By 9M 2023

Business update

December 6, 2023

EUROPEAN ENERGY

Agenda

1. 9M 2023 Highlights
2. Update on business and trends
3. Financials
4. Q&A

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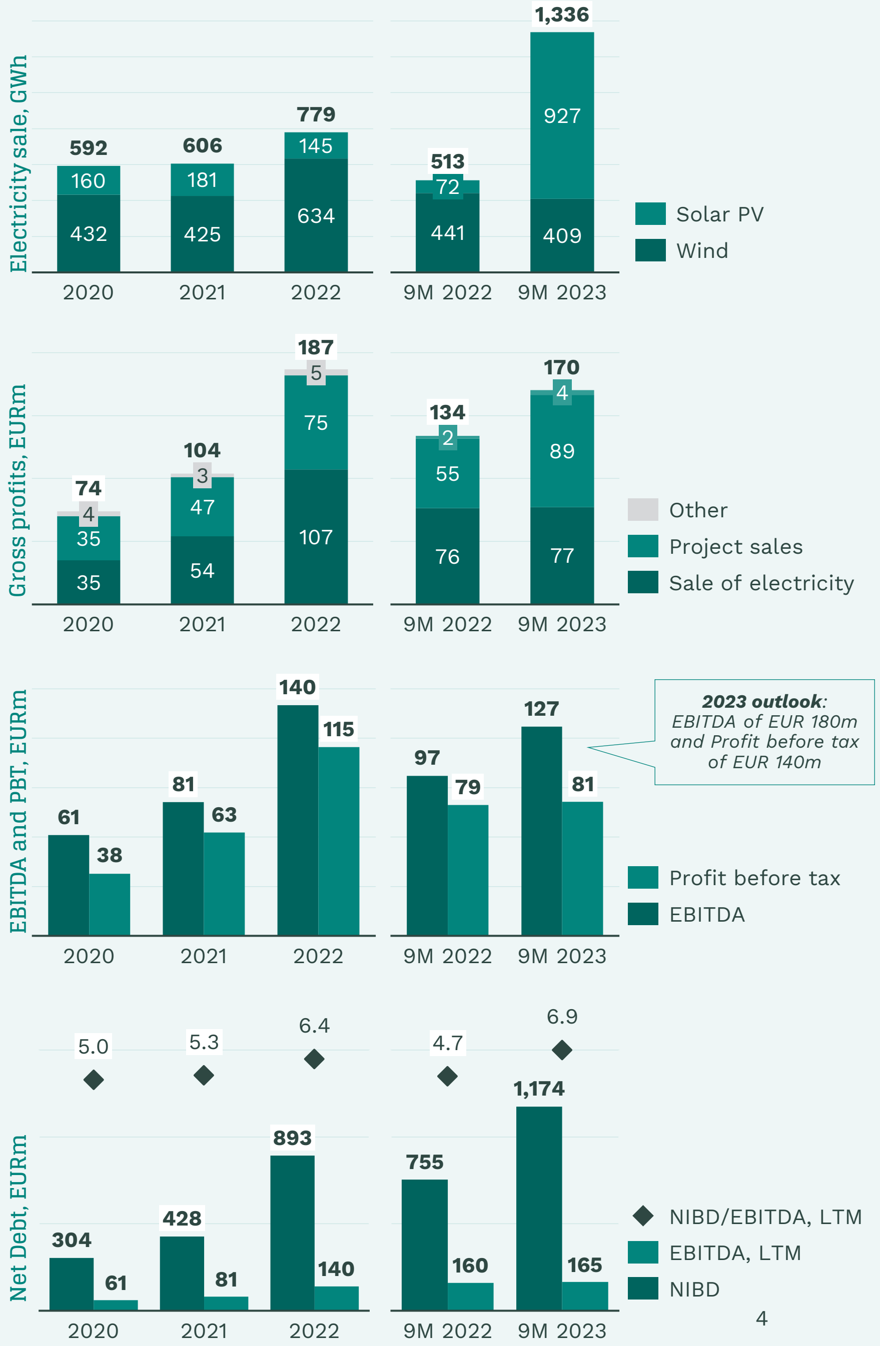
9M 2023 Highlights

Wind,
Telšiai,
Lithuania
120 MW

Strong 9M results on the back of pick-up in project sales in Q3

- **Record high EBITDA in Q3 of EUR 78m** resulting in 9M EBITDA of EUR 127m close to full-year 2022 EBITDA. The increase in EBITDA in Q3 is mainly driven by pick-up in projects sales in particular the 49% sale of Kassø Solar park / P2X plant to Mitsui Ltd.
- **Record Electricity Generation:** A more than twofold increase in electricity generation, achieving 1,336 GWh in 9M 2023, a reflection of substantial increase in operating assets compared with the same period in 2022
- **Power Sales Growth:** Power sales saw a 11% increase in 9M 2023, with revenues exceeding EUR 82m, because of much lower realized power prices but also a lower price volatility environment compared with 9M 2022
- **Group LTM EBITDA to net debt** has come down to 6.9x, at level with end of 2022 and within the normal targeted leverage range
- **Profitable Power-to-X Projects:** Demonstrated through the profitable farm down of the world's largest e-methanol project in Kassø to Mitsui and securing over DKK 1 billion from Danish green hydrogen price premium tenders, ensuring significant revenue for the next decade
- **2023 Financial Outlook**: we maintain our outlook i.e. a 2023 EBITDA of EUR 180m and a profit before tax of EUR 140m with a risk margin of +/- 20%
- **Valuable Project Pipeline:** The company maintains a large and ambitious project pipeline, estimated at approximately 60 GW, with 36 GW already in the advanced stages of development



Main events in first half of 2023

Q1

- Received permits of 412 MW across UK, Italy and Lithuania
- Reached 1 GW of capacity in owned operating assets
- Joined forces with the Republic of Korea's largest shipping company HMM to secure future methanol supply
- Opening of an office in Texas
- Signed a PPA with Asahi Europe & International to offtake power from a new-to-be-built Marksbury Solar Farm, 19 MW, in England
- Groundbreaking ceremony at Power-to-X test facility in Måde, Esbjerg

Q2

- European Energy signs offtake agreement with the LEGO Group and Novo Nordisk on e-methanol
- Vårgrønn and EE partner up on Baltic offshore development
- EE North America sells 350 MW ready-to-build solar project in Texas to Osaka Gas USA
- European Energy obtains building permit for biggest solar farm in Italy
- Groundbreaking ceremony of the Kassø Power-to-X facility, as well as the official opening of Kassø Solar Farm in Denmark
- European Energy signs MoU on eSAF with Metafuels

Main events in Q3 of 2023

Q3

- European Energy and Mitsui sign share purchase agreement regarding 49% of Kassø Solar Park and the Kassø Power-to-X facility in Denmark
- EE North America enters strategic sourcing agreement with Montauk Renewables granting EE an option to purchase biogenic CO_2 for production of green e-fuels
- Closing of Mitsui's 49% acquisition of Kassø Solar Park and the Kassø Power-to-X facility completed
- TotalEnergies and European Energy agree on the intention to develop, build and operate in a 65/35 joint venture at least 4 GW of onshore renewable energy projects in multiple geographies

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Update on business and trends

Construction site of Kassø e-methanol facility

Global Reach, Local Impact: European Energy's Expansion Across 28 Countries:

– We are screening for projects in 28 countries (mainly OECD) and we have actual development in 21 countries and is currently constructing in in 9 countries

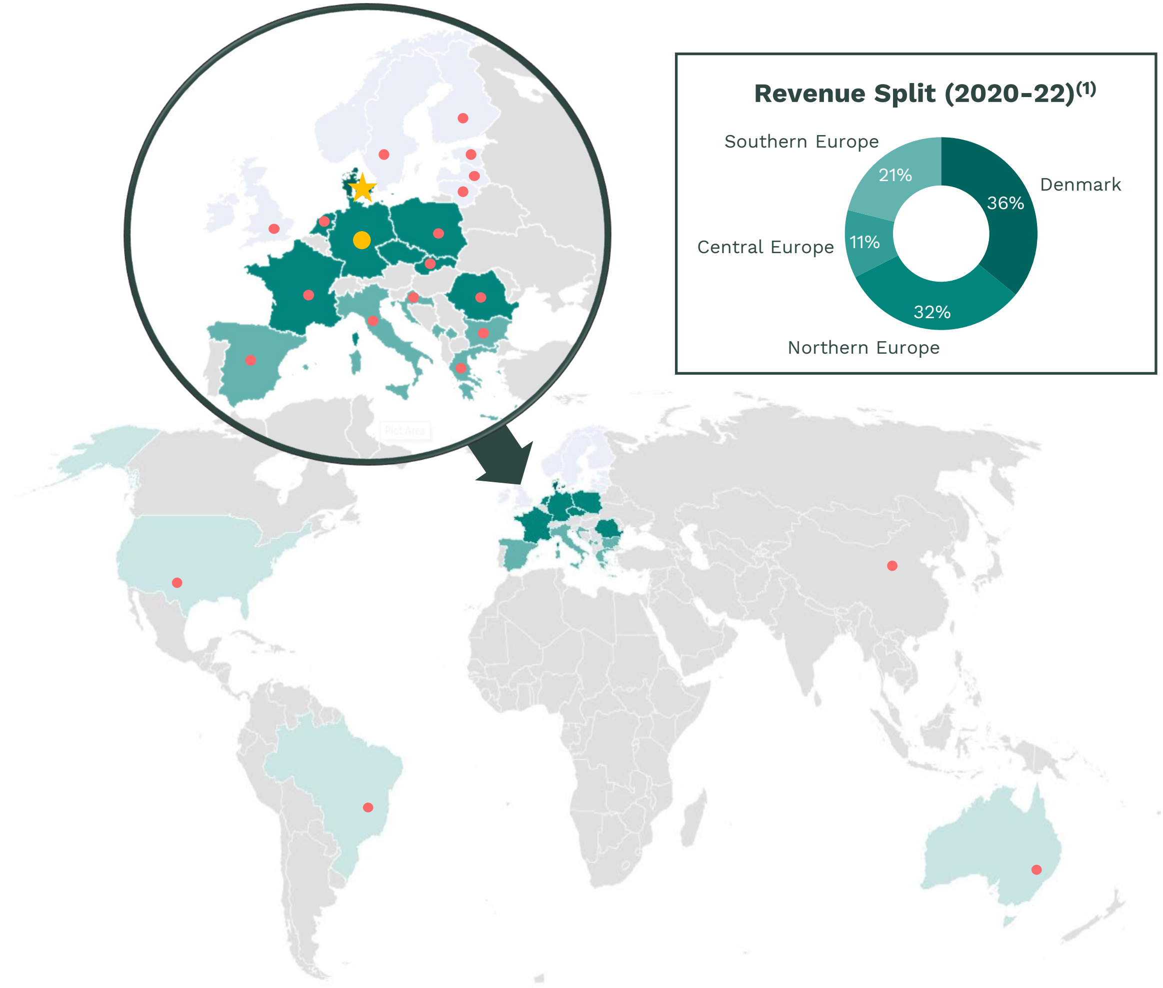
28 Countries where we screen

21 Countries with developing activities

9 Countries with projects under construction

12 Countries with operating assets

Home Market	Developing	Constructing	Operating	Offices
Denmark	■	■	■	4
Northern Europe				
Estonia	■			1
Finland	■			
Latvia	■			1
Lithuania	■	■	■	1
Sweden	■	■	■	1
UK	■	■	■	1
Central Europe				
Czech Republic	■			
France	■			
Germany	■	■	■	3
Netherlands	■	■	■	1
Poland	■	■	■	1
Romania	■			1
Southern Europe				
Bulgaria	■		■	1
Croatia				1
Greece	■			1
Italy	■	■	■	
Montenegro	■			1
Spain	■		■	
Rest of the World				
Australia	■			1
Brazil	■	■	■	1
China	Equipment sourcing hub			1
USA	■			1



★ Headquarter in Søborg

● Multiple Local Offices (Only Germany)

● One Local Office (16 in total)

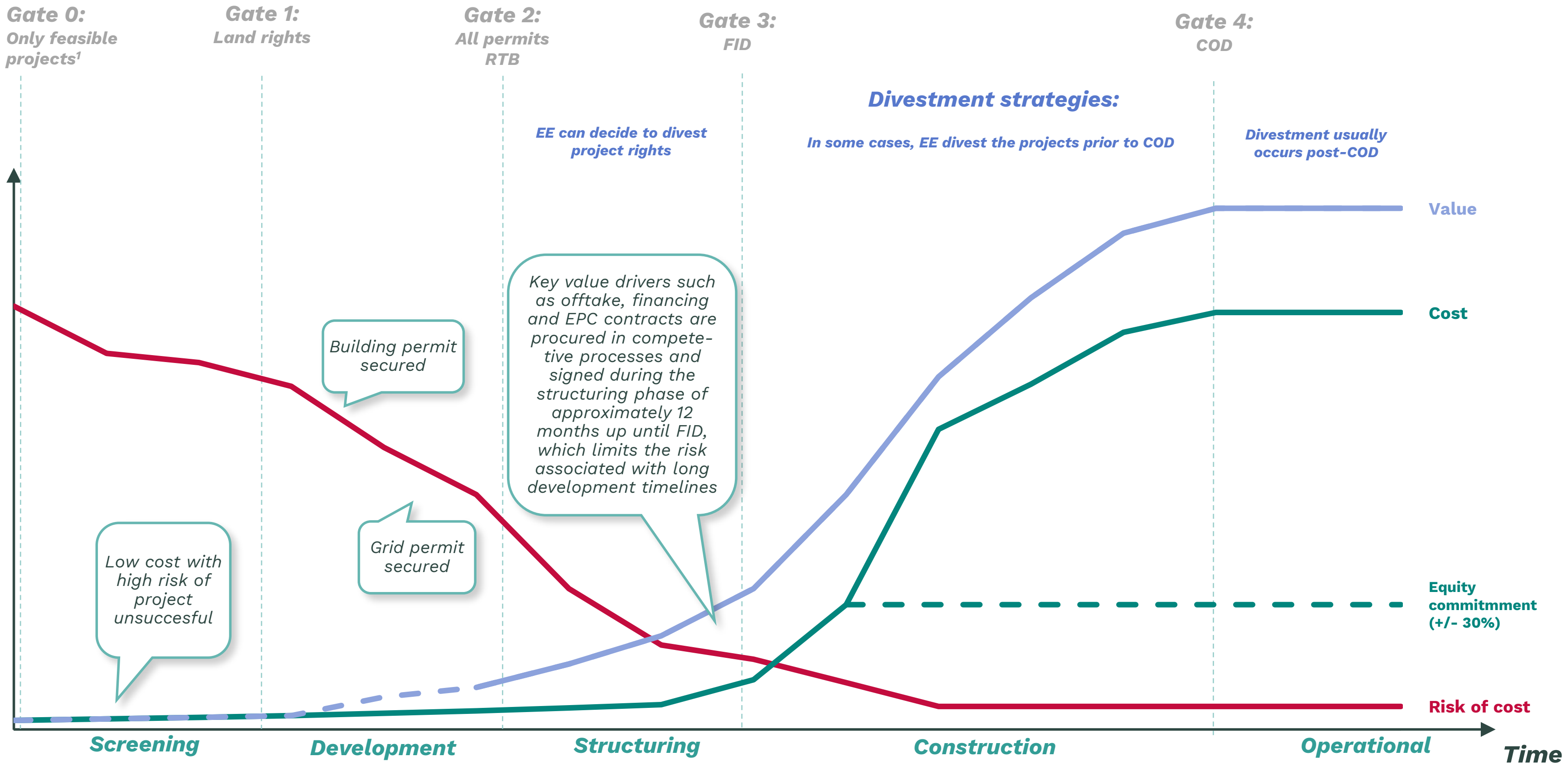
Note (1) : Calculated as the ratio of the summed market revenue to the summed total revenue for fiscal years 2020-2022

European Energy business Model is based on controlled de-risking throughout development phases and no material financial commitments taken until FID

Projects are significantly de-risked after Gate 2 and EE has never incurred losses on a project that has passed FID

Illustrative investment and risk across project phases

- Our business model is based on extensive de-risking before undertaking significant capital commitments after Final Investment Decision (FID), but also benefiting from a relatively short time from the ready-to-build stage to the Commercial Operation Date (COD), which is less than three years
- Projects at the FID stage have:
  - All land rights and permits secured,
  - Fixed-price supply contracts for major components,
  - Offtake secured through Power Purchase Agreements (PPA), Feed-in Tariffs (FIT), etc.,
  - Financing in place
- We have multiple divestment options available ranging from the sale of project rights, forward sales, partnerships to the sale of operating projects. This provides flexibility in sizing overall construction capex as well as funding from farms downs.



Competitive edge through local presence and in-house project screening and evaluation tools

Strong competitive edge through secured land rights

No significant competition with all permits secured

Only supplier and construction risks remain usually only resulting in time delays and smaller cost overruns

Project de-risked from development and construction risks – only operational risks remain

Note 1 on Screening: E.g. fits to EE GIS screening criteria, fits the municipalities expansion plans, constructive dialogue with landowner

Growing and very valuable project pipeline – focused on mid-size projects with significant diversification across technologies and jurisdictions

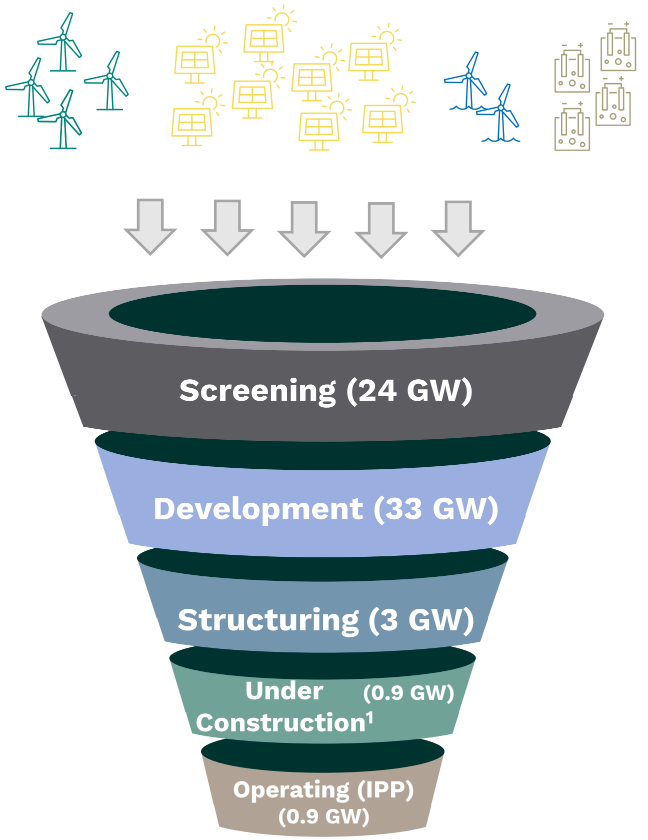
Ever increasing pipeline with lot of hidden value:

- European Energy continues to expand its pipeline, which now exceeds 60 GW. Furthermore, the quality of the pipeline is enhancing with a late-stage development pipeline now totaling 36 GW
- Our pipeline has grown 3.7 times since 2020
- Pipeline is recorded at lower of cost or market value – with historical and expected sales margins on development and construction in mind, we have significant value not reflected in company equity.

Portfolio diversification and prudent track record:

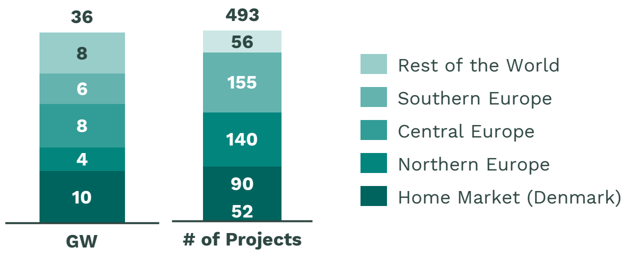
- A vast array of onshore wind and solar projects with shorter construction timelines across multiple markets, minimizes the exposure to single project, changing industry dynamics and industry bottlenecks and enables dynamic capital allocation. The result is no loss on divestments ever.

European Energy's funnel model

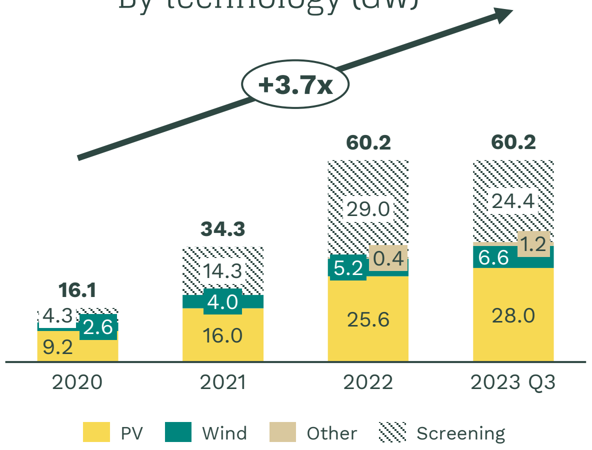


Development pipeline[2]

By region



By technology (GW)



Note (1) : In Q3 2023, the construction category amounts to 0.9 GW. However, we moved 0.2 GW to our IPP portfolio since these assets are producing electricity and the constructions are about to be finalised.

Note (2) : Our development pipeline consist of development (33 GW) and Structuring (3 GW).

We have not included offshore tenders in our pipeline, as we would typically only have a minority stake in these projects and the likelihood of success is low.

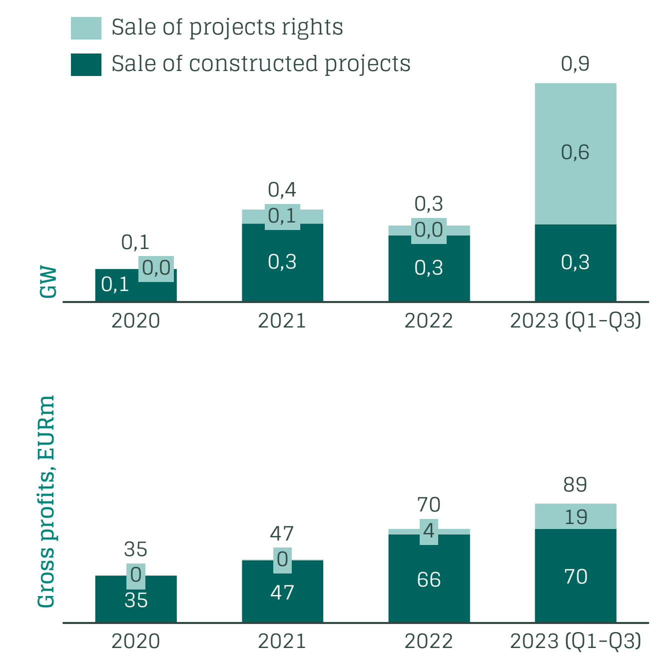
We have a large pool of "ready to build" to operating assets that can be divested… …providing significant financial flexibility

European Energy can execute divestments from our substantial divestment portfolio of more than 4 GW across more than 100 projects, spanning the last three stages of development:

1. **Projects in Structuring (2.5 GW):** European Energy has around 2.5 GW across 31 projects at this stage. Here, the company finalizes the development and decides whether to proceed with construction or to divest. Given the size of the pipeline and the maturing market for project rights, projects in this phase carry significant value.

2. **Projects in Construction (0.9 GW)**: European Energy is currently constructing approximately 0.9 GW of projects across 23 projects. These projects, spread across 9 countries, demonstrate the company's extensive geographic reach and its diverse project management capabilities.

3. **Operational Projects (0.9 GW):** The operational segment includes about 0.9 GW across 84 projects. These operational assets are the culmination of European Energy's development and construction efforts, and they are now generating sale of energy.



	2020	2021	2022	2023 (Q1-Q3)
# Total sales	5	6	6	7
# of which is project rights	0	1	1	6

Record high profit on divestments

- In the first 9 months of 2023, European Energy has obtained a gross profit of EUR 89m.
- Throughout 2023, we have divested several project rights as the markets for this have matured significantly, yielding attractive developer profits.

European Energy is leading the Innovation within the industry

- **Innovative PTX ventures:**
  - European Energy is a pioneer currently constructing the world's largest e-methanol plant
  - The Q3 2023 divestment of Kassø P2X underscores the profitability of PTX ventures, with significant positive valuation spillover effects on the overall renewable pipeline.
  - The significance of Power-to-X as a future value creator for European Energy was recently demonstrated in the Danish green hydrogen price premium tenders. After the end of Q3, European Energy secured over DKK 1 billion out of the total DKK 1.25 billion tendered, which will be paid out during the first decade of production.

- **Leading initiatives within the industry:**
  - **Agri-PV:** European Energy is collaborating on a Danish research initiative to evaluate Agri-PV systems, combining agriculture with solar energy production.
  - **Risø test facility**: European Energy has inaugurated a test center at DTU Risø Campus to investigate optimal conditions for bifacial solar cells, which harness solar energy from both sides, with DTU researchers aiming to make solar power more competitive
  - **Focused Battery Initiative**: An internal working group of over 30 experts dedicated to optimizing our general renewable project profitability.

Mærsk's first e-methanol ship with e-methanol delivered by European Energy

Advanced construction PTX site in Kassø (DK)

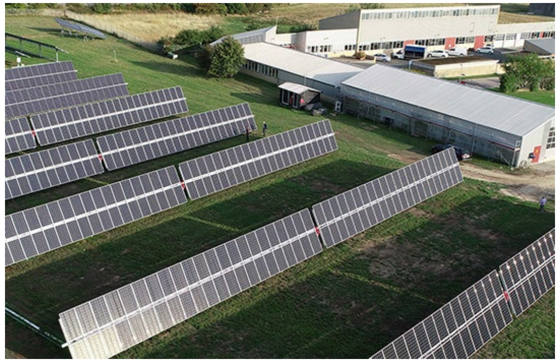


Illustration of our Agri PV concept

Our test facility which we own together with the Danish Technical University (DTU)

Power-to-X,
Kassø, Denmark
32k tonnes/year
E-methanol

Building the world's largest e-Methanol plant

- The Kassø e-Methanol plant will be the world's largest e-methanol plant when the onfgoing construction is completed 2024
- It is supplied with electricity from Kassø Solar Park (304 MW) – the largest solar park in Northern Europe
- Annual production: 32.000 – 40.000 tonnes e-methanol
- Offtake agreements have already been made with key industry players, who will use it for sustainable plastics and fuels:

MAERSK LEGO novo nordisk CIRCLE K

Partnership with Mitsui & Co.

- In Q3 2023, we closed an agreement with Mitsui & Co., who took 49% co-ownership of both Kassø Solar Park and the Kassø Power-to-X plant

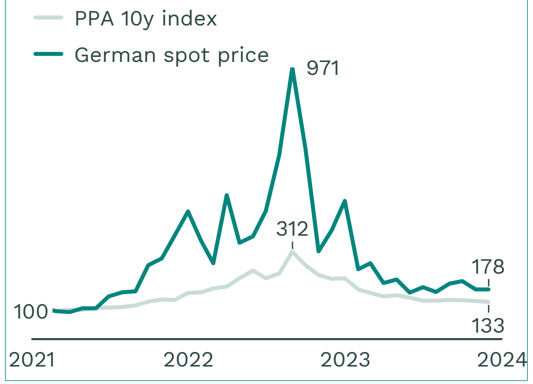
MITSUI & CO.

Since late 2021, we have experienced significant volatility and changes in key parameters introducing risk to investment decision making – we continue to find the renewable business case intact

+ Increase in average PPAs and power spot prices

- Average German spot prices and 10y PPA prices rapidly increased from late 2021 and peaked in August 2022. Since then, volatility has come down and pricing has stabilized but still at a higher level than late 2021
- Corporate PPA markets temporarily came to a standstill in late 2022 due to large differences in buyers and sellers' PPA price expectations and the regulatory risk imposed by windfall taxes, however PPA market is now open again

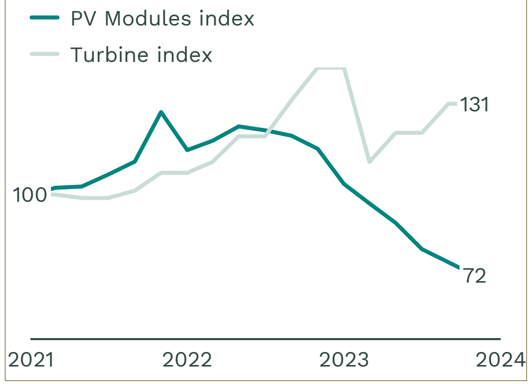
10y PPA & German spot prices[1]



+ Average lower capex prices on key components

- Prices on key components of Solar and Wind projects has changed a lot since early 2021
- For Solar projects, the PV Module price has - after a sharp increase during covid - decreased rapidly, primarily due to an increase in supply from Chinese suppliers, resulting in all-time low prices, benefitting our Solar skewed pipeline going forward
- Turbine cost increases have however not reversed as manufacturers attempt to regain profitability

Modules & Turbine pricing[2]

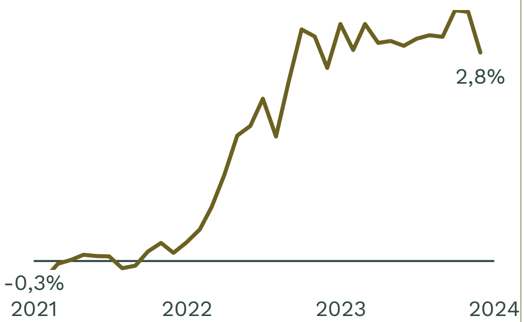


÷ Increase in interest rates

- Cost of capital for lenders and investors has increased significant since 2022, negatively impacting the renewable business case
- There is consensus in the market that the interest rates have peaked, and currently markets expect central banks to cut rates beginning of 2024
- The effect of higher costs of capital is now fully reflected in private markets

EUR 10y swap rates[3]

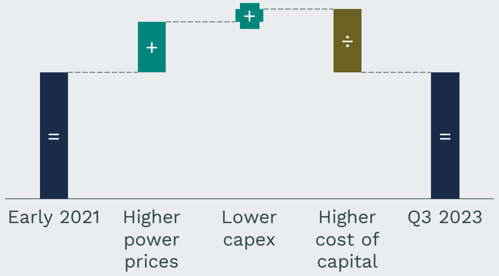
Actual %



= The renewable business case remains intact

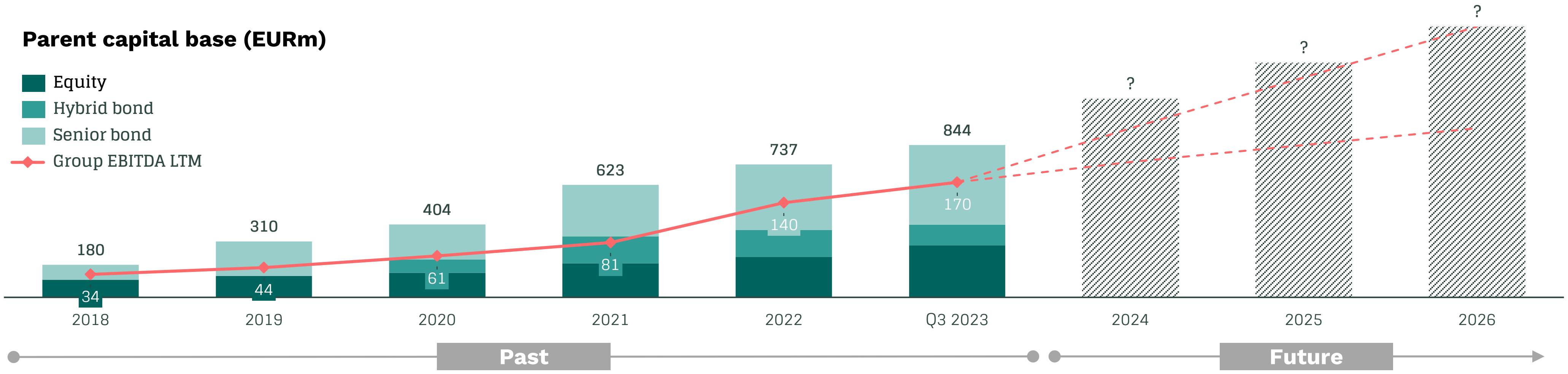
- European Energy's average gross profit margin of ~20% across Wind and Solar sales remains unchanged compared to early '21 and is expected to remain so
- During 2nd half of 2022, sales of renewable energy farms slowed down due to high volatility in especially power prices, regulatory uncertainties and effects from increasing interest rates. During 2023 volatility, power prices and interest rates have stabilized facilitating a gradual normalization of the M&A activity

Illustrative Enterprise Value of a renewable project



Notes: 1) Pexaparks & Eikon Thomson Reuters 2) Index based on public turbine pricing of major turbine suppliers 3) Eikon Thomson Reuters

Additional or new scalable funding is targeted to continue growing parent capital base and financial results of European Energy.



Funding strategy 2018-2023

- European Energy has since inception in 2004 funded all growth with initial equity, accumulated earnings and debt raised with comfort from this equity cushion.
- In 2014, European Energy issued its first Senior Bond of EUR 45m in the unrated Nordic high yield market. Since then, the bond program has grown significantly and in 2020 a Hybrid bond was added to the funding mix providing subordinated debt / quasi equity.
- The annual incremental capital needed in the parent company is determined by the incremental growth in assets under construction and power producing assets as well as spend related to development pipeline.
- The increasing earnings of European Energy experienced over the last several years and the scalability of our capital structure have enabled us to fund the significant growth in 1) assets under construction, 2) power producing assets and 3) development pipeline.
- End of Q3 2023, the total outstanding bond program in the unrated Nordic high yield market was EUR 565m which together with the equity amounted to a parent capital base of EUR 844m.

Funding strategy 2023-2026

- The current outstanding unrated Nordic HY bond program of EUR 565m provides limited untapped potential going forward
- To support the future growth of European Energy, the parent capital base must be further upscaled, entailing that additional or new scalable funding needs to be identified e.g.
  - Identify and tap European investor pockets investing in unrated issuers
  - Obtain credit rating to tap EUR/Nordic investors investing in rated issuers
  - Raise primary equity

EUROPEAN ENERGY

3
Financials

Palo, Italy
18 MW

Profit and loss and cash flow

Revenues amounted to EUR 285m at 9M 2023, down 19% compared to 9M 2022 due to lower sales of energy farms and projects

- **Revenue from sales of energy farms and projects** at 9M 2023 was EUR 198m down from EUR 258m at 9M 2022. Capacity of project sold at 9M 2023 totals 854 MW of which 550 MW was ready-to-build
- **Power sales** have increased from EUR 75m at 9M 2022 to EUR 83m at 9M 2023, or 11%. The increase was mainly due to a higher production (from significant larger asset base) counterbalanced by lower power capture prices

Gross profit in 9M 2023 amounted to EUR 170m, compared to EUR 134m for 9M 2022, an increase of EUR 37m or 28%. This increase mainly relates to sales of energy parks and projects and includes re-evaluation income from European Energy's remaining share in Kassø following the partial sale to and partnership with Mitsui & Co. Ltd.

EBITDA amounted to EUR 127m at 9M 2023, up 36% compared to 9M 2022. The increase was driven by a higher gross profit, only marginally offset by higher operating costs due to higher activity levels.

Profit before tax increased from EUR 79m in 9M 2022 to EUR 81m at 9M 2023 due to increase in EBITDA partly offset by higher depreciations and net financial expenses

Operating cash flow before changes in inventories of EUR 41m at 9M 2023 down from EUR 76m at 9M 2022, due mainly to lower profits from sale energy farms and projects. Increase in inventories was EUR 358m reflecting the ongoing high construction activity and low divestment activity in the period

Financing activities of the period was an inflow of EUR 290m, driven by issue of both senior bonds and net proceeds from project financing partly offset by a net redemption of hybrid capital during the period

The **cash position** remained strong at EUR 174m at end of Q3 2023 (Q3 2022: EUR 120m)

Profit and loss

EURm	2021	2022	9M 2022	9M 2023
Revenues	**329**	**438**	**338**	**285**
Sale of energy farms and projects	268	325	258	198
Power sales	55	106	75	83
Asset management, other fees and elim.	5	7	5	4
Gross profit	**105**	**187**	**134**	**170**
Sale of energy farms and projects	47	74	55	89
Power sales	54	107	76	77
Asset management, other fees and elim.	3	5	3	4
EBITDA	**81**	**140**	**97**	**127**
% margin	*25%*	*32%*	*29%*	*45%*
Profit/loss before taxes	**63**	**115**	**79**	**81**

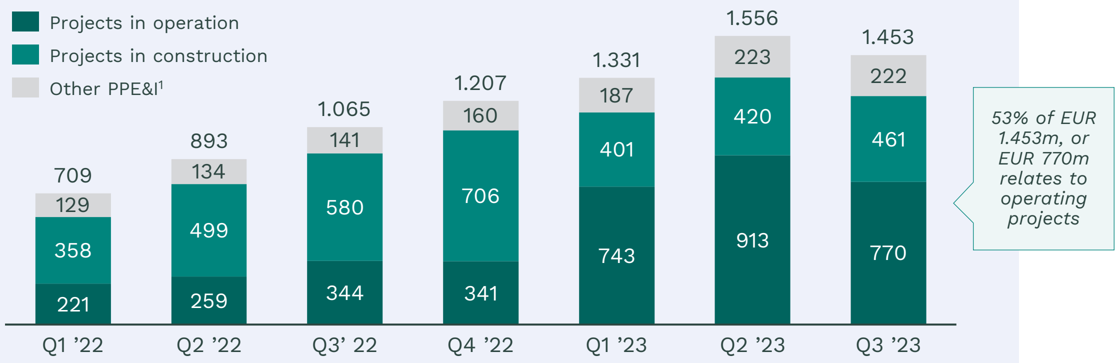
Cash flow statement

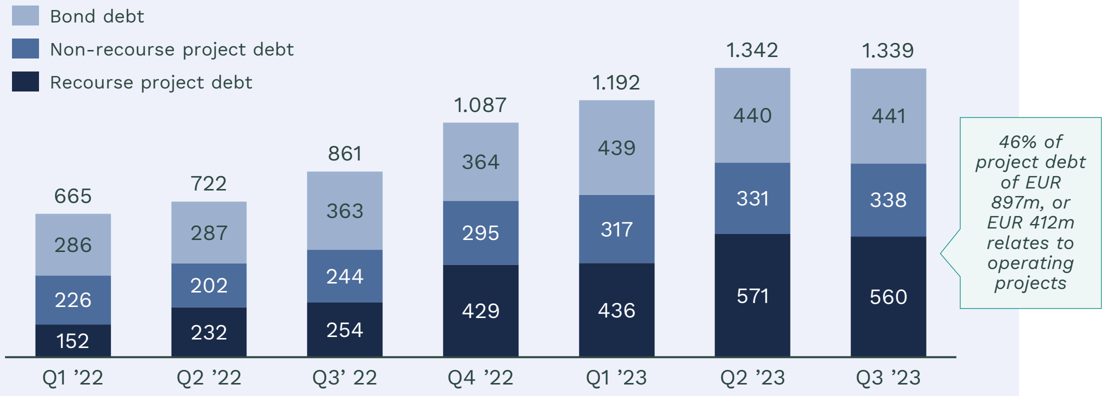
EURm	2021	2022	9M 2022	9M 2023
Cash flow from operating activities (excl. change in inventories)	74	105	76	41
Change in inventories	-189	-479	-320	-358
Cash flow from investing activities	-63	-25	-21	-8
Cash flow from financing activities	283	382	157	290
Change in cash and cash equivalents	**105**	**-18**	**-108**	**-36**
Cash and cash equivalents (balance sheet)	**227**	**210**	**120**	**174**

85% of PPE&I relates to projects in operation or under construction

i.e. projects that can be divested

Property plant and equipment and Inventory (PPE&I) by phase (EURm)





- **Property, plant, equipment and inventory (PPE&I)** has decreased by EUR 103m in Q3 '23 compared to Q2 '23
- The decrease is mainly driven by the **partial sale of Kassø**, that resulted in the investment being reclassified from line-by-line consolidated investment in subsidiaries to one-lined consolidated investment in joint ventures. For the same reason, the operating share of PPE&I has decreased from 59% in Q2 '23 to 53% in Q3 '23
- This decrease is offset by investments in other projects under construction
- Project debt amounts to EUR 897m in Q3 '23, largely unchanged compared to Q2 '23
- As with PPE&I, project debt now excludes debt related to the Kassø project resulting in a decrease. At the same time, ongoing construction activities has been funded by new construction debt
- **Projects under construction includes projects that are expected to reach COD** and become **revenue-generating** within the next two years, some already by the end of 2023

Credit metrics improved significantly due to closing of project divestments displaying rapid deleveraging capabilities

Equity ratio (parent)

- Equity / total assets
- Equity excludes fair-market-value adjustments of PPA contracts and includes only 50% of hybrid capital
- Total assets exclude cash and cash equivalents

Minimum liquidity (parent)

- Cash, cash equivalents and undrawn committed credit facilities should correspond to at least the interest payments on the senior bonds for the next three quarters

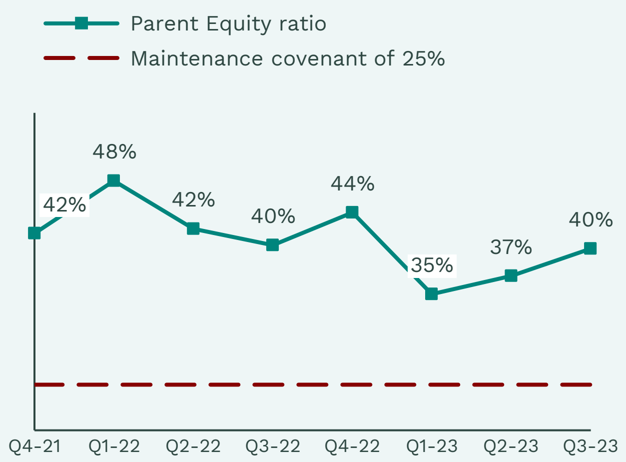
Project debt ratio (group)

- Consolidated project debt / consolidated PPEI
- PPEI consists of property, plant, equipment and inventories

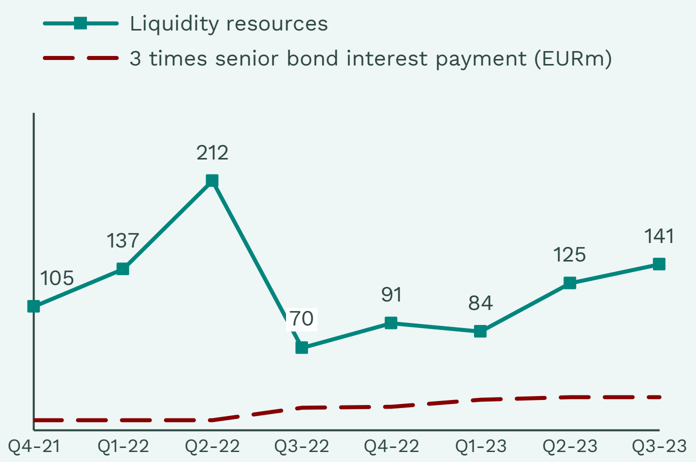
Leverage (group)

- LTM Group Net debt to EBITDA. Debt consisting of senior bonds and project financings net of cash

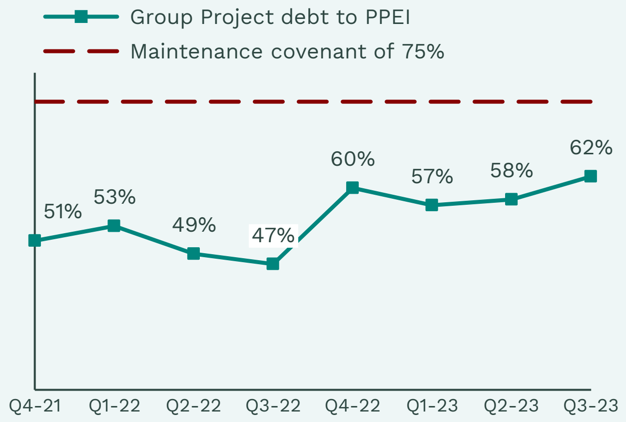
Equity ratio (Parent)



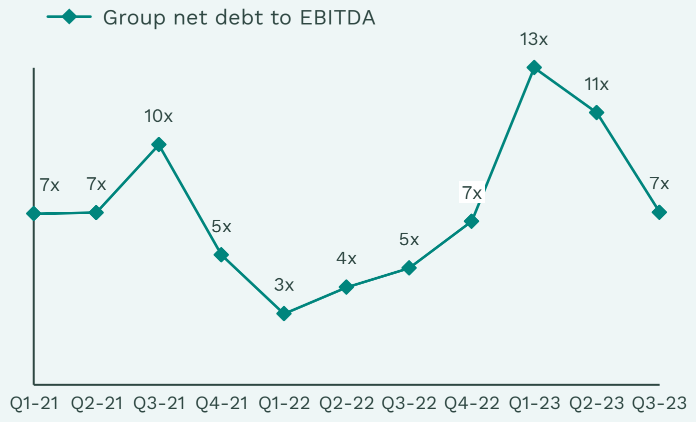
Minimum liquidity (Parent)



Project debt ratio (Group)



Leverage (Group)

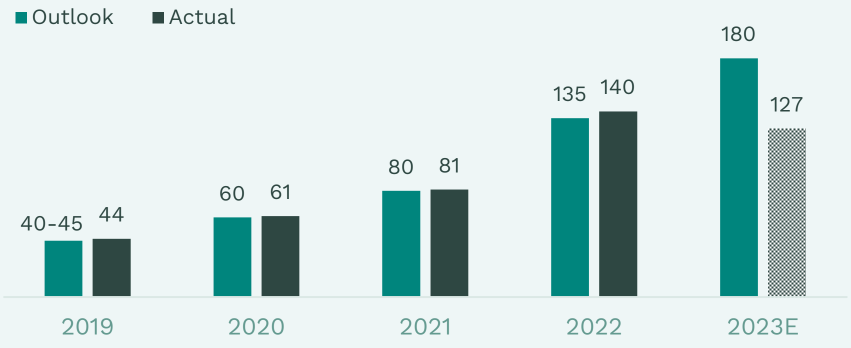


Earnings outlook for 2023 is maintained

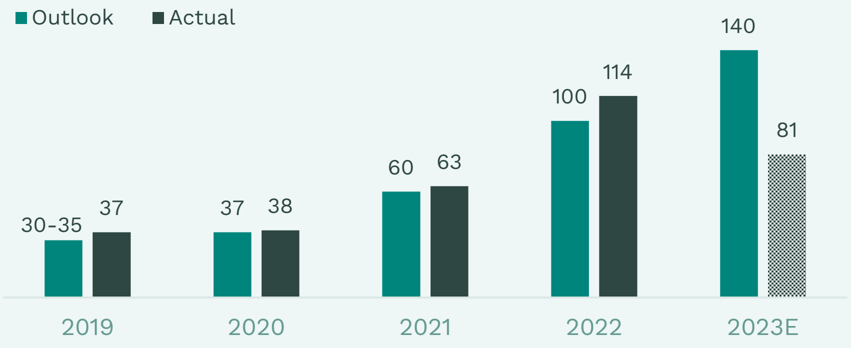
Outlook for 2023

- The Group announced its financial outlook for 2023 on 28 February 2023, stating a 2023 EBITDA of EUR 180m and a 2023 profit before tax of EUR 140m, with a risk margin of +/- 20% due to a series of possible risks.
- Sales of energy parks and projects picked up during Q3 2023 and we have a firm sales pipeline of energy parks and projects with closing in Q4 2023.
- Management expects a continued high level of power generation from operating assets in Q4 2023 and power price levels to remain approximately the same for the rest of the year as experienced on average over 9M 2023.
- Based on the above, the 2023 outlook is maintained.

EBITDA
EURm



Profit before tax[1]
EURm



4
Q&A

Hybrid,
Rødby Fjord,
Denmark
109 MW

EUROPEAN ENERGY

Contact our Investor Relations:
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