entities	0	0	-1.346.602	0	0	0	-1.346.602	0	-1.346.602
Fair value adjustment of hedging instruments, beginning of year	0	0	50.502.847	0	0	0	50.502.847	0	50.502.847
Fair value adjustment of hedging instruments, end of year	0	0	-371.474.946	0	0	0	-371.474.946	0	-371.474.946
Tax on adjustment of hedging instruments for the year	0	0	70.700.986	0	0	0	70.700.986	0	70.700.986
Net profit/loss for the year	0	0	251.617.715	0	0	-287.859.073	-36.241.358	0	-36.241.358
Transfer from share premium account	0	-35.095.766	0	0	0	35.095.766	0	0	0
Equity at 31 December	**42.185**	**0**	**0**	**0**	**0**	**415.349.226**	**415.391.411**	**0**	**415.391.411**

Cash Flow Statement 2 March - 31 December

	Note	Group 2/3-2021 - 31/12-2021 DKK
Net profit/loss for the year		-35.421.949
Adjustments	18	68.725.274
Change in working capital	19	-51.064.642
Cash flows from operating activities before financial income and expenses		**-17.761.317**
Financial income		598.293
Financial expenses		-5.958.860
Cash flows from operating activities		**-23.121.884**
Purchase of intangible assets		-38.905.770
Purchase of property, plant and equipment		-228.309.884
Fixed asset investments made etc		-216.994
Sale of property, plant and equipment		129.202
Business acquisition		-666.780.091
Dividends received from associates		5.795.836
Cash flows from investing activities		**-928.287.701**
Net raising of mortgage loans		99.370.438
Net raising of loans from credit institutions		172.284.785
Contribution from group		668.112.533
Cash capital increase		35.137.951
Dividend paid		-10.286.186
Cash flows from financing activities		**964.619.521**
Change in cash and cash equivalents		**13.209.936**
Cash and cash equivalents at 2 March		0
Cash and cash equivalents at 31 December		**13.209.936**
Cash and cash equivalents are specified as follows:		
Cash at bank and in hand		13.209.936
Cash and cash equivalents at 31 December		**13.209.936**

Notes to the Financial Statements

1 Going concern

The Group has realized a loss of TDKK 35.422 in 2021 and equity amounts to TDKK 416.839 at 31 December 2021.

The equity is significantly affected due to the loss and due to a negative regulation on fixed price financial hedge agreements of TDKK 372.322 before tax.

The loss for the year of TDKK 35.422 can mainly be explained by low wind and increases in profiling costs. The negative regulation on fixed price financial hedge agreements of TDKK 290.411 after tax can be explained by the increasing prices on electricity especially at the end of 2021.

The fixed price financial hedge agreements have a remaining term up to 48 months and the fair value of the agreements amounts to TDKK 372.322 before tax at 31 December 2021 of which TDKK 191.508 relates to 2022 not including Tagmark Vindselskab ApS (non-material).

The group has the financing in place for the coming year and is budgeting with a loss in the range TDKK 11.000 - TDKK 15.000.

2 Staff expenses

	Group	Parent company
	2/3-2021 - 31/12-2021	2/3-2021 - 31/12-2021
	DKK	DKK
Wages and salaries	15.007.916	0
Pensions	300.862	0
Other social security expenses	362.442	0
	15.671.220	**0**
Average number of employees	**28**	**0**

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

Notes to the Financial Statements

	Group	Parent company
	2/3-2021 - 31/12-2021	2/3-2021 - 31/12-2021
	DKK	DKK
3 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		
Amortisation of intangible assets	6.346.563	0
Depreciation of property, plant and equipment	73.089.510	0
	79.436.073	**0**

	Group	Parent company
4 Financial income		
Income from fixed asset investments	431.667	0
Other financial income	131.240	0
Exchange adjustments	35.387	0
	598.294	**0**

	Group	Parent company
5 Financial expenses		
Other financial expenses	5.958.859	0
Exchange adjustments, expenses	0	75
	5.958.859	**75**

	Group	Parent company
6 Tax on profit/loss for the year		
Current tax for the year	1.805.751	0
Deferred tax for the year	-82.295.304	0
	-80.489.553	**0**
which breaks down as follows:		
Tax on profit/loss for the year	-9.054.402	0
Tax on changes in equity	-71.435.151	0
	-80.489.553	**0**

Notes to the Financial Statements

7 Intangible assets

Group

	Acquired other similar rights	Goodwill
	DKK	DKK
Cost at 2 March	0	0
Net effect from merger and acquisition	37.526.242	0
Additions for the year	425.001.750	63.449.110
Transfers for the year	37.404.020	0
Cost at 31 December	499.932.012	63.449.110
Impairment losses and amortisation at 2 March	0	0
Net effect from merger and acquisition	20.922.363	0
Amortisation for the year	1.722.600	4.623.963
Impairment losses and amortisation at 31 December	22.644.963	4.623.963
Carrying amount at 31 December	**477.287.049**	**58.825.147**
Amortised over	5-25 years	10 years

Notes to the Financial Statements

8 Property, plant and equipment

Group

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress
	DKK	DKK	DKK	DKK
Cost at 2 March	0	0	0	0
Net effect from merger and acquisition	22.347.186	1.177.505.512	9.383.852	75.253.801
Additions for the year	0	191.670.618	538.239	226.998.561
Disposals for the year	0	-2.238.000	-284.773	0
Transfers for the year	0	264.848.342	0	-302.252.362
Cost at 31 December	22.347.186	1.631.786.472	9.637.318	0
Impairment losses and depreciation at 2 March	0	0	0	0
Net effect from merger and acquisition	3.248.968	628.929.754	6.630.354	0
Depreciation for the year	279.022	72.856.602	529.912	0
Reversal of impairment and depreciation of sold assets	0	-2.238.000	-155.571	0
Impairment losses and depreciation at 31 December	3.527.990	699.548.356	7.004.695	0
Carrying amount at 31 December	**18.819.196**	**932.238.116**	**2.632.623**	**0**
Depreciated over	45-50 years	5-25 years	5 years	
Interest expenses recognised as part of cost	0	7.003.270	0	0

Notes to the Financial Statements

	Parent company
	2021
	DKK

9 Investments in subsidiaries

Cost at 2 March	0
Additions for the year	700.359.014
Cost at 31 December	700.359.014
Value adjustments at 2 March	0
Exchange adjustment	-1.346.602
Net profit/loss for the year	-16.881.576
Fair value adjustment of hedging instruments for the year	-250.271.113
Amortisation of goodwill	-16.746.585
Value adjustments at 31 December	-285.245.876
Carrying amount at 31 December	**415.113.138**
Positive differences arising on initial measurement of subsidiaries at net asset value	513.504.051
Remaining positive difference included in the above carrying amount at 31 December	496.757.466

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
Wind Estate A/S	Randers	1.000.000	100%
Wind Estate Hellas ApS	Randers	50.000	100%
Tagmark Vindselskab ApS	Aarhus	1.108.300	59%
Wind Estate UK ApS	Randers	50.000	100%
Wind Estate (UK) Limited	Harrogate, UK	GBP 1	100%
Watson Head Wind Farm Limited	Harrogate, UK	GBP 1	100%

Notes to the Financial Statements

10 Investments in associates

	Group	Parent company
	2021	2021
	DKK	DKK
Cost at 2 March	0	0
Net effect from merger and acquisition	28.147.981	0
Additions for the year	26.400	0
Cost at 31 December	28.174.381	0
Value adjustments at 2 March	0	0
Net effect from merger and acquisition	3.615.809	0
Net profit/loss for the year	3.237.111	0
Dividends received	-5.795.836	0
Value adjustments at 31 December	1.057.084	0
Carrying amount at 31 December	**29.231.465**	**0**

Investments in associates are specified as follows:

Name	Place of registered office	Votes and ownership
Høgsted Vindkraft I/S	Hjørring	70%
Vester Barde Vindkraft I/S	Ringkjøbing-Skjern	30%
Assing Vindkraft I/S	Herning	29%
Abildå Vindkraft I/S	Herning	22%
Krusbjerg Vindkraft I/S	Herning	47%

11 Other fixed asset investments

	Group	
	Other investments	Other receiv-ables
	DKK	DKK
Cost at 2 March	0	0
Net effect from merger and acquisition	5.608.922	2.500.375
Additions for the year	59.354	131.240
Cost at 31 December	5.668.276	2.631.615
Carrying amount at 31 December	**5.668.276**	**2.631.615**

Notes to the Financial Statements

12 Prepayments

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

13 Share capital

The share capital is broken down as follow:

	Number
A-shares	40.000
B-shares	2.105
C-shares	80

	Group	Parent company
	2/3-2021 - 31/12-2021	2/3-2021 - 31/12-2021
	DKK	DKK
14 Distribution of profit		
Reserve for net revaluation under the equity method	0	251.617.715
Minority interests' share of net profit/loss of subsidiaries	819.409	0
Retained earnings	-36.241.358	-287.859.073
	-35.421.949	**-36.241.358**

		Group	Parent company
		2021	2021
		DKK	DKK
15	**Provision for deferred tax**		
	Provision for deferred tax at 2 March	0	0
	Amounts recognised in the income statement for the year	10.860.153	0
	Amounts recognised in equity for the year including net effect from merger and acquisition	105.218.268	0
	Provision for deferred tax at 31 December	**116.078.421**	**0**

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 less loss on financial instruments.

16 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

	Group 2021 DKK	Parent company 2021 DKK
After 5 years	67.549.265	0
Between 1 and 5 years	113.868.408	0
Long-term part	181.417.673	0
Within 1 year	55.224.829	0
	236.642.502	**0**

Notes to the Financial Statements

17 Derivative financial instruments

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

	Group	Parent company
	2021	2021
	DKK	DKK
Liabilities	374.812.061	0

Interest rate swap agreements have been entered to hedge future interest payments on variable-rate loans. The agreements have a remaining term of 21 months. The agreements with total principal TDKK 100.000 includes the exchange of interest CITA 6M with fixed interests. The fair value of the agreement at the balance sheet date amounts to TDKK -2.490.

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 48 months. The fair value of the agreements at the balance sheet date amounts to TDKK -372.322 of which TDKK -191.508 relates to 2022.

Notes to the Financial Statements

	Group
	2/3-2021 - 31/12-2021
	DKK

18 Cash flow statement - adjustments

Financial income	-598.294
Financial expenses	5.958.859
Depreciation, amortisation and impairment losses, including losses and gains on sales	80.012.099
Income from investments in associates	-3.237.111
Tax on profit/loss for the year	-9.054.402
Other adjustments	-4.355.877
	68.725.274

19 Cash flow statement - change in working capital

Change in receivables	-63.058.799
Change in trade payables, etc	11.994.157
	-51.064.642

Notes to the Financial Statements

	Group	Parent company
	2021	2021
	DKK	DKK
20 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 an accounting value of	18.819.196	0

As security for balances with mortgage credit institutions and credit institutions with a residual debt of TDKK 264.053, a mortgage (mortgage deeds) of TDKK 469.005 has been pledged with security in wind turbines.

As security for balances with credit institutions, a mortgage (indemnity letters) of TDKK 46.100 has been pledged with security in wind turbines.

Credit institutions have provided payment guarantees of TDKK 4.256.

Deposits with credit institutions are incl. TDKK 1.609 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. and Watson Head Wind Farm Limited.

Other contingent liabilities

The group has service contracts with service providers valid between 10-15 years from the start date. The obligation amounts to TDKK 44.295 at 31 December 2021.

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.

Notes to the Financial Statements

21 Subsequent events

The Russian invasion of Ukraine has increased the volatility in the power prices. This could potentially have a negative impact on the hedging positions within the Group. But given that we expect a normal wind year the invasion should not materially impact the assessment of the Annual Report as the Group has the production capacity to accommodate this negative impact of the hedging positions.

22 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

23 Accounting Policies

The Annual Report of Nord Renewables ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The Consolidated and Parent Company Financial Statements for 2021 are presented in DKK.

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.

Notes to the Financial Statements

23 Accounting Policies (continued)

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. Amortisation of goodwill is allocated in the Consolidated Financial Statements to the operations to which goodwill is related. 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 acquisition 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

Notes to the Financial Statements

23 Accounting Policies (continued)

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, see below.

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 retained earnings 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.

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.

Notes to the Financial Statements

23 Accounting Policies (continued)

Expenses for raw materials and consumables

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

Other external expenses

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

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, 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 onaccount taxation scheme.

Notes to the Financial Statements

23 Accounting Policies (continued)

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.

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

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

Balance Sheet

Intangible assets

Acquired other similar rights

Acquired 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.

Goodwill

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

Property, plant and equipment

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

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

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction.

Notes to the Financial Statements

23 Accounting Policies (continued)

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

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

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

If so, 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.

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 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.

Notes to the Financial Statements

23 Accounting Policies (continued)

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 receivables

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

Other investments

Other investments which consist of shares in wind turbine associations registered as interessentselskaber 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.

Equity

Dividend

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

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Notes to the Financial Statements

23 Accounting Policies (continued)

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.

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.

Financial debts

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.

Notes to the Financial Statements

23 Accounting Policies (continued)

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