We are green energy

Our vision is to be a significant force in the global transition to a fossil free society
European Energy is built on four pillars

<table>
<thead>
<tr>
<th>Solar power</th>
<th>Onshore wind</th>
<th>Offshore wind</th>
<th>Innovation and Energy storage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active in Europe, Americas, and Australia</td>
<td>Active in Europe and Brazil</td>
<td>Active in Europe</td>
<td>Active in Europe</td>
</tr>
</tbody>
</table>

172 employees in European Energy
Our business model

Development
- Potential wind & solar site assessment
- Project risk assessment
- Environmental studies
- Secure land & building permits
- Approx. 60 people work within development (both external and internal)

Construction
- Select optimal technology and park layouts
- Oversee every construction phase from groundworks to grid connection
- Approx. 30 employees work within construction

Divestment
- Sale and handover of wind and solar farms to long-term investors
- Internal M&A team with 11 employees
- Internal legal department with 10 employees

Asset Management
- Protect returns for investors and partners by optimising production output
- Identifying repowering opportunities within the operational portfolio
- AM team of 14 employees

Project financing
- For each project European Energy seeks the optimal capital partner.
- In 2019, European Energy renewed the Bond loan with EUR 200m and raised or refinanced project loans of more than EUR 85m.
- Long-term non-recourse project financing, typically fixed interest 12-18 years in the SPVs

Production and sale of electricity
- Independent production of electricity
- Sale of electricity to the grid
- Four dedicated PPA specialists
As renewable energy projects reach grid parity, political changes in markets have a reduced impact. This allows us to plan for more permanent presence in key markets.
Construction and investment growth

European Energy continued its growth in 2019, both in investment and constructed capacity.

Developed, constructed & acquired power generation assets 2004-2019, Including 3rd party interests.
European Energy by the numbers

Key findings

- European Energy has more than doubled its equity since 2015
- EBITDA has more than quadrupled since 2015, and despite the COVID-19 crisis, the outlook of EUR 52-58m in 2020 is maintained
- Strong earnings linked to growth in EBITDA
- Strong growth in construction pipeline during 2019, underlining continued future growth

Note: Quarterly figures are unaudited
Growth in green power production

The net production of electricity increased by 98% in Q2 2020 compared to Q2 2019 which was mainly due to the addition of new renewable energy power plants.

### Net Production (GWh)

<table>
<thead>
<tr>
<th></th>
<th>Q2 2020</th>
<th>Q2 2019</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solar</td>
<td>70,4</td>
<td>15,1</td>
<td>65,6</td>
</tr>
<tr>
<td>Wind</td>
<td>84,9</td>
<td>60,2</td>
<td>392,6</td>
</tr>
<tr>
<td>Total</td>
<td>155,3</td>
<td>75,3</td>
<td>458,2</td>
</tr>
</tbody>
</table>

### Power production (GWh)

- **Solar**: 70,4 GWh
- **Wind**: 84,9 GWh
- **Total**: 155,3 GWh

The electricity consumption of 110,000 households 358.000 ton of CO2 displaced.

Power production in H1 2020 more than the full year power production of 2018.
All main business areas are growing

In 2019, European Energy experienced healthy growth in the three main business areas: Electricity sales, sale of energy plants and asset management. Since 2018, the income from power sales has been higher than the total running cost of European Energy.
## Extensive experience in power sales

European Energy has extensive experience in doing PPAs. We entered our first PPA more than five years ago and have four dedicated PPA specialists today. All the energy facilities that European Energy expects to be divested in 2020 have long-term offtake agreements.

### Power Purchase Agreement (PPA) sources

<table>
<thead>
<tr>
<th>Utility PPAs</th>
<th>Government auctions</th>
<th>Corporate PPAs</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1" alt="logo" /></td>
<td><img src="image2" alt="logo" /></td>
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<td><img src="image7" alt="logo" /></td>
<td><img src="image8" alt="logo" /></td>
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<td><img src="image10" alt="logo" /></td>
<td><img src="image11" alt="logo" /></td>
<td><img src="image12" alt="logo" /></td>
</tr>
</tbody>
</table>

1. **axpo**
2. **Danmark**
3. **VindEnergi**
4. **NEAS Energy**
5. **Daneke Commodities**
6. **e.on**
7. **RWE**
8. **Brasil**
9. **Canada**
10. **Germany**
11. **Poland**
12. **Apple**
13. **Google**
14. **Nissan**
15. **MWSC**
Case study: Corporate Power Purchase Agreement with Apple

European Energy has constructed a 50 MW solar farm and two onshore MHI Vestas v164 wind turbines with a combined effect of 66.4 MWp to supply Apple’s new data centre.
Construction site at Vier Berge, Germany
Pipeline of +15 GW with wide geographic distribution
### Development pipeline

- Includes all development projects from initial analysis until ready-to-build status
- Project screening, selection and completion are based on in-house competencies resulting in:
  - Bigger certainty of project realisation
  - Shorter investment cycles
  - Greater agility

### Construction & Ready-to-build portfolio

- Construction includes all wind turbines / solar panels as well as all other hardware, foundation, etc.
- European Energy has never started construction of a project that has not resulted in positive results

### Operational assets

- European Energy is an independent power producer with sale of power generating 45% of gross profit in FY 2019
- Almost all operational projects has secured their revenue through a long-term PPA
- European Energy manages 795 MW on behalf of third parties

### Table: Distribution per Technology

<table>
<thead>
<tr>
<th>Technology</th>
<th>Gross Amount, Pre-dev.</th>
<th>Gross Amount, Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind</td>
<td>5,592 MW</td>
<td>9,242 MW</td>
</tr>
<tr>
<td>Solar PV</td>
<td>4,807 MW</td>
<td>8,019 MW</td>
</tr>
</tbody>
</table>

### Table: Portfolio Distribution per Country / Technology

<table>
<thead>
<tr>
<th>Country</th>
<th>Wind</th>
<th>Solar PV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>31%</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Poland</td>
<td>6%</td>
<td>933 MW</td>
</tr>
<tr>
<td>Sweden</td>
<td>19%</td>
<td></td>
</tr>
<tr>
<td>Lithuania</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>6%</td>
<td>70%</td>
</tr>
<tr>
<td>Spain</td>
<td>7%</td>
<td>4%</td>
</tr>
<tr>
<td>Brazil</td>
<td>6%</td>
<td>4%</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>6%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Note: Figures as of Q2 2020

1) Pre-development workstreams: Analysis of the site, securing land rights, analysis of needed permits.
2) Development workstreams: Permit applications submitted to relevant authorities, access to grid.
More than one GW under asset management

Investor

- Investor reporting
- Protection of investment through repowering or concentration
- Profit optimization – increasing of income, reduction of OPEX
- Supervision of external O&M, TMA, CMA, providers
- Renegotiation of O&M, TMA, CMA, & other contracts

Operating assets (MW)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>125</td>
</tr>
<tr>
<td>2018</td>
<td>173</td>
</tr>
<tr>
<td>2019</td>
<td>364</td>
</tr>
<tr>
<td>H1 2020</td>
<td>404</td>
</tr>
</tbody>
</table>

Assets managed (MW)

<table>
<thead>
<tr>
<th>Year</th>
<th>Solar 3rd parties</th>
<th>Wind 3rd parties</th>
<th>EE assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>125</td>
<td>513</td>
<td>655</td>
</tr>
<tr>
<td>2018</td>
<td>126</td>
<td>598</td>
<td>153</td>
</tr>
<tr>
<td>2019</td>
<td>126</td>
<td>655</td>
<td>153</td>
</tr>
<tr>
<td>H1 2020</td>
<td>136</td>
<td>642</td>
<td>153</td>
</tr>
</tbody>
</table>
Low power prices

- Very limited short-term exposure to merchant prices
- Low energy prices is a challenge for PV and wind
- Even bigger challenge for fossil fuels
- A great driver of the electrification of society

Europe 2005-2020

Exposure to merchant prices on operational assets
Market benefitting from strongly declining costs

Wind energy

- The overall LCOE of wind is estimated to have dropped by more than 2/3s over the past 10 years due to cheaper construction and turbine costs, and higher capacity factors.
- Offshore wind’s LCOE has fallen 70% since 2009, and is cheapest in India and China, running between EUR 41-100, which means that well-sited wind farms in these countries are among the cheapest in the world – an incredibly important factor seeing as these countries’ surging demand for power is currently being met by coal.

![Wind energy graph](image)

Drivers of future LCOE reduction

1. **Cost of components**: Can still decrease further. However, not at the same rate as it has in the past.
2. **Efficiency**: Significant potential for increased efficiency as turbines increase in size and technology is enhanced.

Solar energy

- If wind’s LCOE drop has been steady, solar energy’s has been meteoric – after being more than 2.5x that of wind, the LCOE of solar PV has now caught up with wind.
- Feed-in tariffs and plummeting photovoltaic module prices make solar competitive with most forms of power generation.
- On 3 September 2018, the European Union (EU) removed the Minimum Import Prices on solar panels from China. These measures were initially put into place to protect the European module manufacturers.
- Removing the trade measures, however, meant that the construction cost of a solar plant in the EU dropped by 12-15% overnight, and now grid parity can be achieved in large parts of Southern Europe.

![Solar energy graph](image)

Drivers of future LCOE reduction

1. **Cost of components**: Significant potential to decrease cost as competition among suppliers increases.
2. **Efficiency**: Significant potential for increased efficiency as panels increase in size and technology is enhanced.

Note: 1) LCOE: levelised cost of energy
Source: Lazard and management estimates
The Coremas project is a cluster of three sites in Brazil with a total capacity of 93 MW. 62 MW is currently operational and the remaining part is under construction.
Zinkgruvan was European Energy’s first project in Sweden and the first using GE Renewables turbines. It has a capacity of 53.2 MW and was completed in 2019.
European Energy acquired the Sprogø Offshore Wind Farm in 2018. The seven 3 MW turbines are located in the Great Belt strait between Zealand and Funen.
Troia was completed in the summer of 2020, and is Italy’s largest solar farm with 104 MW capacity.
Vandel was constructed in Denmark late 2015. It has a 75 MW capacity and although it is five years old, it is still Scandinavia’s largest solar plant.
Corporate responsibility is integrated in our business

**Global commitment**
We are committed to the 10 principles of the UN Global Compact.

The UN principles on human rights, labour rights, environment and anticorruption guide European Energy’s corporate responsibility efforts.

**Environment**
We safeguard the areas surrounding our wind and solar farms, including flora and fauna, local residents and the landscape.

**Local growth**
European Energy often carries out activities in areas with high unemployment rates, we help to ensure growth in local communities by providing jobs for local workers, contractors and suppliers.
Executive team with broad execution skills

**Knud Erik Andersen**
- **Education**: Master of Science (M.Sc.) in Electrical Engineering from Technical University of Denmark
- **Prior experience**: Co-founder and CEO of Sentic A/S
- **With European Energy since**: 2004
- **Role**: Chief Executive Officer and founder

**Jens-Peter Zink**
- **Education**: Master of Science (M.Sc.) in Business Economics and Auditing from Copenhagen Business School
- **Prior experience**: 10 years with KPMG holding different positions, including Manager M&A
- **With European Energy since**: 2005
- **Role**: Executive Vice President and chairman

**Mikael D. Pedersen**
- **Education**: Master of Science (M.Sc.) in Electrical Engineering from Technical University of Denmark
- **Prior experience**: CTO at Sentic A/S
- **With European Energy since**: 2004
- **Role**: Head of Construction, Wind and founder

**Jonny T. Jonasson**
- **Education**: Master of Science (M.Sc.) in Business Economics and Auditing from Copenhagen Business School
- **Prior experience**: Extensive experience as Chief Financial Officer & General Manager
- **With European Energy since**: 2012
- **Role**: Chief Financial Officer

**Mikael D. Pedersen**
- **Education**: Master of Science (M.Sc.) in Electrical Engineering from Technical University of Denmark
- **Prior experience**: CTO & Co-founder of Inside Technology A/S
- **With European Energy since**: 2004
- **Role**: Chief Operating Officer

**Glenn Aagesen**
- **Education**: Mechanical Engineering Executive Henley MBA
- **Prior experience**: Co-Founder of FairWind International
- **With European Energy since**: 2020
- **Role**: Head of operations

**Thorvald Spanggaard**
- **Education**: Master of Law from University of Copenhagen, LL.M. from Harvard University, MBA from Copenhagen Business School
- **Prior experience**: General Counsel & Head of Claims at EKF (Denmark’s Export Credit Agency), Attorney at law, Kromann Reumert
- **With European Energy since**: 2017
- **Role**: Project Director

**Lars Bo Jørgensen**
- **Education**: Master of Science (M.Sc.) in Business Economics and Auditing from Copenhagen Business School
- **State authorized public accountant**
- **Prior experience**: Partner, KPMG
- **With European Energy since**: 2017
- **Role**: Head of Transaction Services and Project Economy

**Thomas Hvalsø Hansen**
- **Education**: Master of Science (M.Sc.) in Engineering from Technical University of Denmark
- **Diploma in Finance from Copenhagen Business School
- **Prior experience**: Experience from the software and media industry
- **With European Energy since**: 2012
- **Role**: Director, Legal

**Simon Bjørnholt**
- **Education**: MBA, Fordham University
- **Bachlor’s degree, HD International Business, Copenhagen Business School
- **MA, Law, Kings College London
- **MA, Law, Aarhus University
- **Prior experience**: Head of Legal, Deloitte
- **Attorney at law, Bruun & Hjejle
- **With European Energy since**: 2012
- **Role**: Director, Legal

**Carsten G. Jensen**
- **Education**: Master of Science in Electrical Engineering (M.Sc.E.E) from University of Aalborg
- **AMP from INSEAD
- **Prior experience**: CEO, Dansk Gas Distribution
- **Senior Executive at Energinet
- **With European Energy since**: 2020
- **Role**: Director, EPC
We are green energy