Interim Report 9M 2024

European Energy A/S - Gyngemose Parkvej 50 - DK-2860 Søborg - Reg. no. 18351331

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Frontpage image: Måde Green Hydrogen Facility, Denmark

Visit to Skåramåla Hybrid Park in Sweden

Improved market conditions in the second half of 2024, but some divestments pushed to Q1 2025

With improved conditions in the M&A markets and strong progress across key initiatives, European Energy is poised to close 2024 on a high note. While some divestments are expected to shift into early 2025, we remain focused on delivering long-term growth through our expanding project pipeline, advancements in Power-to-X, and record-breaking contracted power sales. These achievements, underpinned by strengthened financial resilience, position us well to capitalise on emerging opportunities in the renewable energy sector.

Q3 2024 brought positive developments in the renewable energy M&A and Power Purchase Agreements (PPA) markets, signalling an improving outlook for the sector. While our 2 GW divestment pipeline has progressed well, we expect some divestments to shift into Q1 2025 due to extended approval processes and investor reviews.

We now forecast full-year EBITDA at the lower end of our previously guided range, approximately EUR 184 million +/- 10%. Consequently, our 2024 profit before-tax guidance

Opening of our green hydrogen facility in Måde, Denmark has been revised from "growth at a lower rate than EBITDA" to “EUR 100 million, with the same margin of +/- 10%”. This adjustment reflects the updated EBITDA expectations.

Progress in construction and pipeline growth

Growing and advancing our project pipeline is a cornerstone of our long-term growth strategy. During Q3, we commenced construction on our first solar park in Latvia (148 MW) and our first wind farm in Greece (26 MW), bringing the total capacity under construction to 1.1 GW at the end of the quarter. By the close of Q3 2024, projects ready for final investment decisions (FIDs) increased to 3.2 GW, up from 2.5 GW at the same time last year.

> A EUR 55.8 million grant from the EU Innovation Fund, starting in 2025, will support next-generation Power-to-X solutions in southern Denmark.

Seven Taxonomy-eligible activities

European Energy’s economic activities are Taxonomy-eligible, demonstrating our substantial contribution to climate change mitigation. For the first nine months of 2024, 100% of our revenue, 91% of our capital expenditure, and 98% of our operational expenditure were Taxonomy-eligible.

Notably, in Q3 2024, the manufacture of hydrogen was added to our portfolio of Taxonomy-eligible economic activities, which reflects our advancements in Power-to-X. We also conducted our second Double Materiality Assessment, which will shape our strategic sustainability priorities and sustainability reporting going forward.

Update on developments after Q3

Since the end of Q3, we have achieved several significant milestones. Year-to-date, we have signed PPAs totalling more than 1,700 MW—our highest contracted PPA capacity concluded in a calendar year. Contract for Difference (CfD) auction results have added more than 200 MW of capacity. The record contracted power sales provide a solid foundation for our 2025 construction pipeline.

European Energy’s leadership in Power-to-X continues. The highly automated, Måde Green Hydrogen Facility in Esbjerg, Denmark, began delivering hydrogen to customers in the autumn, marking our entry into green fuel production. However, the transportation of hydrogen still requires special trucks, and we eagerly anticipate the development of a Europe-wide hydrogen infrastructure. In October, we reached the final investment decision (FID) to expand the Måde facility, with expected completion in 2025.

Strengthening our position in Power-to-X, our subsidiary Ammongas completed mechanically a carbon capture, purification, and liquefaction plant in Tønder, Denmark. This facility will supply biogenic CO_2 to our e-methanol plant in Kassø, strengthening our integrated value chain in green fuels. A EUR 55.8 million grant from the EU Innovation Fund, starting in 2025, will support next-generation Power-to-X solutions in southern Denmark.

Furthermore, we are expanding our presence within battery storage. In October, we installed our first operational Battery Energy Storage System (BESS) in Denmark—with grid connection expected soon. Our global battery storage pipeline now exceeds 6 GW, with systems integrated as hybrid projects with solar and wind farms or as stand-alone assets.

Offshore wind development

In November, the Danish Energy Agency granted European Energy its first establishment permit for an offshore project: the Lillebælt Syd wind park near Sønderborg, Denmark. Developed in partnership with the Danish utility company SONFOR, the 165 MW project is expected to be operational in 2029. Once completed, it will generate enough electricity to power approximately 148,000 European households annually.

Strengthened financial resilience

In October, we issued a EUR 375 million senior bond with a three-year maturity and a coupon of three-month Euribor +3.75%. This refinancing provides improved terms and greater financial flexibility, positioning European Energy to capitalise on growth opportunities.

With strengthening market conditions, a growing project pipeline, and leadership in Power-to-X and renewable energy, European Energy is well-positioned to close 2024 strongly and drive sustained growth in the years ahead.

Knud Erik Andersen
CEO

Main events in Q3 2024

July

The Danish State Railways (DSB) signed a power purchase agreement with European Energy on Lidsø Solar Park in Lolland.

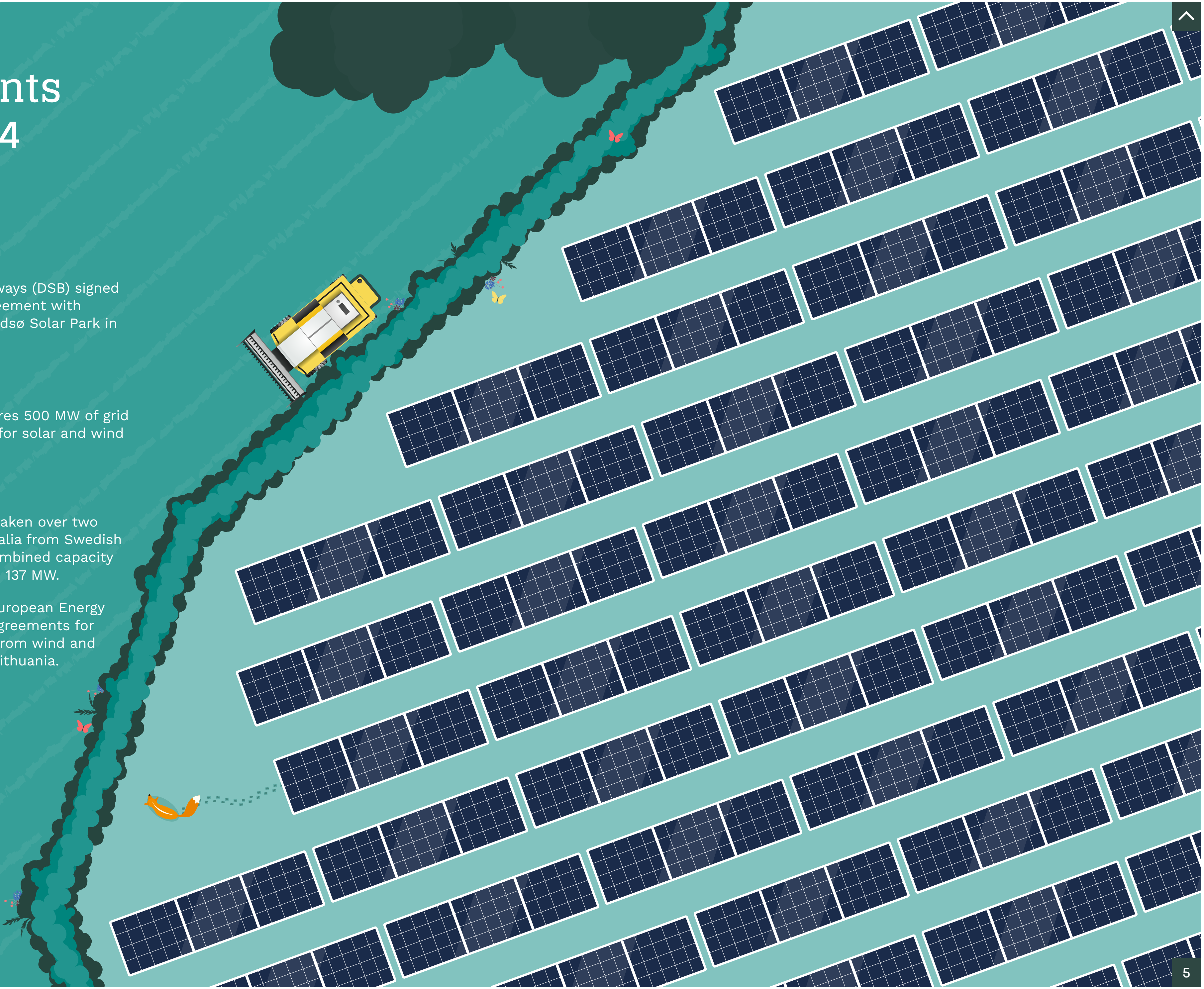
August

European Energy secures 500 MW of grid connection approvals for solar and wind energy in Romania.

September

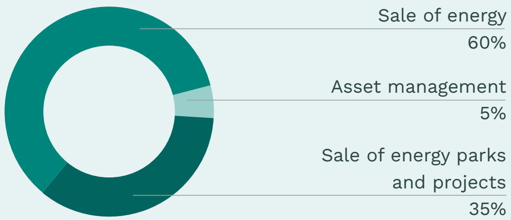
European Energy has taken over two solar projects in Australia from Swedish developer OX2. The combined capacity of the solar projects is 137 MW.

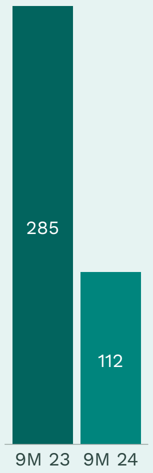
Centrica Energy and European Energy sign three balancing agreements for renewable electricity from wind and solar farms based in Lithuania.



Highlights

Revenue
EURm

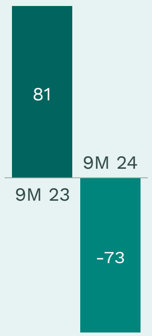




Revenue declined by 61% to EUR 111.9m, mainly due to lower sales of energy parks and sale of energy.

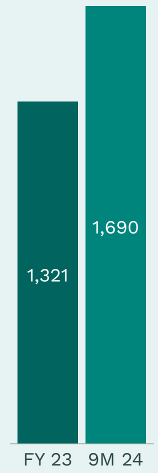
Profit before tax
EURm

Profit before tax decreased to EUR -73.1m, mainly as a result of the lower EBITDA and higher financial items related to redemption of hybrid capital and senior bonds.



Inventory
EURm

Inventory increased by EUR 369m to EUR 1,690m and reflects an increased activity on projects in development and under construction and limited sales of energy parks and projects in the period.

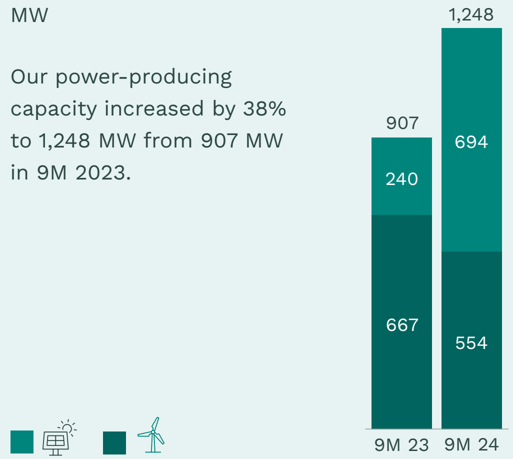


EBITDA
EURm

EBITDA reached EUR -11.1m, reflecting a decrease of EUR 138.0m compared to the previous year. This decline primarily resulted from less sales of energy parks and projects and sale of energy.

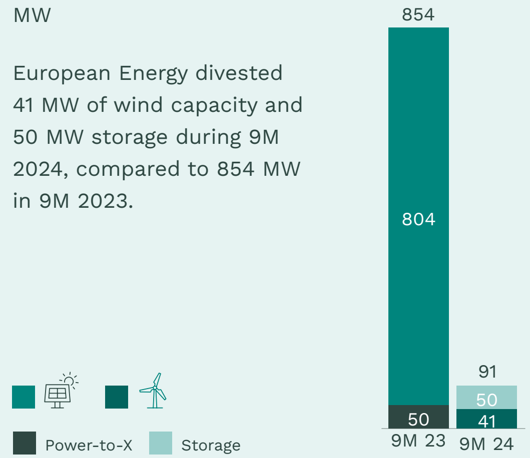
Power producing assets
MW

Our power-producing capacity increased by 38% to 1,248 MW from 907 MW in 9M 2023.



Divested capacity
MW

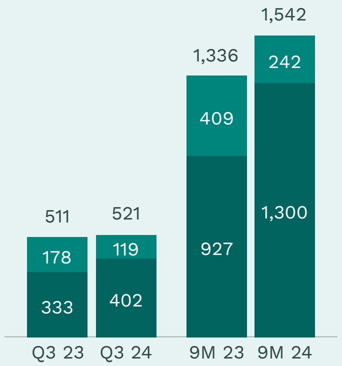
European Energy divested 41 MW of wind capacity and 50 MW storage during 9M 2024, compared to 854 MW in 9M 2023.



Sustainability highlights

Renewable energy production

1,542 GWh

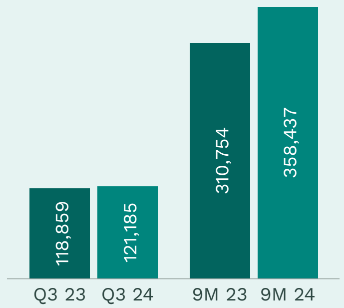


In 9M 2024, we produced 1,542 GWh of renewable energy, which is a 15% increase compared to 9M 2023. The share of wind power was 84% and the share of solar power was 16%.

Avoided greenhouse gas emissions

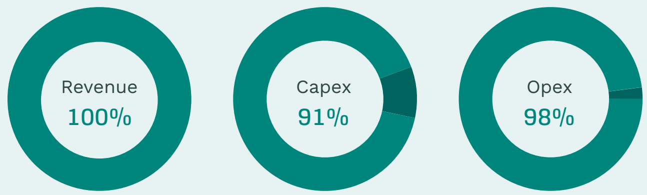
358,437

tonnes CO_2e



We avoided 358,437 tonnes of CO_2e GHG emissions through the 1,542 GWh of renewable energy we produced in 9M 2024, which is an increase of 15% compared to 9M 2023.

EU Taxonomy-eligible KPIs

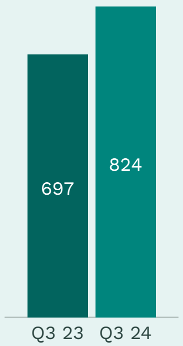


Our share of Taxonomy-eligible revenue was 100% in 9M 2024 with the addition of a new Taxonomy-eligible economic activity - 3.10 Manufacture of Hydrogen.

Employees

Number

824



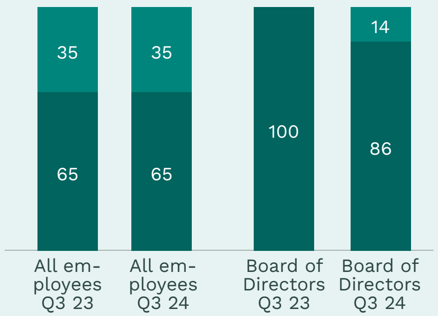
We employed 824 people by the end of Q3 2024, which is an increase of 18% compared to the 697 people we employed by the end of Q3 2023.

Gender diversity

Female, % Male, %

35 / 65

14 / 86



In Q3 2024, 35% of our employees were female (35% in Q2 2023). The share of female board members was 14% in Q3 2024, and our 2030 target is 40%.

Double Materiality Assessment

Impacts, risks and opportunities

> We have conducted our second Double Materiality Assessment, which will guide our strategic sustainability priorities going forward.

Key figures and financial ratios

EURk	Q3 2024	Q3 2023	9M 2024	9M 2023	FY 2023
Income statement					
Revenue	31,988	194,002	111,918	285,435	420,255
Direct costs	-29,355	-145,038	-81,670	-169,728	-251,041
Gross profit	5,548	91,050	37,724	170,203	238,116
EBITDA	**-8,677**	**78,043**	**-11,087**	**127,141**	**178,438**
EBITDA, LTM	40,210	170,174	40,210	170,174	178,438
Operating profit/loss	-15,282	72,841	-26,943	113,237	154,515
Net financial items	-8,284	-13,830	-46,188	-31,916	-28,914
Profit/loss before tax	**-23,566**	**59,011**	**-73,131**	81,321	125,601
Tax	3,346	3,575	14,679	-3,949	-12,598
Profit/loss for the period	**-20,220**	**62,586**	**-58,452**	**77,372**	**113,003**
Balance sheet					
Property, plant and equipment	187,634	157,358	187,634	157,358	177,853
Inventories	1,690,130	1,295,927	1,690,130	1,295,927	1,320,526
Total assets	2,476,251	1,991,304	2,476,251	1,991,304	2,027,600
Hybrid capital	-	115,000	-	115,000	115,000
Equity	930,801	422,912	930,801	422,912	432,484
Net interest-bearing debt (NIBD), excluding hybrid capital	1,148,825	1,174,054	1,148,825	1,174,054	1,229,897
NIBD (excluding hybrid capital)/EBITDA, LTM	28.6	6.9	28.6	6.9	6.9
Gearing (NIBD as % of group equity)	123%	278%	123%	278%	284%

EURk	Q3 2024	Q3 2023	9M 2024	9M 2023	FY 2023
Cash flow statement					
Cash flow from operating activities	-190,702	-13,656	-390,781	-317,346	-272,096
Change in inventories	-231,881	-460	-392,851	-358,288	-342,427
Cash flow from operating activities, excluding inventories	41,179	-13,196	2,070	40,942	70,331
Investments in property, plant and equipment	11,394	8,401	18,384	10,009	10,655
Cash flow from investing activities	177,074	-8,294	-56,767	-7,822	-13,271
Cash flow from financing activities	26,240	19,587	473,727	289,636	194,443
Change in cash and cash equivalents	12,612	-2,363	26,179	-35,532	-90,924
Financial key figures/ratios					
Gross margin	17%	47%	34%	60%	57%
EBITDA margin	-27%	40%	-10%	45%	42%
Group solvency ratio	38%	21%	38%	21%	21%
Return on equity (average/ LTM)	-3%	28%	-3%	28%	27%
Average number of full-time employees (IFRS)	792	617	749	602	615
Number of employees end of period	824	697	824	697	713
Earnings per share, basic	-0.06	0.20	-0.23	0.23	0.34
Earnings per share, diluted	-0.06	0.19	-0.22	0.22	0.33
Number of outstanding shares (1,000), excluding treasury shares	374,143	302,166	374,143	302,166	302,166

For a definition of key figures and ratios, see Note 1.

Sustainability key figures

Indicator	Unit	Q3 2024	Q3 2023	△	9M 2024	9M 2023	△	FY 2023
Energy production								
Renewable share of energy production	%	100	100	0%p	100	100	0%p	100
- Wind power	%	77	65	12%p	84	69	15%p	78
- Solar power	%	23	35	-12%p	16	31	-15%p	22
Renewable energy production	GWh	521	511	2%	1542	1336	15%	1,870
- Wind power	GWh	402	333	21%	1300	927	40%	1,450
- Solar power	GWh	119	178	-33%	242	409	-41%	420
Avoided Greenhouse Gas (GHG) Emissions								
Avoided GHG emissions	Tonnes CO_2e	121,185	118,859	2%	358,437	310,754	15%	434,962
EU Taxonomy-eligible KPIs								
Revenue, share of Taxonomy-eligible	%	100	-	-	100	-	-	100
Capex, share of Taxonomy-eligible	%	94	-	-	91	-	-	77
Opex, share of Taxonomy-eligible	%	99	-	-	98	-	-	97
People								
Total number of employees (as of 30. September)	Number	824	697	18%	-	-	-	713
Total permanent employee turnover rate	%	13.6	15.7	-2.1%p	-	-	-	20.3
Safety								
Lost Time Injury Rate (LTIR) - Own employees	Rate	0.0	0.0	0%	0.0	0.0	0%	0.0
Lost Time Injury Rate (LTIR) - Contractor employees	Rate	-	-	-	-	-	-	3.3
Board of Directors								
Members	Number	7	6	1	-	-	-	6
Gender with the lowest representation, female)	%	14	0	14%p	-	-	-	0
Whistleblower cases								
Substantiated whistleblower cases	Number	0	0	0	0	0	0	0

Management review

49.2 MW

Skåramåla, Sweden

Group results

9M 2024 Group financial performance

Revenue
Revenue in 9M 2024 was EUR 111.9m, a decrease of EUR 173.5m or 61% compared to 9M 2023 (EUR 285.4m).

The decrease in revenue from 9M 2023 mainly derives from lower sale of energy and lower sales of energy parks and projects, as only a few projects were divested in 9M 2024.

Sale of energy parks and projects
The sale of energy parks and projects totalled EUR 39.3m in 9M 2024, a decrease of EUR 158.4m compared to 9M 2023 (EUR 197.7m). The total capacity of divested energy parks in 9M 2024 amounted to 91 MW, divested as storage and repowering projects. In 9M 2023, the total divested capacity was 854 MW, all at the ready-to-build stage, except the combined operating 304 MW solar park/50 MW Power-to-X Kassø plant under construction.

Sale of energy
Sale of energy in 9M 2024 amounted to EUR 67.0m, a decrease of EUR 16.0m or 19% compared to 9M 2023 (EUR 83.0m), impacted by lower realised power prices, driven by lower capture ratios and market prices, eventhough that the sold capacity was higher in 9M 2024 (1,541 GWh) compared to 9M 2023 (1,336 GWh).

Asset Management & operations
External revenue in our Asset Management segment totalled EUR 5.6m in 9M 2024 an increase of EUR 0.8m compared to 9M 2023 (EUR 4.8m) as contracts added during 2023 impct the full 9M 2024.

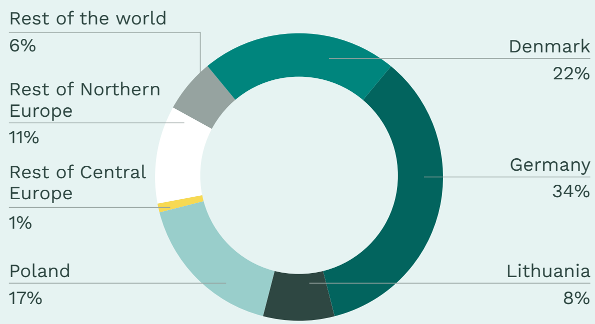
Project development and construction

Development Portfolio
At the end of 9M 2024, European Energy had a renewable energy project pipeline of 66 GW under development, of which 26 GW was in screening, 37 GW was in developing, and 3 GW was in structuring phase. The development pipeline (including developing and structuring phase) increased by 5 GW from 9M 2023.

The pipeline in developing and structuring phase in 9M 2024 included wind projects of 9.5 GW (23%), solar PV projects of 28.7 GW (71%) and 5% in other technologies, including Power-to-X, battery storage and floating PV. Geographically, these projects were distributed as follows: Denmark (27%), Northern Europe (21%), Southern Europe (12%), Central Europe (18%) and the rest of the world (21%).

Revenue by region in %

EURm



Development pipeline (including Structuring)

GW

Construction Portfolio

At the end of 9M 2024, we were engaged in construction activities for wind, solar, and Power-to-X projects at 27 sites across seven European countries, Australia, and in the US. A total of 1.1 GW of projects were under construction, an increase of 48 MW compared to the construction pipeline at the end of 9M 2023.

We have in total a 383 MW capacity which reached Final Investment Decision (FID) during 9M 2024.

In 9M 2024, the projects under construction included 10 wind projects, 15 solar projects, and 2 Power-to-X projects. During this period, a total of 157 MW was completed (COD) and put into operation, comprising 32 MW onshore wind and 124 MW solar PV projects.

Our 9 MW green hydrogen project in Måde has started the production of green hydrogen. We expect the plant to supply the first commercial deliveries in Q4 2024. Construction of our e-methanol facility in Kassø, with a nominal production capacity of 42,000 Metric Ton p.a. has also progressed according to plan, and we expect the first produced methanol in Q4 2024.

Power production

Total power production in 9M 2024 yielded 1.5 GWh, record high and an increase of 205 GWh or 15% compared to 9M 2023. Wind production increased from 0.9 GWh in 9M 2023 to 1.3 GWh in 9M 2024, mainly due to the addition of new wind parks. Solar production decreased from 0.4 GWh in 9M 2023 to 0.2 GWh in 9M 2024, mainly as a result of the deconsolidation of Kassø after the partial divestment to Mitsui in Q3 2023.

A little more than two-thirds of the total power production originated from Denmark, Germany, Lithuania, and Poland. Production was impacted by an increase in power-producing assets from 907 MW at the end of 9M 2023 to 1,248 MW at the end of 9M 2024, representing a 38% increase.

Power-producing assets from wind and solar amounted to 694 MW and 554 MW respectively by the end of 9M 2024, compared to 667 MW and 240 MW at the end of 9M 2023.

The average capacity factor amounted to 20% in 9M 2024, unchanged when comparing to 9M 2023.

At the end of 9M 2024, European Energy managed 3.0 GW of assets, split between 1.4 GW wind power and 1.6 GW solar power plants, representing a total year-on-year increase of 12%.

In the same period, 1.7 GW out of the 3.0 GW of assets was managed on behalf of external customers, comprising of 0.9 GW and 0.8 GW of wind and solar projects respectively. Since the end of 9M 2023, the total capacity of parks administered for external customers has remained stable.

Result from investments in joint ventures and associates

The result from investments in joint ventures and associated companies was a gain of EUR 2.4m in 9M 2024, compared to a gain of EUR 3.9m in 9M 2023.

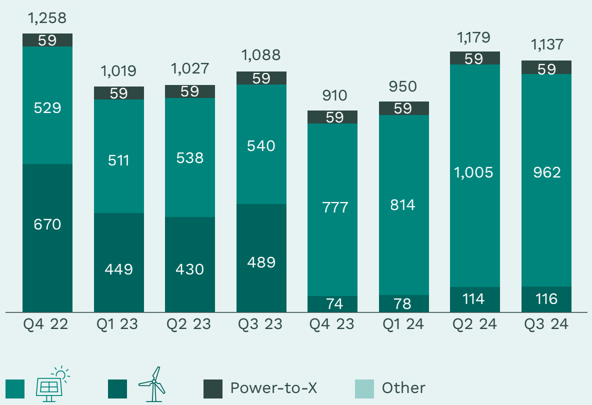
During 9M 2024, there were no significant events or transactions impacting the results in joint ventures and associates.

Gross profit

Gross profit in 9M 2024 amounted to EUR 37.7m, compared to EUR 170.2m for 9M 2023, a decrease of EUR 132.5m or 78%. Sale of energy parks and projects in 9M 2024 was recognised with positive margins, offset by adjustments to parks sold in previous periods, screening costs and impairments, gross profit totalled EUR -4.2m (9M 2023: EUR 89.2m). Gross profit from sale of energy was EUR 41.7m down from EUR 77.2m the year before mainly as a result of lower margin on sale of energy due to higher balancing costs and lower realised power prices.

Construction pipeline

MW



EBITDA

For 9M 2024, EBITDA totalled EUR -11.1m, compared to EUR 127.1m for 9M 2023, a decrease of EUR 138.2m. The decrease in EBITDA primarily stems from the lower gross profit. Apart from gross profit, EBITDA was also impacted by increasing staff costs of EUR 3.9m or 16%. The addition of 127 new employees compared to 9M 2023 following the growth in our business and project pipeline was the main driver of the increased costs.

Other external costs amounted to EUR 21.1m, an increase of EUR 1.8m from 9M 2023 (EUR 19.3m) primarily due to higher premises and IT costs related to the increased number of employees.

Profit before tax

Profit before tax for 9M 2024 was EUR -73.1m compared to EUR 81.3m for 9M 2023. This was mainly due to lower EBITDA and higher net financial items.

Depreciation and impairment totalled EUR 15.9m in 9M 2024, an increase of EUR 2.0m compared to 9M 2023 (EUR 13.9m). This increase reflects an increase in property, plant and equipment.

Net financial items worsened from EUR -31.9m to EUR -46.2m. The increase in financial expenses stems from higher base interest rates and margins, one-off costs related to the early and partial redemption of the senior bonds (in total EUR 5.5m related to redemption premium, write-off of capitalised establishment cost and modifications), hybrid coupons reclassified to interest expenses from dividend payments from time of redemption notice to time of redemption (EUR 1.0m), and lower capitalised interest on projects due to the higher number of energy parks in operation.

Finally, tax on profit for the period amounted to an income of EUR 14.7m in 9M 2024 (9M 2023: EUR -3.9m). The effective tax rate for 9M 2024 totalled 20.1%.

Cash flow

9M 2024 operating cash flow was an outflow of EUR 390.8m, compared to an outflow of EUR 317.3m in 9M 2023, which is an increase of EUR 73.4m. The investments in projects recorded as inventories made up the majority of outgoing cash flows, and the change in inventories increased from EUR 358.3m to EUR 392.9m, reflecting a development of EUR 34.6m between 9M 2023 and 9M 2024. In addition change in networking capital excluding inventories between 9M 2023 and 9M 2024 reflected a development of EUR 69.9m, related to market value of hedge instruments and other payables movements. Other non-cash items increased by EUR 43.6m primarily reflecting that in 9M 2023 Kassø was divested and moved to a Joint Venture which caused a large non-cash movement in the income statement.

Investing activities during 9M 2024 resulted in a net cash outflow of EUR 56.8m compared to EUR 7.8m in 9M 2023. Movements of EUR 48.9m relate to capital increases and loans to some of the Group's joint ventures and associates.

Financing activities in the first nine month of 2024 resulted in a net cash inflow of EUR 473.7m (9M 2023: EUR 289.6m), driven by proceeds of EUR 696.6m from the issuance of share capital to Mitsubishi HC Capital Inc., repayment of senior bonds of EUR -160.0m, redemption of hybrid capital of EUR -118.5m, coupon payments to hybrid bondholders amounting to EUR -15.1m, purchase of treasury shares of EUR -19.4m and other financing activities of net EUR 90.1m.

The change in cash and cash equivalents for the first nine month of 2024 was an increase of EUR 26.2m to EUR 145.1m from EUR 118.9m at year-end 2023.

Total assets

Total assets increased to EUR 2,476m as of 30 September 2024, up from EUR 2,028m as of 31 December 2023, an increase of EUR 448m or 22%.

Inventories increased by EUR 369m to EUR 1,690m at 30 September 2024, compared to EUR 1,321m as of 31 December 2023, reflecting a modest but increasing spending level on projects in development and under construction and modest sale of projects.

Our total non-current asset base amounted to EUR 498m, an increase of EUR 64m compared to 31 December 2023, and mainly included investments and loans in joint ventures and PPE.

103 MW

Troia solar park, Italy

Liabilities

Total bond debt decreased by EUR 153m from 31 December 2023 to EUR 288m as of 30 September 2024, due to partial redemption of the 2025 and 2026 senior bonds at the beginning of May 2024.

Current and non-current project financing increased by EUR 99m to EUR 990m as of 30 September 2024.

Equity

Equity increased by EUR 499m during the period, from EUR 432m as of 31 December 2023 to EUR 931m as of 30 September 2024. The increase was driven by a capital increase of EUR 697m, a net positive fair value adjustment on the hedging instruments of EUR 27m (net of tax), partly offset by a net loss for the period of EUR 58m, the redemption of hybrid capital of EUR 118m, the purchase of treasury shares of EUR 19m, coupon payments on the hybrid capital of EUR 15m, and currency translations and other movements of EUR 14m.

Debt management and liquidity resources

The Group operates as a two-layered capital structure. The parent company constitutes the top layer, which includes unsecured funding and structurally subordinated to the project-level financing at the bottom. Top-layer funding consists of two outstanding senior bonds of EUR 195m and EUR 98m maturing in 2025 and 2026, respectively. These have subsequently been repaid in November 2024 with proceeds from a new senior bond of EUR 375m maturing in 2027.

In addition to the bonds, the parent company has a EUR 100m committed RCF, maturing in 2027.

The bottom-layer funding consists predominantly of secured bank financing of renewable energy projects either under construction or in operation and totalled EUR 990m at the end of 9M 2024. Our liquidity resources as of 30 September 2024 comprised the following:

EURk	Q3 2024
Committed undrawn credit facilities (1-3 years)	100,000
Total committed credit facilities	100,000
Cash non-restricted	130,766
Committed drawn credit facilities	-6,992
Total liquidity resources available	223,774
Uncommitted undrawn credit facilities	20,000
Restricted cash	14,315

Q3 2024 Group financial performance

Revenue
Revenue for Q3 2024 amounted to EUR 32.0m, a decrease of EUR 162.0m or 84% (Q3 2023: EUR 194.0m). The decrease compared to last year, mainly derives from the divestment of the Kassø Power-to-X Plant and Kassø Solar Park, which had a significant impact on the revenue in Q3 2023, but also lower sale of energy parks and projects within Q3 2024.

Sale of energy parks and projects
The sale of energy parks and projects totalled EUR 9.9m in Q3 2024, a decrease of EUR 154.3m compared to Q3 2023 (EUR 164.2m). The total capacity of divested energy parks in Q3 2024 amounted to 50 MW, stemming from the Mannington storage project (50 MW) in the UK. In Q3 2023, the total divested capacity was 421 MW, including Kassø Solar Park (304 MW) and Kassø PtX (50 MW) projects in Denmark, and Ramacca solar project (67 MW) in Italy.

Sale of energy
Sale of energy in Q3 2024 amounted to EUR 20.6m, a decrease of EUR 8.5m or 29% compared to Q3 2023 (EUR 29.1m). The decrease in sale of energy mainly relate to lower energy prices, since capacity was higher compared to Q3 2023.

Asset Management & operations
External revenue in our Asset Management segment totalled EUR 1.6m in Q3 2024 slightly above Q3 2023 (EUR 0.8m).

Development Portfolio
In Q3 2024, a total capacity of 334 MW reached Ready to Build (RTB), of which 301 MW in solar PV and 33 MW in onshore wind.

Construction Portfolio
In Q3 2024, a total capacity of 34 MW in onshore wind projects reached Final Investment Decision (FID).

Power production
In Q3 2024, a total capacity of 60 MW reached Commercial Operations Date (COD), of which 36 MW in solar PV and 24 MW in onshore wind.

Result from investments in joint ventures and associates
The result from investments in joint ventures and associated companies was a gain of EUR 0.7m in Q3 2024, compared to a gain of EUR 1.8m in Q3 2023.

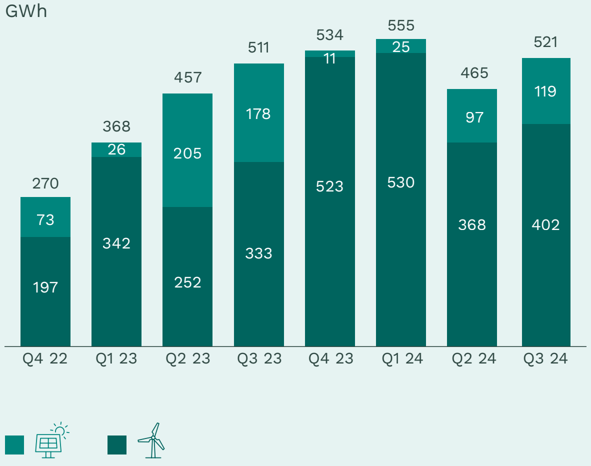
Gross profit
Gross profit amounted to EUR 5.5m, a decrease of EUR 85.5m or 94% (Q3 2023: EUR 91.1m.) Of this, the gross profit from sale of energy parks and projects in Q3 2024 totalled EUR -7.0m (Q3 2023: EUR 62.7m) and gross profit from sale of energy was EUR 13.1m (Q3 2023: EUR 28.2m).

The decrease in gross profit is explained, as mentioned above, by fewer divestments of energy parks and projects but also decreased sale of energy due to lower energy prices.

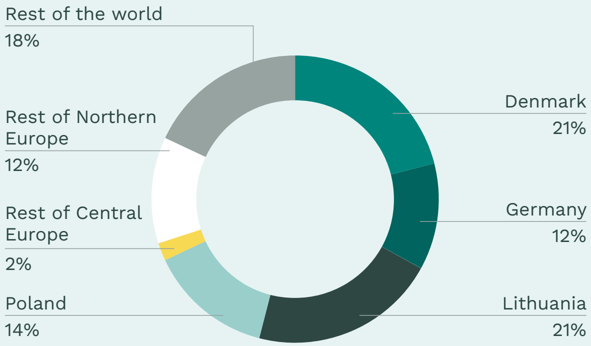
3.0 GW

At the end of Q3 2024, European Energy managed **3.0 GW of assets**

Sale of energy
GWh



Sale of energy by region in %
GW



EBITDA

EBITDA for Q3 2024 totalled a loss of EUR 8.7m (Q3 2023: profit of EUR 78.0m), a decrease of EUR 86.7m.

The decrease in EBITDA primarily stems from the lower gross profit, as explained above.

Staff expenses totalled EUR 7.9m, an increase of EUR 0.3m from Q3 2023 (EUR 7.6m). Other external costs amounted to EUR 6.3m, an increase of EUR 0.8m from Q3 2023 (EUR 5.5m), showing a modest development in cost level despite higher number of employees.

Profit before tax

Profit/loss before tax totalled EUR -23.6m (Q3 2023: 59.0m), a decrease of EUR 82.6m, due to lower EBITDA.

Depreciation and impairment totalled EUR 6.6m in Q3 2024, an increase of EUR 1.4m compared to Q3 2023.

Net financial items was EUR -8.3m (Q3 2023: EUR -13.8m), an decrease of EUR 5.5m, mainly due to lower interests expenses on bonds as they were partly repaid in Q2 2024.

Tax on the profit for the period amounted to an income of EUR 3.3m in Q3 2024 same level as last year (Q3 2023: EUR 3.6m). The effective tax rate for Q3 2024 was at 14.2%.

Cash flow

Cash flow from operating activities ended at EUR -190.7m (Q3 2023: EUR -13.7m), development of EUR 177.0m.

The main part of the operating activities are investments in projects recorded as inventories (change in inventories), which resulted in a cash outflow of EUR 231.9m in Q3 2024, whereas change in inventories amounted to EUR -0.5m in Q3 2023.

Cash flow from investing activities was a cash inflow of EUR 177.1m (Q3 2023: EUR -8.3m). The movement predominately relates to the investment in short-term securities which matured in July and September 2024 (EUR 203.5m).

Cash flow from financing activities resulted in a cash inflow of EUR 26.2m (Q3 2023: EUR 19.6m), an increase of EUR 6.6m.

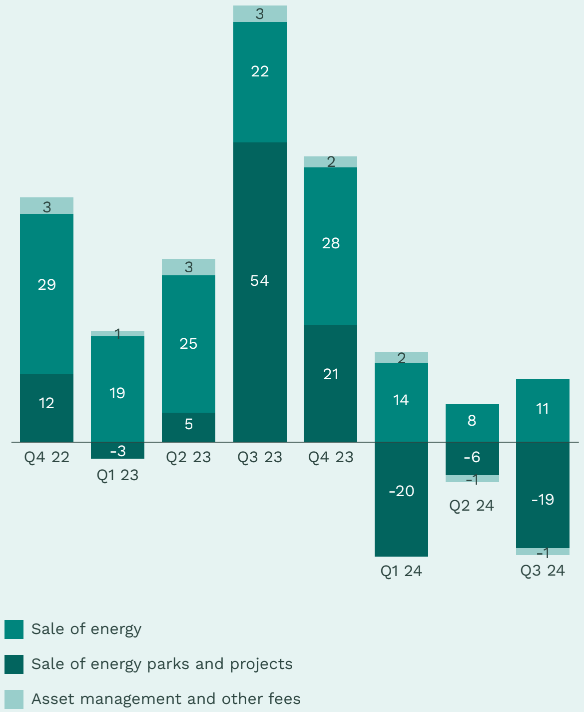
The resulting change in cash and cash equivalents during the quarter was an increase of EUR 12.6m and with a balance at the end of Q3 2024 of EUR 145.1m.

Events after balance sheet day

In October 2024 European Energy successfully completed a refinancing of our parent debt capital. The issuance of a new three year senior bond of EUR 375m enabled us to repay existing outstanding senior bonds maturing in 2025 and 2026 and leave a net proceed of EUR 72m to European Energy. At the same time, our corporate revolving credit facility of EUR 100m with our four core Nordic banks was renegotiated and maturity was extended to 2027.

EBITDA by segment

EURm



Parent company and Outlook

Financial performance

The parent company reported an after-tax loss of EUR 21.9m for Q3 2024 and a loss of EUR 63.7m for 9M 2024. The majority of energy sales, as well as divestments of energy parks and projects, are recognised in the parent company's subsidiaries and consequently reflected in "Results from investments in subsidiaries" in the parent company's financial statements.

The description of the parent company's financial performance is similar to that for the Group for 9M and Q3 2024 in all material respects.

Outlook

The Group announced its financial outlook for 2024 on 28 February 2024, stating a 2024 EBITDA of EUR 230m, with a risk margin of +/- 10% due to a series of possible risks.

In our H1 2024 report we increased the risk margin to +/- 20%, this contingent on the completion of several energy park divestments before year-end.

While the 2 GW divestment pipeline has been progressing well during the last months, some divestments will be pushed into Q1 2025 due to longer approval processes from merger control authorities or investor approvals.

Consequently, the full-year EBITDA is now expected to realise in the lower end of the previous guidance range, i.e. EUR 184m and with a risk margin of +/- 10%.

Regarding profit before tax, 2024 guidance is changed from growth at a lower rate than EBITDA to EUR 100m with a margin of +/- 10% due to the updated and lower expected 2024 EBITDA.

Company trip to Lolland, Denmark

Sustainability Statements

49.2 MW

Skåramåla, Sweden

Introduction

1.5°C global warming threshold exceeded

With the Paris agreement signed in 2016, nearly all of the world's countries pledged to strive to keep global warming under 1.5°C. A report published by the European Union's Copernicus Climate Change Services (3CS) reveals that 2024 is on a trajectory to become the warmest year ever recorded and the first year to overshoot the 1.5°C threshold.

At this level of global warming, scientists warn that the fossil fuelled human-caused climate crisis will begin to exceed the ability of humans and the natural world to co-exist with extreme weather conditions such as droughts, heat waves, floodings and catastrophic sea level rises.

According to the United Nations Environmental Programme, published in their Emissions Gap Report 2024, it is technically possible to get back on a 1.5°C pathway , with solar power, wind power and forests holding real promise for rapid emissions cuts. It will however require nations to cut greenhouse gas emissions by 42% by 2030 and 57% by 2035.

Substantial contribution to climate change mitigation

European Energy's economic activities are Taxonomy-eligible, with high eligibility across revenue, Capex and Opex, demonstrating our substantial contribution to climate change mitigation.

We offer a wide range of renewable energy solutions across the value chain, ranging from onshore and offshore wind power, to solar PV power, Power-to-X, carbon capture and energy storage.

If developed, constructed and operated sustainably, renewable energy solutions can drive positive change far beyond substantially contributing to mitigating climate change. They can reinforce a just and thriving planet and have a lasting positive impact on both nature and society.

In Q3 2024, we added an additional activity to our list of a total of seven Taxonomy-eligible economic activities. The addition of economic activity 3.10 Manufacture of hydrogen is a result of European Energy's strengthened engagement in Power-to-X. On 28 October 2024, European Energy inaugurated its first green hydrogen facility in Måde outside Esbjerg, Denmark.

100% Taxonomy-eligible revenue

The Taxonomy-eligible shares of our economic activities in 9M 2024 were: 100% Taxonomy-eligible revenue, 91% Taxonomy-eligible Capex, and 98% Taxonomy-eligible Opex.

The primary contributor to the eligible share of revenue (100%) was electricity sales generated from wind power. The eligible share of Capex (91%) related mainly to investments in wind assets held as property, plant and equipment. The eligible share (98%) of Opex was related to repair and maintenance of wind farms held as property, plant and equipment.

Renewable energy that revitalises the environment

In 9M 2024, we avoided 358,437 tonnes of CO_2e greenhouse gas emissions through the production of 1,542 GWh of renewable energy at our wind farms and solar parks. This is an increase of 15% as compared to 9M 2023.

A people-centric sustainable transformation

In 9M 2024, we employed 824 people, which is an increase of 18% as compared to the 697 people we employed in 9M 2023. 35% of our workforce were women and 42 nationalities were represented among our employees.

Governance that empowers business accountability

We are continuously professionalising our Board of Directors, with a special focus on increasing independence and diversity. In 9M 2024, we had one female board member (14%) and we had four independent board members (57%).

Long-term sustainable development

Sustainability plays a key role in European Energy's 2026 corporate strategy, emphasising our sustainability vision to support a just and green transition by further embedding sustainability in our business activities and across our value chain.

In 9M 2024, with cross-company involvement, implementation of our 2026 sustainability strategy continued and we are addressing strategic sustainability priorities, including environmental, social and governance-related impacts, risks and opportunities.

As part of our preparations to meet the requirements set forward in the Corporate Sustainability Reporting Directive (CSRD) and its European Sustainability Reporting Standards (ESRS), we have conducted our second Double Materiality Assessment, which will guide our priorities going forward.

It takes time and dedication to fully embed sustainability in our business activities and across our value chain. With our 2026 strategy we are taking significant steps to embed sustainability-related matters throughout the entire project life cycle, all the way from screening, development, structuring and construction, to the operation of our assets.

Basis of reporting

European Energy A/S' Sustainability Statements include a selection of environmental, social and governance (ESG) performance data, together with development explanations and accounting policies. The ESG performance data presented is a subset of our full Sustainability Statements presented in our Annual Report.

The reporting period covers 1 January 2024 to 30 September 2024. Our 9M 2024 report was published on 29 November 2024. Previous interim and annual reports are available online. Please visit **europeanenergy.com/sustainability**.

ESG data and consolidation

The ESG performance data presented in the Sustainability Statements is consolidated at Group level in accordance with our financial statements.

The consolidated ESG performance data thereby includes European Energy A/S (the parent company) and subsidiaries controlled by European Energy A/S.

The scope for and consolidation of health and safety data deviate from the principles described above. Health and safety data is collected for both our own employees and for contractors' employees.

For projects under construction, we report on the health and safety of our contractors' employees, irrespective of European Energy's ownership share in a given project.

For sites in operation, we only report on the health and safety of contractors' employees if we manage the site under technical or operation and maintenance agreements, irrespective of ownership share.

All of the ESG performance data presented in the Sustainability Statements adheres to the aforementioned accounting policies, unless otherwise specified in the accounting policies related to the individual ESG performance data.

Accounting policies for each ESG performance indicator are specified next to the data tables in the individual sections. Calculation factors and references are also included.

As a foundation for our reporting, we aspire to implement the reporting principles defined by the Corporate Social Reporting Directive in its European Sustainability Reporting Standards:

- Relevance
- Faithful representation
- Comparability
- Verifiability
- Understandability

Towards ESG data excellence

To drive our ESG accounting and reporting initiatives towards ESG data excellence, we have established an ESG Accounting and Reporting Taskforce, led by our Senior ESG Manager, with senior sustainability specialists and members from Finance, including our Chief Financial Officer, Head of Group Controlling, senior IFRS specialists and financial controllers. The cross-disciplinarity of our taskforce ensures alignment on accounting and reporting practices across financial data and ESG data.

15.5 MW

Drawsko wind farm, Poland

EU Taxonomy-eligible KPIs

Substantial contribution to climate change mitigation

European Energy's economic activities are Taxonomy-eligible with high eligility across revenue, capex and opex, showing our substantial contribution to climate change mitigation.

In Q3 2024, we added an additional activity to our list of a total of seven Taxonomy-eligible economic activities. The addition of economic activity 3.10 Manufacture of hydrogen is a result of European Energy's strengthened engagement in Power-to-X.

On October 28 2024, European Energy inaugurated its first green hydrogen facility in Måde outside Esbjerg, Denmark. "With the start of operations at Måde, we can deliver green hydrogen to the market," explains CEO Knud Erik Andersen. "This achievement demonstrates that the transformation of our energy systems is not just a distant vision - it is happening right now. European Energy is proud to be at the forefront of this change."

Economic activity 3.10 Manufacture of hydrogen also encompasses hydrogen based synthetic fuels such as e-methanol. In 2023, we divested 49% of our e-methanol production facility under construction in Kassø, Denmark. The construction of our joint venture Power-to-X facility in Kassø is progressing well and we expect to start production of the first e-methanol from solar PV power before year-end.

The revenue from the divestment was reported as Taxonomy-non-eligible in our 2023 Annual Report representing 17% of our revenue. In the meantime, we have assessed construction and sale of Power-to-X facilities as activities that bring hydrogen and hydrogen-based synthetic fuels to the market (EU Commission Notice C/2023/267 article 8). Consequently, the revenue from the divestment of Kassø e-methanol production facility has been restated as Taxonomy-eligible.

European Energy is in addition to being a renewable energy producer, a renewable energy developer, meaning that another source of our revenue is the sale of wind farms, solar PV parks and Power-to-X facilities at various project stages. Our Taxonomy-eligible share of revenue thus also includes the sale of projects, seen as comprehensive activities that effectively bring renewable energy to the market.

100% Taxonomy-eligible revenue

In 9M 2024, 100% of our revenue was Taxonomy-eligible. The primary contributor to the eligible share of revenue was electricity sales generated from wind power.

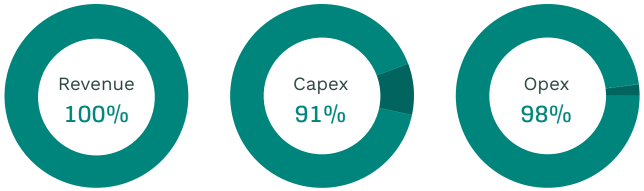
91% Taxonomy-eligible Capex

In 9M 2024, 91% of our Capex additions were Taxonomy-eligible and related mainly to investments in wind assets held as property, plant and equipment.

98% Taxonomy-eligible Opex

Our Taxonomy-eligible proportion of Opex was 98% in 9M 2024 and primarily related to the maintenance and repair of our wind farms held as property, plant and equipment.

EU Taxonomy-eligible KPIs



Closing gaps against the EU Taxonomy

The EU Taxonomy's definition of Capex and Opex solely relates to assets held as property, plant and equipment, and not assets held as inventory.

As a renewable energy developer that sells wind farms, solar PV parks and Power-to-X facilities at various project stages, the majority of our assets are held as inventory. We are addressing this gap by developing a set of voluntary disclosures that allow us to account for all of our assets.

The results of our full-year 2023 assessment showed that our company, although substantially contributing to mitigating climate change, is not yet fully aligned with the EU Taxonomy. The reason is that we have not yet been able to document that we do not significantly harm the other five environmental objectives, nor comply with all the minimum safeguards, as required by the EU Taxonomy.

Through our strategic sustainability priorities and ambitions towards 2026, we will further embed sustainability in our business activities and across our value chain and close gaps against the EU Taxonomy.

EU Taxonomy-eligible KPI's

Indicator	Code	Unit	Q3 2024	Q3 2023	Δ	9M 2024	9M 2023	Δ	FY 2023
Revenue		**EURk**	**31,988**	**-**	**-**	**111,918**	**-**	**-**	**420,255**
Taxonomy-eligible revenue		**%**	**100**	**-**	**-**	**100**	**-**	**-**	**100**
Manufacture of hydrogen	CCM 3.10	%	0			1			17
Electricity generation using solar photovoltaic technology	CCM 4.1	%	20	-	-	11	-	-	44
Electricity generation from wind power	CCM 4.3	%	47	-	-	67	-	-	31
Storage of electricity	CCM 4.10	%	12	-	-	4	-	-	1
Installation, maintenance and repair of renew-able energy technologies	CCM 7.6	%	21	-	-	17	-	-	7
Acquisition and ownership of buildings	CCM 7.7	%	0	-	-	0	-	-	0
Research, development and innovation for direct air capture of CO_2	CCM 9.2	%	0	-	-	0	-	-	0
Taxonomy-non-eligible revenue		**%**	**0**	**-**	**-**	**0**	**-**	**-**	**0**
CapEx		**EURk**	**11,810**	**-**	**-**	**18,941**	**-**	**-**	**11,426**
Taxonomy-eligible CapEx		**%**	**94**	**-**	**-**	**91**	**-**	**-**	**77**
Manufacture of hydrogen	CCM 3.10	%	0	-	-	0	-	-	0
Electricity generation using solar photovoltaic technology	CCM 4.1	%	0	-	-	0	-	-	55
Electricity generation from wind power	CCM 4.3	%	89	-	-	81	-	-	22
Storage of electricity	CCM 4.10	%	0	-	-	0	-	-	0
Installation, maintenance and repair of renew-able energy technologies	CCM 7.6	%	0	-	-	0	-	-	0
Acquisition and ownership of buildings	CCM 7.7	%	5	-	-	10	-	-	0
Research, development and innovation for direct air capture of CO_2	CCM 9.2	%	0	-	-	0	-	-	0
Taxonomy-non-eligible CapEx		**%**	**6**	**-**	**-**	**9**	**-**	**-**	**23**
OpEx		**EURk**	**798**	**-**	**-**	**2,635**	**-**	**-**	**3,206**
Taxonomy-eligible OpEx		**%**	**99**	**-**	**-**	**98**	**-**	**-**	**97**
Manufacture of hydrogen	CCM 3.10	%	0	-	-	0	-	-	0
Electricity generation using solar photovoltaic technology	CCM 4.1	%	0	-	-	0	-	-	1
Electricity generation from wind power	CCM 4.3	%	99	-	-	98	-	-	96
Storage of electricity	CCM 4.10	%	0	-	-	0	-	-	0
Installation, maintenance and repair of renew-able energy technologies	CCM 7.6	%	0	-	-	0	-	-	0
Acquisition and ownership of buildings	CCM 7.7	%	0	-	-	0	-	-	0
Research, development and innovation for direct air capture of CO_2	CCM 9.2	%	0	-	-	0	-	-	0
Taxonomy-non-eligible OpEx		**%**	**1**	**-**	**-**	**2**	**-**	**-**	**3**

Accounting policies

The EU Taxonomy for sustainable activities is a classification system for economic activities that are determined by the EU to significantly contribute to environmental sustainability.

In accordance with Article 8(1) of the Taxonomy Regulation, companies required to disclose non-financial information in accordance with the Corporate Sustainability Reporting Directive (CSRD) must publish information on the extent to which their activities are associated with environmentally sustainable economic activities. Companies are required to report in alignment with Article 3 of Regulation EU/2020/852 and the following criteria:

1. The eligibility of their economic activities
2. Their substantial contribution to one or more of the six environmental objectives, and
3. The alignment of their eligible activities with the applicable Do No Significant Harm (DNSH) criteria and Minimum Safeguard (MS) criteria.

Taxonomy-eligible activities
We have identified seven material economic activities outlined in Annexes I and II of the Climate Delegated Act (Commission Delegated Regulation (EU) 2021/2139) as a result of our screening of European Energy's business model and economic activities. In Q3 2024, we have added economic activities CMM 3.10 and CCM 7.7, and we have discarded economic activity CCM 9.1 because it is considered immaterial as a future activity.

CCM 3.10	Manufacture of hydrogen (Nace code 20.11)
CCM 4.1	Electricity generation using solar photovoltaic technology (Nace codes D35.11, F42.22)
CCM 4.3	Electricity generation from wind power (Nace codes D.35.11, F42.22)
CCM 4.10	Storage of electricity (Nace code n.a.)
CCM 7.6.	Installation, maintenance and repair of renewable energy technology (Nace codes F42.22, F42.99)
CMM 7.7	Acquisition and ownership of buildings (Nace code L78)
CCM 9.2.	Research, development and innovation for direct air capture of CO_2 (Nace codes M71.12, M72.19)

The Taxonomy eligibility and alignment of our economic activities are assessed on an ongoing basis and reported on in our interim and annual Sustainability Statements. We assess our economic activities by using the technical screening criteria for substantial contribution and the DNSH criteria for the environmental objectives at site level, while compliance with the MS criteria is evaluated at Group level.

The full disclosure of our 2023 EU Taxonomy results and accounting policies is available in the Sustainability Statements of our Annual Report 2023 on our website www.europeanenergy.com.

Renewable energy that revitalises the environment

SUSTAINABILITY TOPIC	DECARBONISATION OF VALUE CHAINS	RESOURCE USE AND CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS
Sustainability challenge	Science has clearly demonstrated that global warming is a result of greenhouse gas (GHG) emissions caused by human activities*. Society urgently needs to reduce GHG emissions, to keep global warming below the limit of 1.5°C required to avoid the catastrophic consequences of climate change.	According to the World Bank, the need for minerals could increase by 500%, due the escalating demand for components for renewable energy technologies*. Coupled with limited natural resources, this presents a challenge that can only be resolved through the sustainable and strategic use of the Earth's resources and the transition from a linear to a circular economy.	Natural ecosystems are deteriorating and it is estimated that more than 41,000 species worldwide, or 28% of all species assessed, are threatened with extinction*. Since all living beings depend on one another in complex ecosystems, it is vital for life on Earth that we halt and reverse biodiversity loss.
Our ambition	We will demonstrate our position as a decarbonisation catalyst by setting science-based GHG emission reduction targets covering our entire value chain. We will also increase our supply of renewable energy and green fuels, to strengthen our contribution to climate change mitigation.	We will scale up circularity through design, optimisation and sourcing, and increase material use efficiency through zero-landfill practices and waste management. We are committed to using natural resources as sustainably as possible and to reducing our waste to a minimum. By keeping materials within the economy wherever possible, we will support the reuse of resources.	By increasing the resilience of our business model and corporate strategy, we will limit our impacts on biodiversity and ecosystems. Besides this, we will also aim to have a net positive impact on biodiversity in at least some parts of the portfolio. This is crucial in order to contribute to a nature-positive world.
Our approach	We recognise that we must approach GHG emissions related to renewable energy from a value chain perspective. We must take a critical look at our supply chain and account for emissions such as those related to the manufacture and transport of components for renewable energy assets.	Our approach to resource efficiency and circularity involves a cross-disciplinary team of in-house specialists who provide different viewpoints. We also engage with regulatory bodies and industry associations on tackling systemic challenges brought on by resource scarcity and the increasing demand for renewable energy and green fuels.	We engage in close collaboration with local stakeholders and environmental organisations to meet national and regional requirements. Furthermore, we are committed to working with universities and research institutions to improve our biodiversity and ecosystems contribution.
Our progress in Q3 2024	• We prepared an accounting policy for selected Scope 3 GHG emissions categories. • We recalculated Scope 1 and 2 GHG emissions based on an updated accounting policy. • We defined a direction for calculating GHG emissions at project and asset level.	• We reported under the Carbon Border Adjustment Mechanism (CBAM) and are preparing for its mandatory implementation, ensuring compliance with the new regulatory requirements. • We drafted a waste management policy and procedures tailored to different functions across the organisation, planned to be signed in the fourth quarter. • We have engaged with a supplier in a framework and takeback scheme to ensure compliance with the Waste Electrical and Electronic Equipment Directive (WEEE).	• We initiated the development of a corporate Biodiversity Measurement Framework with and external consultant. • We proceeded the work on a catalogue with biodiversity initiatives in solar parks together with the Danish NGO, The Danish Society for Nature Conservation.
Our plan towards 2026	• We will assess Scope 3 GHG emissions in our entire value chain, in alignment with the GHG Protocol. • We will develop a Life Cycle Assessment (LCA) tool to analyse the environmental impact of our projects. • We will prepare to set science-based (SBTi) near-term and net-zero Scope 1, 2 and 3 GHG emission targets, with 2024 as our baseline year. • We will define action points to reduce our Scope 1, 2 and 3 GHG emissions, in cooperation with our stakeholders across our value chain.	• We will further implement a corporate-wide Environmental and Social Management System for all new projects subject to screening. • We will formalise a Waste from Electrical and Electronic Equipment (WEEE) framework across our markets. • We will set waste management targets, including a zero-landfilling target for PV modules and wind turbine blades. • We will set circular targets through design, optimisation and sustainable sourcing.	• We will publish a biodiversity and ecosystems policy in the first half of 2024. • We will conduct a biodiversity and ecosystems resilience analysis for our business model. • We will develop a strategy for how to contribute to a nature-positive world. • We will develop a biodiversity management system and evaluate and test our biodiversity inventory guideline and monitoring plan.

*IPCC (2023). Climate Change 2023: Synthesis Report. A report of the Intergovernmental Panel on Climate Change. IPCC Publishing.

*World Bank Group (2020). Minerals for climate action: the mineral intensity of the clean energy transition. World Bank Publishing.

*International Union for Conservation of Nature (n.d.). IUCN red list of threatened species.

Energy production

Indicator	Unit	Target	Q3 2024	Q3 2023	△	9M 2024	9M 2023	△	FY 2023
Renewable share of energy production	%		100	100	0%p	100	100	0%p	100
- Wind power	%		77	65	12%p	84	69	15%p	78
- Solar power	%		23	35	-12%p	16	31	-15%p	22
Renewable energy production	**GWh**		**521**	**511**	**2%**	**1,542**	**1,336**	**15%**	**1,870**
- Wind power	GWh		402	333	21%	1,300	927	40%	1,450
- Solar power	GWh		119	178	-33%	242	409	-41%	420

European Energy is a 100% renewable energy company. In the first 9M of 2024, we produced 1,542 GWh of renewable energy, which is a 15% increase compared to in the first 9M of 2023. Solar power production decreased by 41% in the first 9M of 2024 compared to the first 9M of 2023 due to the divestment of Solar Park Kassø.

Since 2004, when European Energy was founded, our vision has been to be a major global force in driving the green transition through the development, construction and operation of innovative renewable energy solutions.

With our corporate 2026 strategy, we are setting the scene for further growth and innovation within a full line of value chain capabilities, ranging from solar PV energy, onshore and offshore wind energy, to Power-to-X, carbon capture and energy storage across the world.

Accounting policies

Energy production only includes volumes of wind power and solar power produced at sites that are financially consolidated.

Avoided greenhouse gas (GHG) emissions

Indicator	Unit	Target	Q3 2024	Q3 2023	Δ	9M 2024	9M 2023	Δ	FY 2023
Avoided greenhouse gas (GHG) emissions									
Avoided GHG emissions	Tonnes CO_2e		121,185	118,859	2%	358,437	310,754	15%	434,962

In the first 9M of 2024, European Energy avoided 358,437 tonnes of CO_2e emissions through the renewable energy that was produced at our wind farms and solar parks. This is an increase of 15% as compared as to the 310,754 tonnes of CO_2e greenhouse gas emissions we avoided in the first 9M of 2023.

Accounting policies

Avoided GHG emissions
The avoided greenhouse gas emissions due to renewable energy production from solar and wind farms are calculated based on the assumption that the renewable energy produced at our solar and wind farms replaces an equal quantity of energy produced by a mix of renewables and non-renewables.

The CO_2e greenhouse gas emissions avoided are calculated by multiplying energy production by greenhouse gas emission factors. We apply the total greenhouse gas emission factor for OECD countries in Europe, as supplied by the International Energy Agency (IEA, 2022).

Renewable energy production from wind farms and solar parks does not lead to direct greenhouse gas emissions, and indirect greenhouse gas emissions are not included. Avoided greenhouse gas emissions only include emissions avoided for the period and do not include potential avoided emissions in the future.

A people-centric sustainable transformation

SUSTAINABILITY TOPIC	OUR PEOPLE	COMMUNITY ENGAGEMENT	HEALTH AND SAFETY
Sustainability challenge	The competition for qualified professionals in the energy sector is fierce. To attract and retain employees, companies must provide jobs that are purpose-driven and in which employees can thrive, personally and professionally.	The green transition must benefit and include local communities. Local support for renewable energy projects builds on stakeholder engagement initiatives. Unlocking local expertise is essential to ensure an inclusive and fair transition.	The health and safety of all employees can positively influence the welfare of individuals and communities. Preventing fatal and life-altering injuries at work and making sure everyone gets home safely is imperative.
Our ambition	Our people are our greatest resource and the foundation for creating the power of tomorrow, today. We will increase employee diversity and equity and ensure employee engagement through performance and career development plans.	Engaging with local stakeholders is a key element of building trust in our host communities. We aim to strengthen community engagement through a solid stakeholder engagement framework, with grievance mechanisms available to all.	We seek to improve our work procedures and management systems and to emphasise a zero incident culture, with zero lost time and total recordable injury rates, as well as zero fatalities. This applies to our total workforce, including both our own employees and contractors' employees.
Our approach	We have a code of conduct, policies and committees to provide our employees with physical, social and psychosocial working conditions that allow them to thrive, evolve and lead complete and healthy lives at home and at work.	We include local stakeholders and communities in the green transition by engaging in dialogue and by offering jobs on equal and competitive terms. In selected markets, we develop local engagement plans and provide grievance mechanisms whereby our local stakeholders can communicate their concerns.	Our health and safety initiatives are guided by our QHSE Policy. Broadening awareness of safety hazards and preventive measures is key to delivering on our promise to provide all people working at our sites with safe and healthy working environments.
Our progress in Q3 2024	• We held our second event of our Female Network as a panel discussion about equal career opportunities. • We redesigned our exit process to enhance data quality and identify actionable insights for retention of our employees. • We continue to implement our Diversity, Equity and Inclusion Policy. • We expect to finalise our internal gender-pay equity analysis this year.	• We updated our corporate templates for stakeholder engagement procedures and plans based on feedback from internal stakeholders. • We investigated how to integrate stakeholder engagement procedures into our existing systems and project management model. • We planned internal training sessions of our Stakeholder Engagement Procedure. • We wrote a draft Stakeholder Engagement Policy which is ready for internal review.	• We implemented our QHSE management system in our Power-to-X Operations and Maintenance and implementation continues across our business. • We prepared audits for pre-qualification of suppliers by making an audit agenda and a checklist. • We implemented corrective actions to prevent the reoccurrence of health and safety incidents.
Our plan towards 2026	• We will continue our leadership training and enhance leadership opportunities. • We will achieve greater gender diversity, with a gender balance of 40:60 across all levels. • We will establish a female manager network. • We will introduce a base pay level within the different levels of our career model and ensure gender pay equity. • We will strive to improve employee satisfaction and employee participation via performance and career development reviews.	• We will implement a Stakeholder Engagement Policy and include stakeholder engagement plans with grievance mechanisms as part of our Environmental and Social Management System. • We will map affected communities in our upstream value chain and devise a plan for addressing any identified risks. • We will further develop training in good stakeholder engagement practices.	• We will review our QHSE Policy and update it in accordance with international standards and best practice. • We will implement a new management system for our Power-to-X plants (phase 1) and for the rest of the our sites (phase 2). • We will create and implement a QHSE onboarding training programme. • We will further engage with our main construction suppliers to improve our safety performance.

People

Indicator	Unit	Target	Q3 2024	Q3 2023	Δ	FY 2023
Employees						
Total number of employees (as of 30 September)	Number		824	697	18%	713
-female employees	Number		287	245	17%	257
-male employees	Number		537	452	19%	456
Gender with the lowest representation (female)	%		35	35	0%p	36
Number of nationalities	Number		42	43	-2%	43
Average number of full-time employees (IFRS)	FTEs		793	580	37%	615
Employee turnover						
Permanent employees						
Total permanent employee turnover rate	%		13.6	15.7	-2.1%p	17.9
Voluntary permanent employee turnover rate	%		10.4	9.3	1.1%p	11.5
All employees						
Total employee turnover rate	%		17.6	18.0	-0.4%p	20.3
Voluntary employee turnover rate	%		14.6	11.7	2.9%p	13.9

Number of employees increased by 18%

In Q3 2024, we saw an 18% increase in our workforce, bringing the total number of employees up to 824, compared to 697 employees in Q3 2023. In Q3 2024, 42 different nationalities were represented amongst our employees.

Permanent employee turnover rate of 13.6%

Our total permanent employee turnover rate was 13.6% in Q3 2024, which is a decrease of 2.1%p compared to Q3 2023, and a 4.3%p decrease compared to FY 2023.

In Q3 2024, we introduced a new performance indicator reflecting the turnover rate of permanent employeess to increase transparency and comparability with our peers.

We believe that the permanent turnover rate is more representative because it leaves out hourly paid employees like students who tend not to stay with the company for longer periods of time. This is demonstrated by a 4.0%p higher turnover rate for all our employees (17.6%) compared to only permanent employees (13.6%).

Accounting policies

Employees
The number of employees is determined as the number of employees contractually employed by European Energy A/S as of 30 September of the financial year, based on a headcount.

Employee turnover
The employee turnover rate is calculated as the number of employees who have left the company, relative to the average number of employees.

All employees include all employee groups, including permanent employees and hourly-paid employees.

Permanent employees include only employees on a permanent contract and not hourly paid employees.

Safety

Indicator	Unit	Target	Q3 2024	Q3 2023	△	9M 2024	9M 2023	△	FY 2023
Safety									
Lost Time Injuries (LTIs)									
- Own employees	Number		0	0	0	0	0	0	0
- Contractor employees	Number		0	0	0	1	3	-2	3
Lost Time Injury Rate (LTIR)									
- Own employees	Rate	0 (2026)	0.0	0.0	0%	0.0	0.0	0%	0.0
- Contractor employees	Rate	0 (2030)	-	-	-	-	-	-	3.3
Total Recordable Injuries (TRIs)									
- Own employees	Number		1	2	-1	2	2	0	2
- Contractor employees	Number		0	0	0	2	4	-2	4
Total Recordable Injury Rate (TRIR)									
- Own employees	Rate		3.2	9.9	-68%	2.3	3.0	-23%	2.1
- Contractor employees	Rate		-	-	-	-	-	-	4.3
Fatalities	**Number**		**0**	**0**	**0**	**0**	**0**	**0**	**0**

Safety performance

In Q3 2024, we registered 0 lost time injuries (LTIs) among our own employees, resulting in a lost time injury rate (LTIR) of 0.0, which is in alignment with our 2026 target of 0 LTIR.

We recorded 1 total recordable injury (TRIs) in Q3 2024 among our own employees, resulting in a lost time injury rate (TRIR) of 3.2, down from 9.9 in Q3 2023.

The safety of our contractors' employees is just as important as the safety of our own employees. In Q3 2024, we recorded 0 lost time injuries (LTIs) among our contractors' employees, equivalent to 0 LTIs in Q3 2023. Our contractors' employees registered 0 TRIs in Q3 2024, equivalent to 0 TRIs in Q3 2023.

In Q3 2024, we were not able to obtain the hours worked by our contractors' employees on our projects under construction and sites in operation.

Accounting policies

Safety
Safety data includes office spaces, projects under construction and sites in operation.

For projects under construction, we report on the health and safety of contractors' employees, irrespective of European Energy's ownership share in a given project.

For sites in operation, we report on the health and safety of contractors' employees if we manage the site under technical agreements or operation and maintenance agreements, irrespective of ownership share.

Incidents related to our own employees are recorded in our Project Life Cycle system. Incidents related to our contractors' employees are based on reports and inputs.

Hours worked by our own employees in Denmark and abroad are obtained through company records. For contractors' employees, on-site working hours are based on reports and inputs from contractors, and estimates based on the number of turbines and the capacity of solar PV modules. In Q3 2024, we were not able to obtain hours worked for contractors' employees.

Lost Time Injuries includes Lost Time Injuries and Fatalities.

Total Recordable Injuries include the following injury categories: Fatalities, Lost Time Injuries, Medical Treatment Injuries and Restricted Work Injuries.

Rate = Injuries per million hours worked

Governance that empowers business accountability

SUSTAINABILITY TOPIC	RESPONSIBLE BUSINESS CONDUCT	RESPONSIBLE BUSINESS PARTNERSHIPS	RESPONSIBLE TAX
Sustainability challenge	Companies have a responsibility to conduct their business without labour and human rights violations, and without corruption, and to fulfil legislative requirements. Corruption and other fraudulent practices can impact society by destabilising institutions, and undermining fair business competition and sustainable growth.	Businesses have a responsibility to identify, address and mitigate any risks in connection with labour and human rights violations, corruption and environmental misconduct among their business partners. Irresponsible business conduct can have a negative impact on society by preventing just and sustainable development.	Companies are responsible for paying tax and supporting international tax reforms. This contributes to the development of the societies in which they operate and supports well-functioning tax systems and stable institutions, which are beneficial to both local societies and businesses.
Our ambition	We will reach the highest possible standards that are of relevance to us by promoting ethical business practices, and we are committed to acting professionally, fairly and with integrity in all our business dealings. We take a zero-tolerance approach to bribery, corruption, and human rights and labour rights violations. We also seek to increase the independence and diversity of our Board of Directors.	To live up to our commitment to responsible business practices, we set high expectations of our business partners. We will strengthen our resilience to supply chain disruptions through a robust business partner due diligence process and human rights assessment. We also pledge to engage and collaborate with our business partners to promote sustainable development.	We comply with local and international tax legislation and act with responsibility and integrity in all tax matters. We strive for transparent tax reporting by reporting on corporate tax as inspired by GRI 207, and we voluntarily disclose country-specific tax payments.
Our approach	We conduct our work in an honest and ethical manner and in line with our Good Business Code of Conduct. We focus on both our own operations and our stakeholders by strengthening our company-wide expertise in and know-how of responsible business conduct, and through close stakeholder engagement by prioritising our 'Know-your-Counterparty' screening programme.	We conduct screenings and assessments of our partners and suppliers to evaluate their adherence to various sustainability criteria. We work together with our counterparties to address identified material performance gaps or risks through corrective and preventive action plans.	Our business structure is established to support our commercial operations. This means that we do not use tax structures that are intended for tax avoidance and have no commercial rationale. If we establish an entity in a tax haven jurisdiction, this will be for commercial reasons.
Our progress in Q3 2024	• We worked on enhancing the organisational governance set-up outlining clear roles and responsibilities between support functions, headquarters and local offices aimed at upholding a strong organisational set-up as well as strengthening our responsible business conduct set-up. • We continued to implement our business partner and supplier screening tool to screen critical and strategic business partners and suppliers in relation to international sanctions and anti-bribery and corruption.	• We launched our Contractors Working Group that will work towards strengthening our due diligence measures that manage sustainability risks arising from business relationships related to engineering, construction, and maintenance work. • We integrated our supplier pre-qualification procedure into the Project Management Model to promote accountability and documentation of ESG screening activities.	• We discussed and acted on important tax-related affairs and tax risk management as part of the role and responsibility of our Tax Committee.
Our plan towards 2026	• We will strengthen the roles, expertise and monitoring of administrative, management and supervisory bodies related to responsible business conduct. • We will ensure employee training in good business conduct, including anti-corruption and anti-bribery training. • We will strengthen our 'Know-your-Counterparty' screening programme, focusing on sanctions, government watch lists and adverse media.	• We will screen the sustainability performance of all our tier 1, tier 2 and tier 3 direct suppliers for solar, wind and Power-to-X. • We will conduct in-depth sustainability assessments with supported action plans for all tier 1 suppliers. • We will conduct a human rights assessment at Group level. • We will map the value chain of six key minerals and metals across our technologies. • We will promote job opportunities and capacity building for local value chain workers.	• We will increase the transparency of our tax reporting. • We will work on publishing more transparent tax information, inspired by the GRI 207 Framework, taking the complexity of our business into consideration, and with the preparation required to fulfil our ambitions.

Board of Directors

Indicator	Unit	Target	Q3 2024	Q3 2023	Δ	FY 2023
Board of Directors, European Energy A/S						
Members	Number		7	6	1	6
- Danish	Number		5	6	-1	6
- Non-Danish	Number		2	0	2	0
- Female	Number		1	0	1	0
- Male	Number		6	6	0	6
Gender with the lowest representation (female)	%	40 (2030)	14	0	14%p	0
Average age	Years		57	58	-1	58
Average seniority	Years		8	12	-4	12
Independent board members	%		57	50	7%p	50

Board of Directors

The Board and it's committees continue working in alignment with the decided Annual Wheel and are gradually populating meetings with relevant material. This strengthens governance overall and governance between the Board and the company.

As the seniority of several Board members is relatively short, board education is continuously on the agenda including relevant site visits. In August 2024, the Board visited the two Power-to-X facilities Måde and Kassø.

Accounting policies

European Energy's statement on the underrepresented gender in accordance with Section 99b of the Danish Financial Statements Act (Årsregnskabsloven) is covered in the 'Gender Diversity' section.

A Board meeting is defined as a verbal meeting (either physical or online), where an invitation and an agenda have been circulated in advance.

Business accountability

Indicator	Unit	Target	Q3 2024	Q3 2023	Δ	9M 2024	9M 2023	Δ	FY 2023
Whistleblower cases									
Substantiated whistleblower cases	Number		0	0	0	0	0	0	0
Whistleblower cases transferred to the police	Number		0	0	0	0	0	0	0

Whistleblower mechanism

In Q3 2024, we did not receive any whistleblower reports. We are working on heightening the awareness of our whistleblower mechanism and on encouraging our stakeholders to report concerns to us so that we can uphold our ambitions for ethical and responsible business conduct and employee behaviour.

At European Energy, we want to ensure that all of our stakeholders, both internal and external, are able to report on observed potential violations of our Good Business Code of Conduct, or unethical behaviour by our employees or the company.

Our whistleblower mechanism is available on our website www.europeanenergy.com. Concerns can be reported anonymously, with all reports handled confidentially and in accordance with our whistleblower guidelines.

Accounting policies

Whistleblower cases
Whistleblower cases are received and processed by an external law firm. An internal whistleblower unit handles the cases and evaluates the action to be taken. All cases are handled in full confidentiality. Only cases which are reported during the financial year and which have been categorised as fully or partly substantiated are included in this report.

Consolidated financial statements

15 MW

Sulimierz, Poland

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Female Network event in the Danish headquarter

Consolidated income statement

EURk	Q3 2024	Q3 2023	9M 2024	9M 2023	FY 2023
Revenue	31,988	194,002	111,918	285,435	420,255
Results from investments in joint ventures	884	1,886	1,000	1,957	8,245
Results from investments in associates	-204	-73	1,421	1,950	2,540
Other income	2,235	41,233	5,055	51,549	59,082
Direct costs	-29,355	-145,038	-81,670	-169,728	-251,041
Other costs	-	-960	-	-960	-965
Gross profit	**5,548**	**91,050**	**37,724**	**170,203**	**238,116**
Staff costs	-7,933	-7,555	-27,707	-23,803	-32,278
Other external costs	-6,292	-5,452	-21,104	-19,259	-27,400
EBITDA	**-8,677**	**78,043**	**-11,087**	**127,141**	**178,438**
Depreciation and impairment	-6,605	-5,202	-15,856	-13,904	-23,923
Operating profit/loss	**-15,282**	**72,841**	**-26,943**	**113,237**	**154,515**
Financial income	6,320	5,266	19,447	15,852	27,496
Financial expenses	-14,604	-19,096	-65,635	-47,768	-56,410
Profit/loss before tax	**-23,566**	**59,011**	**-73,131**	**81,321**	**125,601**
Tax	3,346	3,575	14,679	-3,949	-12,598
Profit/loss for the period	**-20,220**	**62,586**	**-58,452**	**77,372**	**113,003**
Attributable to:					
Shareholders of European Energy A/S	-21,929	60,303	-78,800	69,104	102,945
Hybrid capital holders	-	3,519	15,098	4,809	4,809
Non-controlling interests	1,709	-1,236	5,250	3,459	5,249
Profit/loss for the period	**-20,220**	**62,586**	**-58,452**	**77,372**	**113,003**
Earnings per share:					
Earnings per share, basic	-0.06	0.20	-0.23	0.23	0.34
Earnings per share, diluted	-0.06	0.19	-0.22	0.22	0.33

EURk	Q3 2024	Q3 2023	9M 2024	9M 2023	FY 2023
Profit/loss for the period	-20,220	62,586	-58,452	77,372	113,003
Items that may be reclassified to profit or loss:					
Value adjustments of hedging instruments	-7,473	-2,853	33,888	-13,635	-47,336
Tax of value adjustments of hedging instruments	1,195	601	-6,998	2,747	9,729
Currency translation of foreign operations	-629	-4,244	-8,654	4,264	4,138
Other comprehensive income/loss for the period	**-6,907**	**-6,496**	**18,236**	**-6,624**	**-33,469**
Comprehensive income/loss for the period	**-27,127**	**56,090**	**-40,216**	**70,748**	**79,534**
Attributable to:					
Shareholders of European Energy A/S	-28,027	53,017	-60,033	64,624	73,639
Hybrid capital holders	-	3,519	15,098	4,809	4,809
Non-controlling interests	900	-446	4,719	1,315	1,086
Comprehensive income/loss for the period	**-27,127**	**56,090**	**-40,216**	**70,748**	**79,534**

Consolidated balance sheet

EURk	30 Sep 2024	30 Sep 2023	31 Dec 2023
Non-current assets			
Goodwill	10,650	10,650	10,652
Other intangible assets	3,481	4,746	4,430
Property, plant and equipment	187,634	157,358	177,853
Lease assets	8,586	9,472	9,251
Investments in joint ventures	109,349	75,424	85,422
Investments in associates	43,513	29,484	41,707
Other investments	10,184	10,331	10,334
Loans to joint ventures	60,027	42,157	42,727
Loans to associates	1,219	2,968	1,597
Derivatives	4,697	1,701	5,842
Trade receivables and contract assets	2,282	2,577	2,542
Other receivables	5,168	5,081	8,833
Deferred tax	51,310	24,304	33,178
Total non-current assets	**498,100**	**376,253**	**434,368**
Current assets			
Inventories	1,690,130	1,295,927	1,320,526
Derivatives	-	639	262
Trade receivables and contract assets	81,294	95,433	112,753
Other receivables	46,343	38,267	33,526
Prepayments	15,303	10,491	7,263
Cash and cash equivalents	130,766	156,511	93,212
Restricted cash and cash equivalents	14,315	17,783	25,690
Total current assets	**1,978,151**	**1,615,051**	**1,593,232**
Total assets	**2,476,251**	**1,991,304**	**2,027,600**

EURk	30 Sep 2024	30 Sep 2023	31 Dec 2023
Equity			
Share capital	50,538	40,624	40,624
Retained earnings and reserves	859,634	246,955	255,951
Equity attributable to shareholders' of the company	**910,172**	**287,579**	**296,575**
Hybrid capital	-	115,000	115,000
Non-controlling interests	20,629	20,333	20,909
Total Equity	**930,801**	**422,912**	**432,484**
Non-current liabilities			
Bond	288,689	441,082	441,190
Project financing	534,401	740,362	652,745
Other debt	4,824	5,236	4,721
Lease liabilities	11,802	7,042	13,572
Provisions	57,876	42,043	42,586
Derivatives	38,555	35,834	66,652
Deferred tax	15,838	17,114	15,988
Total non-current liabilities	**951,985**	**1,288,713**	**1,237,454**
Current liabilities			
Project financing	455,230	157,178	237,600
Lease liabilities	3,778	2,659	3,505
Derivatives	2,101	2,145	1,070
Trade payables	47,966	60,678	47,910
Payables to related parties	6	25	187
Corporation tax	22,958	16,422	20,200
Deferred income	2,976	4,868	3,474
Other payables	58,450	35,704	43,716
Total current liabilities	**593,465**	**279,679**	**357,662**
Total liabilities	**1,545,450**	**1,568,392**	**1,595,116**
Total equity and liabilities	**2,476,251**	**1,991,304**	**2,027,600**

Consolidated statement of cash flow

EURk	Q3 2024	Q3 2023	9M 2024	9M 2023	FY 2023
Profit/loss before tax	-23,566	59,011	-73,131	81,321	125,601
Adjustment for:					
Financial income	-6,320	-5,266	-19,447	-15,852	-27,496
Financial expenses	14,604	19,096	65,635	47,768	56,410
Depreciation and impairment	6,605	5,202	15,856	13,904	23,923
Results from investments in joint ventures	-884	-1,886	-1,000	-1,957	-8,245
Results from investments in associates	204	73	-1,421	-1,950	-2,540
Change in net working capital, excluding inventories	53,550	-26,016	55,442	-14,484	-23,906
Change in inventories	-231,881	-460	-392,851	-358,288	-342,427
Interest paid on lease liabilities	-220	-91	-726	-323	-604
Dividends	563	-	3,407	1,444	3,268
Other non-cash items	5,595	-47,965	10,113	-33,451	-27,698
Cash generated from operation before financial items and tax	**-181,750**	**1,698**	**-338,123**	**-281,868**	**-223,714**
Taxes paid	-707	-1,413	-9,480	-3,773	-8,192
Interest paid and realised currency losses	-11,331	-15,205	-52,354	-36,658	-51,170
Interest received and realised currency gains	3,086	1,264	9,176	4,953	10,980
Cash flow from operating activities	**-190,702**	**-13,656**	**-390,781**	**-317,346**	**-272,096**
Cash flow from investing activities					
Acquisition/disposal of property, plant and equipment	-12,825	-7,441	-11,712	-8,633	-3,712
Acquisition/disposal of other investments	200	1,739	150	6,445	6,671
Acquisition of enterprises	-1,224	-2,393	-2,328	-2,393	-2,806
Investments in joint ventures and associates	-2,032	16	-27,138	-1,087	-11,617
Loans to joint ventures and associates	-10,525	-215	-17,766	-2,154	-1,807
Investment in securities	932	-	-200,521	-	-
Disposals of securities	202,548	-	202,548	-	-
Cash flow from investing activities	**177,074**	**-8,294**	**-56,767**	**-7,822**	**-13,271**

EURk	Q3 2024	Q3 2023	9M 2024	9M 2023	FY 2023
Cash flow from financing activities					
Proceeds from issue of share capital	-	-	696,640	-	-
Proceeds from issue of bonds	-	-	-	74,703	74,703
Repayment of bonds	-	-	-160,031	-	-
Proceeds from credit institutions	61,889	-	200,710	-	-
Repayment to credit institutions	-201,918	-	-201,918	-	-
Proceeds from project financing	179,735	164,254	316,916	355,302	399,776
Repayment of project financing	-12,001	-82,248	-220,057	-94,612	-233,190
Repayment of lease liabilities	-970	-739	-2,680	-2,149	-3,264
Payables to associates	-416	-161	-181	-896	-734
Capital increase through exercise of warrants	13	-	1,627	175	175
Purchase of treasury shares	-	-276	-19,447	-280	-280
Proceeds from issue of hybrid capital	-	-	-	113,930	113,930
Repayment of hybrid capital	-	-57,450	-118,450	-150,000	-150,000
Coupon payments, hybrid capital	-	-3,519	-15,098	-4,809	-4,809
Transactions with non-controlling interests	-92	-274	-4,304	-1,728	-1,864
Cash flow from financing activities	**26,240**	**19,587**	**473,727**	**289,636**	**194,443**
Change in cash and cash equivalents	**12,612**	**-2,363**	**26,179**	**-35,532**	**-90,924**
Total cash and cash equivalents at beginning of period	132,469	176,657	118,902	209,826	209,826
Total cash and cash equivalents end of period	**145,081**	**174,294**	**145,081**	**174,294**	**118,902**
Cash and cash equivalents	130,766	156,511	130,766	156,511	93,212
Restricted cash and cash equivalents	14,315	17,783	14,315	17,783	25,690
Total cash and cash equivalents end of period	**145,081**	**174,294**	**145,081**	**174,294**	**118,902**

Consolidated statement of shareholders' equity

	9M 2024									
EURk	Share capital	Share premium	Translation reserve	Hedging reserve	Treasury shares	Retained earnings	Total	Hybrid capital	Non-controlling interest	Total Group
Equity at 1 January 2024	**40,624**	**1,911**	**686**	**-70,593**	**-461**	**324,408**	**296,575**	**115,000**	**20,909**	**432,484**
Profit/loss for the period	-	-	-	-	-	-78,800	-78,800	15,098	5,250	-58,452
Other comprehensive income										
Value adjustments of hedging instruments	-	-	5,284	29,170	-	-	34,454	-	-566	33,888
Tax of value adjustments of hedging instruments	-	-	-1,162	-5,943	-	-	-7,105	-	107	-6,998
Currency translation of foreign operations	-	-	-8,582	-	-	-	-8,582	-	-72	-8,654
Other comprehensive income	**-**	**-**	**-4,460**	**23,227**	**-**	**-**	**18,767**	**-**	**-531**	**18,236**
Total comprehensive income	**-**	**-**	**-4,460**	**23,227**	**-**	**-78,800**	**-60,033**	**15,098**	**4,719**	**-40,216**
Transactions with owners										
Increase in share capital	9,702	686,938	-	-	-	-	696,640	-	-	696,640
Dividends	-	-	-	-	-	-	-	-	-4,304	-4,304
Purchase of treasury shares	-	-	-		-19,447	-	-19,447	-	-	-19,447
Exercise of warrants	212	1,402	-	-	13	-	1,627	-	-	1,627
Share-based compensation expenses	-	-	-	-	-	2,826	2,826	-	-	2,826
Redeem of hybrid capital	-	-	-	-	-	-3,450	-3,450	-115,000	-	-118,450
Coupon payments, hybrid capital	-	-	-	-	-	-	-	-15,098	-	-15,098
Disposals	-	-	-	-	-	-	-	-	-917	-917
Other transactions	-	-	-	-	-	-4,566	-4,566	-	222	-4,344
Total transactions with owners	**9,914**	**688,340**	**-**	**-**	**-19,434**	**-5,190**	**673,630**	**-130,098**	**-4,999**	**538,533**
Equity at 30 September 2024	**50,538**	**690,251**	**-3,774**	**-47,366**	**-19,895**	**240,418**	**910,172**	**-**	**20,629**	**930,801**

The share capital consists of nom. 376,298,861 shares of DKK 1 each, corresponding to EUR 50.5m. Increase in share capital EUR 9.7m relate to Mitsubishi HC Capital Inc. acquired 20% stake in the company. The transaction costs related to the increase amounts to EUR 9.0m and is deducted in share premium. The share capital is fully paid in.

The Equity Treasury share reserve comprises the cost of the parent company's shares held by the Group, and is recognised as retained earnings and reserves in the equity. At 30 September 2024, the Group held nom. 2,155,929 shares of DKK 1 each corresponding to EUR 0.3m of the parent company's shares. The shares have been bought back under the warrant program, where the parent company has a right, but not an obligation, to buy back shares from resigned employees. The company has concluded a share buy-back from current and former employees as a result of Mitsubishi HC Capital Inc. acquired 20% stake of the company.

The hybrid capital is fully redeemed per 17 May 2024. See further in note 6.

Consolidated statement of shareholders' equity, continued

	9M 2023									
EURk	Share capital	Share premium	Translation reserve	Hedging reserve	Treasury shares	Retained earnings	Total	Hybrid capital	Non-controlling interest	Total Group
Equity at 1 January 2023	**40,602**	**1,758**	**-3,582**	**-37,019**	**-181**	**223,699**	**225,277**	**150,000**	**16,077**	**391,354**
Profit/loss for the period	-	-	-	-	-	69,104	69,104	4,809	3,459	77,372
Other comprehensive income										
Value adjustments of hedging instruments	-	-	-	-11,031	-	-	-11,031	-	-2,604	-13,635
Tax of value adjustments of hedging instruments	-	-	-	2,254	-	-	2,254	-	493	2,747
Currency translation of foreign operations	-	-	4,296	-	-	-	4,296	-	-32	4,264
Other comprehensive income	**-**	**-**	**4,296**	**-8,777**	**-**	**-**	**-4,481**	**-**	**-2,143**	**-6,624**
Total comprehensive income	**-**	**-**	**4,296**	**-8,777**	**-**	**69,104**	**64,623**	**4,809**	**1,316**	**70,748**
Transactions with owners										
Dividends	-	-	-	-	-	-	-	-	-1,728	-1,728
Purchase of treasury shares	-	-	-	-	-280	-	-280	-	-	-280
Exercise of warrants	22	153	-	-	-	-	175	-	-	175
Share-based compensation expenses	-	-	-	-	-	2,586	2,586	-	-	2,586
Issue of hybrid capital	-	-	-	-	-	-1,070	-1,070	115,000	-	113,930
Redeem of hybrid capital	-	-	-	-	-	-	-	-150,000	-	-150,000
Coupon payments, hybrid capital	-	-	-	-	-	-	-	-4,809	-	-4,809
Additions	-	-	-	-	-	-	-	-	5,220	5,220
Disposals	-	-	-	-	-	-3,732	-3,732	-	-552	-4,284
Total transactions with owners	**22**	**153**	**-**	**-**	**-280**	**-2,216**	**-2,321**	**-39,809**	**2,940**	**-39,190**
Equity at 30 September 2023	**40,624**	**1,911**	**714**	**-45,796**	**-461**	**290,587**	**287,579**	**115,000**	**20,333**	**422,912**

The share capital consists of nom. 302,328,808 shares of DKK 1 each, corresponding to EUR 40.6m. The share capital is fully paid in.

The Equity Treasury share reserve comprises the cost of the parent company's shares held by the Group, and is recognised as retained earnings and reserves in the equity. At 30 September 2023, the Group held nom. 162,762 shares of DKK 1 each corresponding to EUR 0.022m of the parent company's shares. The shares have been bought back under the warrant program, where the parent company has a right, but not an obligation, to buy back shares from resigned employees.

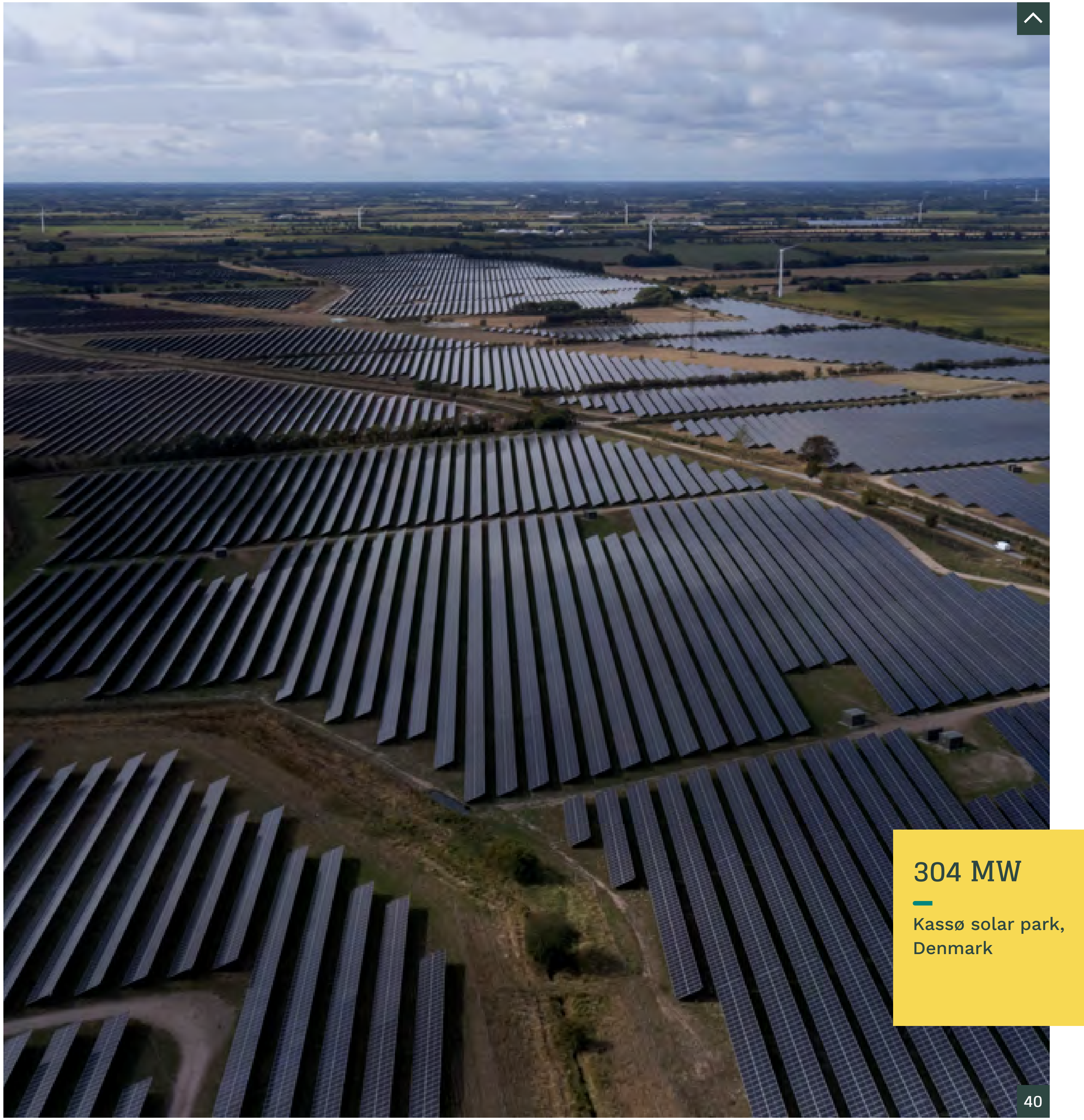
The obligation to pay coupon payments on hybrid capital is at the discretion of European Energy A/S, and treated as dividend. Accumulated coupon payments as per 30 September 2023 amounts to EUR 8.4m, which will reduce retained earnings if European Energy A/S does not elect to defer coupon payment on the next interest payment date in January 2027.

Notes for consolidated financial statements

20 MW

Jonava I
Lithuania

Notes for consolidated financial statements



1. Basis for preparation

General information
The interim financial report of European Energy comprises a summary of the unaudited consolidated financial statements of European Energy A/S and its subsidiaries.

These unaudited consolidated financial statements for the nine months of 2024 have been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies.

The interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 31 December 2023 and public announcements made during the interim reporting period.

The principles as described in this note for basis for preparation and references made to the annual report does also count for the Parent company financial statements which is also included in this report.

Accounting policies
Accounting policies are unchanged compared to the annual report for the year ended 31 December 2023, to which reference is made.

In 2024, we have purchased securities which comprise of bonds that are solely payments of principal and interest (SPPI). The securities are therefore measured at amortised cost.

Divested securities where repurchase agreements (repo transaction) have been made at the time of sale are recognised in the balance sheet at the settlement date as if the securities were still held. The amount received is recognised as a liability, and the difference between the selling price and purchase price is recognised in profit/loss for the year over the term as interest. The return on the securities is recognised in profit/loss for the year.

Implementation of new or changed accounting standards
European Energy Group has adopted all new, amended or revised accounting standards and interpretations ('IFRS') as published by the IASB, and endorsed by the EU effective for the accounting period beginning on 1 January 2024.

Management has assessed that the adoption of these new or amended standards and interpretations have not had any significant impact on the financial statements.

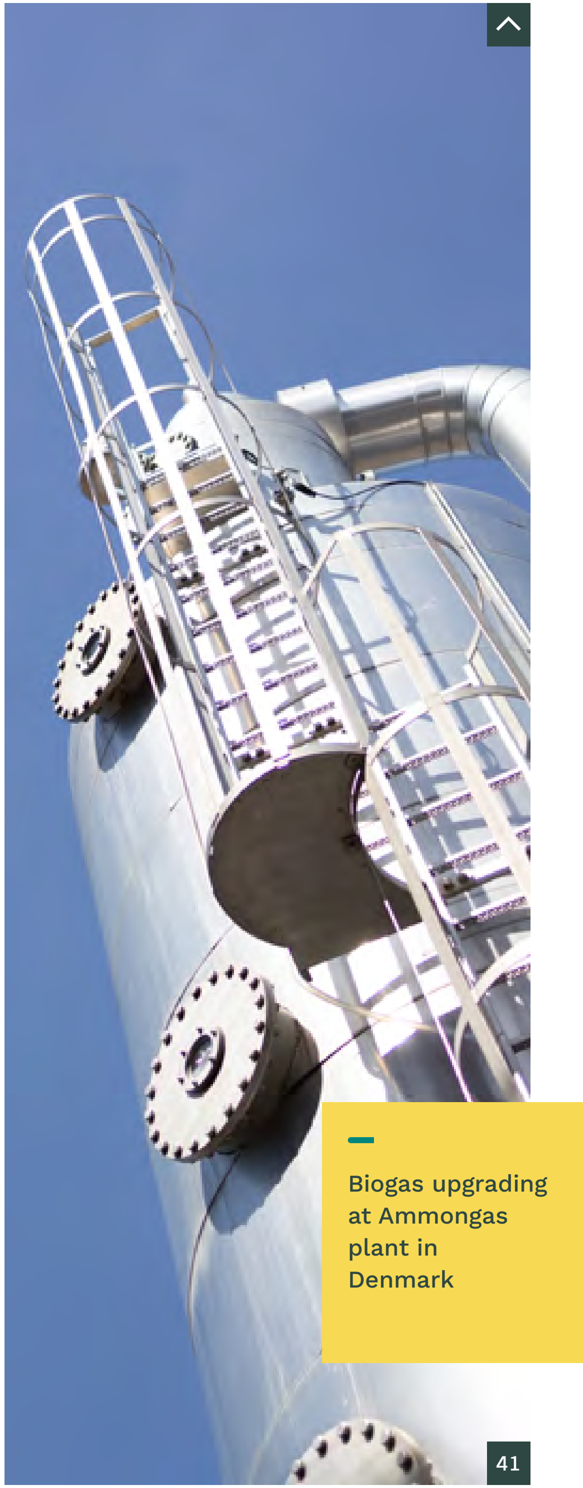
Judgements and estimates
In preparing the interim consolidated and separate financial statements, Management has made judgements, estimates and assumptions that affect how the Group's accounting policies are applied and the amount of assets, liabilities, income and expenses reported. The actual results may deviate from these estimates.

We are constantly monitoring market developments for power prices, inflation, interest levels, etc. and are assessing the financial impact that these implies. In addition to an expected impact across multiple areas and with various effects, we are impacted by this in certain parts of our financial statements where we are recognising assets and liabilities at fair value and using quoted market prices.

When revisiting previously made key accounting estimates, we have considered the recent market developments. These developments have had a minor impact in our H1 consolidated financial statement as previously explained, and we are expecting this to continue in the future. All key accounting estimates and judgements will be reassessed quarterly.

For all other estimates and judgements applied, reference is made to the consolidated financial statements in the Annual report for the year ended 31 December 2023, Note 1.2.

Note	Description	Key accounting estimates and judgements	Estimate/ Judgment
3	Revenue	Recognition of revenue	Judgement
3	Revenue	Allocation of revenue	Estimate
5	Inventories	Assumptions on impairment test	Estimate
5	Inventories	Classification of power producing assets	Judgement
7	Other financial derivatives	Valuation of power purchase agreements	Judgement
8	Determination of fair value	Measurement of power purchase agreements	Estimate



Biogas upgrading at Ammongas plant in Denmark

Definitions

Alternative performance measures

A financial measure of historical or future financial performance, financial position or cash flows, other than a financial measure defined or specified according to IFRS.

The Group uses certain alternative performance measures in the financial management of the Group. The used alternative performance measures are considered to be commonly used across the industry and are defined below.

Key figures

EBITDA
Earnings before, net financial items, tax, depreciation, amortisation and impairments. This measure is a key measure to assess the operating performance.

Net working capital, excluding inventory

Trade receivables and contract assets + other receivables + prepayments – trade payables – deferred income – other payables.

Cash flow from operating activities, excluding inventories
Cash flow from operating activities – change in inventories.

Net interest-bearing debt (NIBD)
Interest-bearing debt less interest-bearing assets and cash and cash equivalents.

Financial ratios

Gross margin
Gross profit as a percentage of revenue.

EBITDA margin
EBITDA as a percentage of revenue.

Solvency ratio
Equity at the reporting date as a percentage of total assets.

Net interest-bearing debt (excluding hybrid capital)/EBITDA
A factor of current year NIBD (excluding hybrid capital) compared to current year EBITDA.

Return on equity
Profit for the year as a percentage of average equity.

Gearing
Net interest-bearing debt at the reporting date as a percentage of equity at the reporting date. Hybrid capital is included in equity, and not in net interest-bearing debt.

Share ratios

Number of shares
Total number of shares outstanding excluding treasury shares at the reporting date.

Average number of shares
Average number of shares outstanding during the reporting period.

Average number of shares diluted
Average number of shares outstanding during the reporting period including outstanding warrants.

Earnings per share
Profit attributable to the shareholders of European Energy A/S divided by the average number of shares.

Earnings per shares diluted
Profit attributable to the shareholders of European Energy A/S divided by the average number of shares diluted.

2. Segment information

EURk	Q3 2024 Sale of energy parks and projects	Q3 2024 Sale of energy	Q3 2024 Asset management and other fees	Q3 2024 Reportable segments	Q3 2024 Eliminations	Q3 2024 Total	Q3 2023 Sale of energy parks and projects	Q3 2023 Sale of energy	Q3 2023 Asset management and other fees	Q3 2023 Reportable segments	Q3 2023 Non-Reportable segments	Q3 2023 Eliminations	Q3 2023 Total
Revenue external	9,862	20,575	1,551	31,988	-	31,988	164,167	29,058	777	194,002	-	-	194,002
Inter-segment revenue	-	-	788	788	-788	-	-	-	3,149	3,149	-	-3,149	-
Revenue	**9,862**	**20,575**	**2,339**	**32,776**	**-788**	**31,988**	**164,167**	**29,058**	**3,926**	**197,151**	**-**	**-3,149**	**194,002**
Results from investments in joint ventures	-	884	-	884	-	884	-	1,886	-	1,886	-	-	1,886
Results from investments in associates	-	-204	-	-204	-	-204	-	-73	-	-73	-	-	-73
Other income	-	2,235	-	2,235	-	2,235	34,209	4,599	-	38,808	2,425	-	41,233
Direct costs	-16,824	-10,440	-2,091	-29,355	-	-29,355	-135,671	-7,229	-2,138	-145,038	-	-	-145,038
Other costs	-	-	-	-	-	-	-	-	-	-	-960	-	-960
Gross profit/loss	**-6,962**	**13,050**	**248**	**6,336**	**-788**	**5,548**	**62,705**	**28,241**	**1,788**	**92,734**	**1,465**	**-3,149**	**91,050**
Staff costs	-7,076	-718	-139	-7,933	-	-7,933	-6,592	-562	-400	-7,555	-	-	-7,555
Other external costs	-4,641	-852	-799	-6,292	-	-6,292	-2,326	-2,967	-159	-5,452	-	-	-5,452
Inter-group costs	-	-788	-	-788	788	-	-	-3,149	-	-3,149	-	3,149	-
EBITDA	**-18,679**	**10,692**	**-690**	**-8,677**	**-**	**-8,677**	**53,787**	**21,562**	**1,229**	**76,578**	**1,465**	**-**	**78,043**
Depreciation and impairment	-317	-6,288	-	-6,605	-	-6,605	-317	-4,885	-	-5,202	-	-	-5,202
Segment profit/loss (Operating profit/loss)	**-18,996**	**4,404**	**-690**	**-15,282**	**-**	**-15,282**	**53,470**	**16,677**	**1,229**	**71,376**	**1,465**	**-**	**72,841**
Financial income						6,320							5,266
Financial expenses						-14,604							-19,096
Tax						3,346							3,575
Profit/loss for the period						**-20,220**							**62,586**

2. Segment information, continued

	9M 2024						9M 2023						
EURk	**Sale of energy parks and projects**	**Sale of energy**	**Asset management and other fees**	**Reportable segments**	**Eliminations**	**Total**	**Sale of energy parks and projects**	**Sale of energy**	**Asset management and other fees**	**Reportable segments**	**Non-Reportable segments**	**Eliminations**	**Total**
Revenue external	39,325	67,019	5,574	111,918	-	111,918	197,691	82,992	4,752	285,435	-	-	285,435
Inter-segment revenue	-	-	2,702	2,702	-2,702	-	-	-	4,650	4,650	-	-4,650	-
Revenue	**39,325**	**67,019**	**8,276**	**114,620**	**-2,702**	**111,918**	**197,691**	**82,992**	**9,402**	**290,085**	**-**	**-4,650**	**285,435**
Results from investments in joint ventures	-	1,000	-	1,000	-	1,000	-	1,957	-	1,957	-	-	1,957
Results from investments in associates	-	1,421	-	1,421	-	1,421	-	1,950	-	1,950	-	-	1,950
Other income	1,500	3,555	-	5,055	-	5,055	36,748	12,376	-	49,124	2,425	-	51,549
Direct costs	-45,055	-31,318	-5,297	-81,670	-	-81,670	-145,274	-22,022	-2,432	-169,728	-	-	-169,728
Other costs	-	-	-	-	-	-	-	-	-	-	-960	-	-960
Gross profit/loss	**-4,230**	**41,677**	**2,979**	**40,426**	**-2,702**	**37,724**	**89,165**	**77,253**	**6,970**	**173,388**	**1,465**	**-4,650**	**170,203**
Staff costs	-25,208	-2,098	-401	-27,707	-	-27,707	-21,718	-1,566	-518	-23,803	-	-	-23,803
Other external costs	-15,815	-2,702	-2,587	-21,104	-	-21,104	-14,156	-4,581	-522	-19,259	-	-	-19,259
Inter-group costs	-	-2,702	-	-2,702	2,702	-	-	-4,650	-	-4,650	-	4,650	-
EBITDA	**-45,253**	**34,175**	**-9**	**-11,087**	**-**	**-11,087**	**53,291**	**66,455**	**5,930**	**125,676**	**1,465**	**-**	**127,141**
Depreciation and impairment	-950	-14,906	-	-15,856	-	-15,856	-950	-12,954	-	-13,904	-	-	-13,904
Segment profit/loss (Operating profit/loss)	**-46,203**	**19,269**	**-9**	**-26,943**	**-**	**-26,943**	**53,291**	**52,551**	**5,930**	**111,772**	**1,465**	**-**	**113,237**
Financial income						19,447							15,852
Financial expenses						-65,635							-47,768
Tax						14,679							-3,949
Profit/loss for the period						**-58,452**							**77,372**

Geographical markets within sale of energy exceeding 10% of the total revenue consist of the following markets: Poland 17% and Germany 16%.

Sale of energy within Denmark amounts to 5% of the total revenue.

Geographical markets within sale of energy parks and projects exceeding 10% of the total revenue consist of the following markets: Germany 17% and Denmark 14%.

3. Revenue by segment and type

EURk	Q3 2024	Q3 2023	9M 2024	9M 2023	FY 2023
Sale of energy parks and projects					
Wind	723	-121	20,483	707	50,308
Solar	4,406	158,081	4,953	178,980	226,350
Other activities	4,733	6,207	13,889	18,004	22,994
Total	**9,862**	**164,167**	**39,325**	**197,691**	**299,652**
Sale of energy					
Wind	14,387	16,668	55,134	53,873	88,509
Solar	6,188	12,390	11,885	29,119	25,042
Total	**20,575**	**29,058**	**67,019**	**82,992**	**113,551**
Asset management and other fees					
Wind	-160	367	1,301	2,081	3,101
Solar	1,669	298	4,070	2,559	3,822
Other activities	42	112	203	112	129
Total	**1,551**	**777**	**5,574**	**4,752**	**7,052**
Total segment and type					
Wind	14,950	16,914	76,918	56,661	141,918
Solar	12,263	170,769	20,908	210,658	255,214
Other activities	4,775	6,319	14,092	18,116	23,123
Total revenue	**31,988**	**194,002**	**111,918**	**285,435**	**420,255**

4. Property, plant and equipment

EURk	9M 2024 Wind power generating assets	9M 2024 Solar power generating assets	9M 2024 Tools and equipment	9M 2024 Land and buildings	9M 2024 Total	9M 2023 Wind power generating assets	9M 2023 Solar power generating assets	9M 2023 Tools and equipment	9M 2023 Land and buildings	9M 2023 Total	FY 2023 Total
Cost at 1 January	176,519	12,095	8,001	35,488	232,103	176,616	12,514	5,981	6,711	201,822	201,822
Exchange rate adjustments	810	398	-3	-76	1,129	505	266	-2	100	869	1,655
Additions	15,241	-	1,234	1,909	18,384	1,709	-	1,605	6,695	10,009	10,655
Disposals	-	-	-	-6,687	-6,687	-714	-624	-	-80	-1,418	-19,440
Transfer to/from inventories	-	-	-	12,409	12,409	-399	-	-	3,884	3,485	37,411
Cost end of period	**192,570**	**12,493**	**9,232**	**43,043**	**257,338**	**177,717**	**12,156**	**7,584**	**17,310**	**214,767**	**232,103**
Accumulated depreciation and impairment losses at 1 January	-47,107	-2,382	-4,365	-396	-54,250	-40,470	-2,408	-2,882	-306	-46,066	-46,066
Exchange rate adjustments	-537	-99	-	7	-629	-299	-51	-	12	-338	-604
Disposals	-	-	-	15	15	-	-	-	28	28	12,497
Depreciation	-11,477	-363	-2,134	-75	-14,049	-10,247	229	-936	-79	-11,033	-15,517
Impairment/reversal of impairment	-791	-	-	-	-791	-	-	-	-	-	-4,560
Accumulated depreciation and impairment losses end of period	**-59,912**	**-2,844**	**-6,499**	**-449**	**-69,704**	**-51,016**	**-2,230**	**-3,818**	**-345**	**-57,409**	**-54,250**
Carrying amount end of period	**132,658**	**9,649**	**2,733**	**42,594**	**187,634**	**126,701**	**9,926**	**3,766**	**16,965**	**157,358**	**177,853**

5. Inventories

	9M 2024				9M 2023				FY 2023
EURk	Under development	Under construction	In operation	Total	Under development	Under construction	In operation	Total	Total
Cost at 1 January	262,330	193,189	898,990	1,354,509	182,781	461,905	438,906	1,083,592	1,083,592
Reclassification opening amounts	4,152	131,507	-135,659	-	-	-	-	-	-
Exchange rate adjustments	-177	817	-12,089	-11,449	545	2,366	4,670	7,581	17,341
Additions	109,820	186,433	132,193	428,446	76,940	393,221	31,660	501,821	631,049
Disposals	-1,236	-1,490	-21,366	-24,092	-18,040	-38,239	-88,260	-144,539	-214,841
Deconsolidated entities	-	-	-	-	-1,150	-40,259	-73,617	-115,026	-124,647
Transfers to/from PPE	-	-	-12,409	-12,409	-3,883	4,289	-3,891	-3,485	-37,411
Write-offs	-1,596	-234	-	-1,830	-797	-	-630	-1,427	-574
Transfers	-37,983	-143,436	181,419	-	-3,034	-321,934	324,968	-	-
Cost end of period	**335,310**	**366,786**	**1,031,079**	**1,733,175**	**233,362**	**461,349**	**633,806**	**1,328,517**	**1,354,509**
Writedown at 1 January	-33,153	-	-830	-33,983	-32,592	-	-	-32,592	-32,592
Exchange rate adjustments	-94	-	-7	-101	-22	-	-	-22	44
Impairments	-7,631	-	-1,330	-8,961	5	-	-	5	-1,454
Disposals	-	-	-	-	19	-	-	19	19
Writedown end of period	**-40,878**	**-**	**-2,167**	**-43,045**	**-32,590**	**-**	**-**	**-32,590**	**-33,983**
Carrying amount end of period	**294,432**	**366,786**	**1,028,912**	**1,690,130**	**200,772**	**461,349**	**633,806**	**1,295,927**	**1,320,526**

Inventory recognised in profit or loss (EURk)	9M 2024	9M 2023
Disposals	-24,092	-144,539
Write-offs	-1,830	-1,427
Impairments, recognised in direct costs	-8,961	5
Total	**-34,883**	**-145,961**

6. Equity - Hybrid capital

On 16 April 2024, European Energy announced the decision on an early redemption of its hybrid capital with a principal of EUR 115m. Due to the decision on redemption, European Energy has a contractual obligation to repay the principal, hence the hybrid bond was reclassified from equity to current liabilities during H1 2024.

The reclassification was made at fair value at the date of the announcement of the decision on redemption, which was equal to the redemption amount. The difference between the carrying amount of the equity component and the fair value of the current liability, equal to EUR 3.5m, was recognized in equity.

Following the reclassification, coupon payments equal to EUR 1.0m has been recognized in the income statement as financial expenses. Coupon payments relating to the period up to decision on early redemption are recognised directly in equity.

7. Other financial derivatives

Other financial instruments comprises Power purchase agreements that qualify for recognition according to IFRS 9. This concerns both contracts for difference derivatives (CFD's) related to long-term power purchase agreements and other power purchase agreements considered within the IFRS 9 scope. Power purchase agreements have a duration of up to 15 years.

In 9M 2024, the fair value adjustments net of tax recognised through Other comprehensive income for our portfolio of Other financial derivatives amounts to a gain of EUR 24.8m compared to a gain of EUR 4.5m for 9M 2023.

The fair value net of tax of Other financial derivatives recognised in Hedging reverse at Equity amounts to EUR -14.4m as per 30 September 2024.

The presentation of the instrument in the balance sheet follows the maturity of the contract under both the assets and liabilities as Derivatives. Value adjustment is included in Other comprehensive income, as the relevant accounting requirements for hedge accounting have been met.

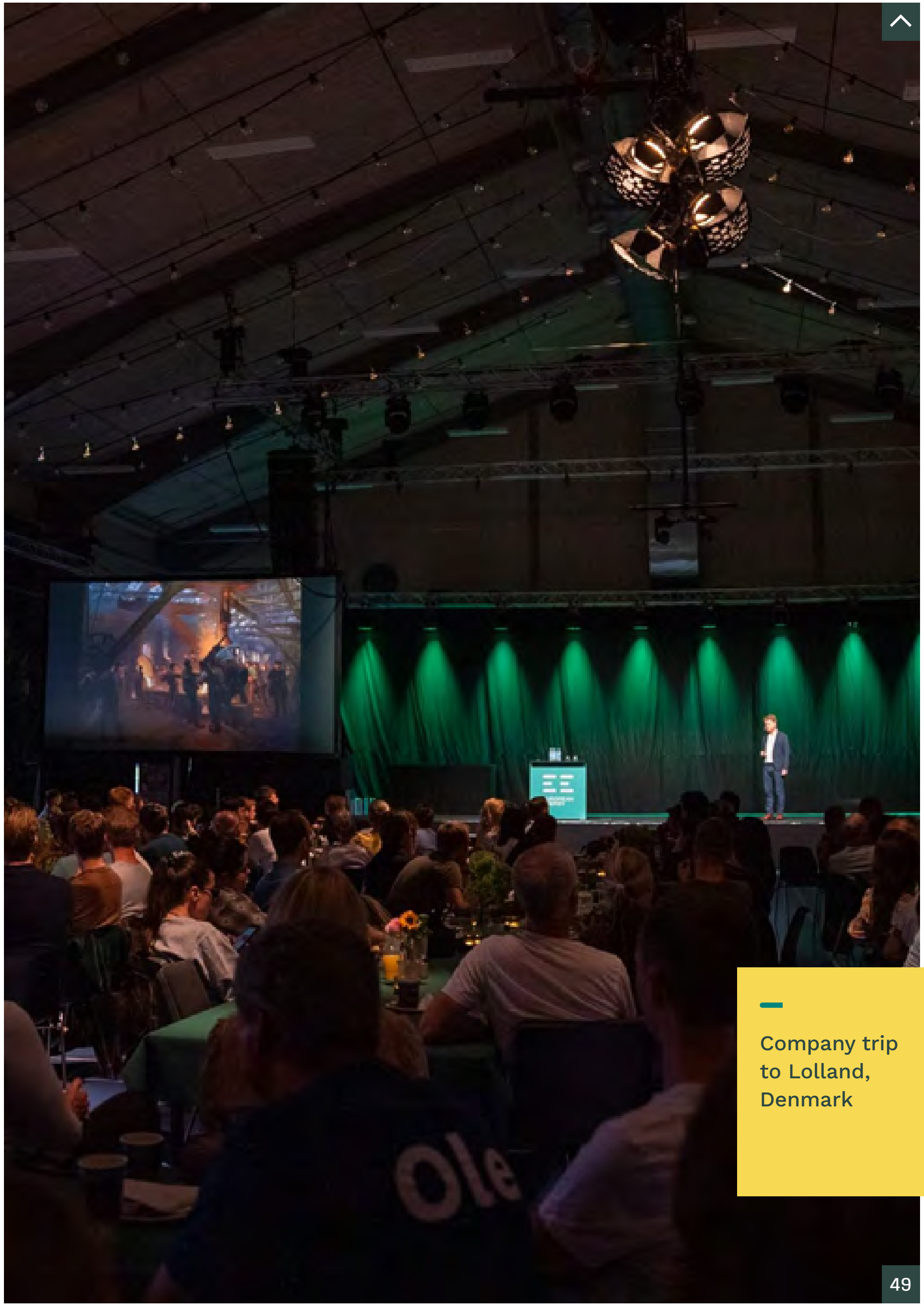
Furthermore, the European Energy Group have entered into power purchase agreements that are physical contracts. We consider these contracts as executory contracts, and therefore have not recognised these as derivatives in the financial statements.

Valuation principles and methodology

The fair value of power purchase agreements is measured on the basis of level 3 within the fair value hierarchy, since we are utilising non-observable inputs as described in Note 8.

We have entered into contracts on both markets and for periods where a market quoted price is available. When estimating a fair value of financial derivatives where no quoted market prices are available, we are using a discounted cash flow model.

The significant valuation inputs are consistent with those applied previously, which are disclosed in our financial statements for 2023.



Company trip to Lolland, Denmark

8. Fair value measurement

The group uses fair value for certain disclosures and measurement of financial instruments and other investments. Fair value is the price that would be received if selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement is based on the assumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, presuming they are acting in their economic best interest.

The group uses valuation techniques appropriate in the circumstances and for which sufficient data is available to measure fair value, thus maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed are categorised within the fair value hierarchy, described as follows, on the basis of the lowest level input significant to the fair value measurement as a whole.

Principles for determination of fair value of hedging instruments are described in Note 1.1 Basis for preparation in the 2023 Group financial statements and principles applied when preparing the 9M 2024 interim financial statements are consistent herewith.

Level 1
Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2
Valuation techniques for which the lowest level input significant to the fair value measurement is directly or indirectly observable.

Level 3
Valuation techniques for which the lowest level input significant to fair value measurement is unobservable. In addition to the other financial derivates as explained in Note 7 the Group also recognises fair value adjustments from contracts related to interest rates and currencies. Combined fair values recognized in the consolidated financial statements from all financial derivates measured on all levels in the fair value hierarchy amounts to a loss of EUR 52.5m.

Other financial derivatives
Other financial derivatives are recognised and measured at a net amount of EUR -13.2m following Level 3 techniques. Of this amount EUR 17.9m is classificed as financial long term financial liabilities in the balance sheet and EUR 4.7m is classified as financial assets.

9. Pledges and Securities for debt

Pledges as security of debt
We operate a two-layered capital structure, where financing is obtained both at parent- and project level.

End of 9M 2024 total outstanding debt at the parent level equalled EUR 294m (9M 2023: EUR 441m) comprising of issued bonds and debt towards credit institutions. Total debt on project level amounted to EUR 990m (9M 2023: EUR 898m) including short-term construction financings, long-term project financing and excluding any external shareholder loans.

All financing on the parent company level is obtained without security and structurally subordinated to the project level financing. To secure financial obligations of the projects towards financing partners, the projects usually provide security in the form of asset- or share pledges.

End of 9M 2024 the total outstanding project level financing with pledged assets or shares amounted to EUR 985m (9M 2023: EUR 891m). The corresponding carrying book value of the pledged assets or shares amounted to EUR 1.373m (9M 2023: EUR 1.347m) corresponding to a debt to book value ratio of 72% of leveraged assets (9M 2023: 66%).

Guarantees as security of debt
Besides asset- and share pledges, we also provide parent company guarantees toward financial counterparts for short-term construction financing. For long-term project financing, this guarantee is removed, and the debt is refinanced to or obtained as non-recourse financing.

End of 9M 2024 the total recourse debt at the project levels amounted to EUR 543m (9M 2023: 560m).

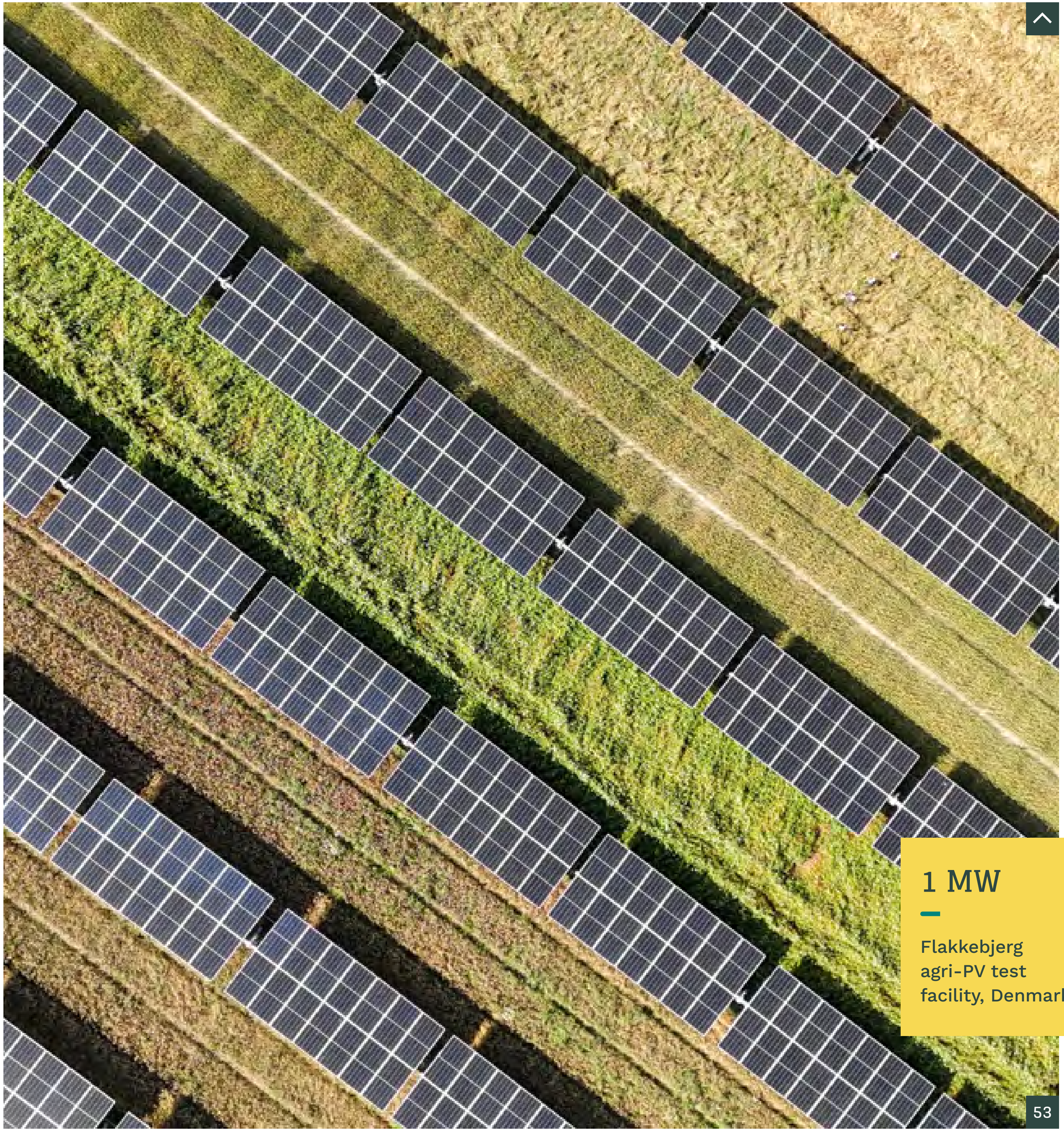
Opening of the Swedish Office in Växjö

Parent company financial statements

49.2 MW

Skåramåla, Sweden

Table of contents for Parent company financial statements



1 MW

Flakkebjerg agri-PV test facility, Denmark

Income statement

EURk	Q3 2024	Q3 2023	9M 2024	9M 2023	FY 2023
Revenue	6,672	37,343	25,458	73,740	113,183
Results from investments in subsidi-aries	-23,807	42,701	-58,299	48,073	61,267
Results from joint ventures	503	1,878	1,630	1,988	7,951
Results from associates	-610	-	171	504	903
Other income	1,132	422	2,939	5,066	12,262
Direct costs	-8,491	-12,257	-28,470	-33,114	-52,980
Gross profit/loss	**-24,601**	**70,087**	**-56,571**	**96,257**	**142,586**
Staff costs	-4,989	-3,283	-19,021	-12,341	-16,470
Other external costs	-3,046	-1,645	-9,487	-9,744	-13,717
EBITDA	**-32,636**	**65,159**	**-85,079**	**74,172**	**112,399**
Depreciation	-938	-810	-3,364	-2,201	-3,151
Operating profit/loss	**-33,574**	**64,349**	**-88,443**	**71,971**	**109,248**
Financial income	24,200	16,614	63,945	46,335	58,645
Financial expenses	-12,076	-15,784	-45,401	-39,391	-47,794
Profit/loss before tax	**-21,450**	**65,179**	**-69,899**	**78,915**	**120,099**
Tax	-479	-1,357	6,197	-5,002	-12,345
Profit/loss for the period	**-21,929**	**63,822**	**-63,702**	**73,913**	**107,754**
Attributable to:					
Shareholders of European Energy A/S	-21,929	60,303	-78,800	69,104	102,945
Hybrid capital holders	-	3,519	15,098	4,809	4,809
Profit/loss for the period	**-21,929**	**63,822**	**-63,702**	**73,913**	**107,754**

EURk	Q3 2024	Q3 2023	9M 2024	9M 2023	FY 2023
Profit/loss for the period	-21,929	63,822	-63,702	73,913	107,754
Items that may be reclassified to profit or loss:					
Value adjustments of hedging in-struments	-6,480	-3,892	34,454	-11,031	-42,355
Tax of value adjustments of hedg-ing instruments	1,007	800	-7,105	2,254	8,781
Currency translation of foreign operations	-625	-4,194	-8,582	4,297	4,268
Other comprehensive income/loss for the period	**-6,098**	**-7,286**	**18,767**	**-4,480**	**-29,306**
Comprehensive income/loss for the period	**-28,027**	**56,536**	**-44,935**	**69,433**	**78,448**
Attributable to:					
Shareholders of European Energy A/S	-28,027	53,017	-60,033	64,624	73,639
Hybrid capital holders	-	3,519	15,098	4,809	4,809
Comprehensive income/loss for the period	**-28,027**	**56,536**	**-44,935**	**69,433**	**78,448**

Balance sheet

EURk	30 Sep 2024	30 Sep 2023	31 Dec 2023
Non-current assets			
Other intangible assets	3,481	4,746	4,430
Property, plant and equipment	1,836	2,857	2,702
Lease assets	1,217	2,102	1,782
Investments in subsidiaries	224,982	186,052	215,593
Investments in joint ventures	8,221	8,894	8,902
Investments in associated companies	23,510	9,185	21,675
Other investments	4,188	4,132	4,137
Loans to subsidiaries	935,206	618,267	625,367
Loans related to joint ventures and associates	38,098	36,599	37,303
Trade receivables and contract assets	97	579	97
Other receivables	563	-	4,319
Deferred tax	11,225	3,387	8,342
Total non-current assets	**1,252,624**	**876,800**	**934,649**
Current assets			
Inventories	9,401	14,965	12,830
Derivatives	-	23	262
Trade receivables and contract assets	19,089	21,870	17,045
Other receivables	3,613	7,133	4,508
Prepayments from goods and services	3,426	3,492	2,997
Cash and cash equivalents	26,986	66,462	5,542
Restricted cash and cash equivalents	25	25	32
Total current assets	**62,540**	**113,970**	**43,216**
Total assets	**1,315,164**	**990,770**	**977,865**

EURk	30 Sep 2024	30 Sep 2023	31 Dec 2023
Equity			
Share capital	50,538	40,624	40,624
Retained earnings and reserves	859,634	246,955	255,951
Equity attributable to shareholders of the Company	**910,172**	**287,579**	**296,575**
Hybrid capital	-	115,000	115,000
Total equity	**910,172**	**402,579**	**411,575**
Non-current liabilities			
Bond	288,689	441,082	441,190
Lease liabilities	-	1,528	1,533
Provisions	24,886	18,084	30,431
Derivatives	3,711	7,728	7,761
Deferred tax	-	2,287	1,281
Other liabilities	1,488	1,453	1,464
Total non-current liabilities	**318,774**	**472,162**	**483,660**
Current liabilities			
Credit Institutions	5,124	-	-
Lease liabilities	1,275	684	347
Derivatives	2,101	2,145	1,070
Trade payables	2,640	2,993	3,602
Payables to subsidiaries	56,128	77,417	34,286
Payables to related parties	5	25	34
Corporation tax	12,738	7,666	13,754
Deferred income	680	2,170	825
Other payables	5,527	22,929	28,712
Total current liabilities	**86,218**	**116,029**	**82,630**
Total liabilities	**404,992**	**588,191**	**566,290**
Total equity and liabilities	**1,315,164**	**990,770**	**977,865**

Statement of cash flow

EURk	Q3 2024	Q3 2023	9M 2024	9M 2023	FY 2023
Profit/loss before tax	-21,450	65,179	-69,900	78,915	120,099
Adjustment for:					
Financial income	-24,200	-16,614	-63,945	-46,335	-58,645
Financial expenses	12,076	15,784	45,401	39,391	47,794
Depreciations	938	375	3,364	1,766	3,151
Profit after tax from subsidiaries	23,807	-42,701	58,299	-48,073	-61,267
Profit after tax from joint venture's	-503	-1,878	-1,630	-1,988	-7,951
Profit after tax from associates	610	-	-171	-504	-903
Change in net working capital	3,269	4,219	-10,768	-18,193	-19,830
Dividends received	4,526	20,948	5,814	43,648	49,311
Other non-cash items	-1,935	-428	5,060	2,078	4,263
Cash flow from operating activities before financial items and tax	**-2,862**	**44,884**	**-28,476**	**50,705**	**76,022**
Taxes paid	-	-95	-1,154	-342	-3,738
Interest paid and realised currency losses	-8,923	-12,218	-33,958	-32,440	-42,891
Interest received and realised currency gains	21,974	14,106	57,671	41,572	55,005
Cash flow from operating activities	**10,189**	**46,677**	**-5,917**	**59,495**	**84,398**
Cash flow from investing activities					
Acquisition/disposal of property, plant and equipment	-321	-280	-1,085	-1,566	-1,898
Acquisition of enterprises	-	-2,393	-	-2,393	-2,816
Purchase of other investments	-	1,838	-51	6,544	6,539
Investments in subsidiaries, joint ventures and associates	-11,222	-672	-35,728	-1,587	-15,396
Loans to subsidiaries	-30,358	20,766	-344,795	-101,032	-130,036
Loans to joint ventures and associates	-207	-1,295	-824	-2,664	-1,775
Investment in securities	932	-	-200,521	-	-
Disposals of securities	202,548	-	202,548	-	-
Cash flow from investing activities	**161,372**	**17,964**	**-380,456**	**-102,698**	**-145,382**

EURk	Q3 2024	Q3 2023	9M 2024	9M 2023	FY 2023
Cash flow from financing activities					
Proceeds from issue of share capital	-	-	696,640	-	-
Proceeds from credit institutions	63,771	-	202,646	-	-
Repayment to credit institutions	-201,918	-	-201,918	-	-
Proceeds from issue of bonds	-	-	-	74,703	74,703
Repayment of bonds	-	-	-160,031	-	-
Capital increase through exercise of warrants	12	-	1,627	175	175
Purchase of treasury shares	-	-280	-19,447	-280	-280
Payments to subsidiaries	-9,802	-12,274	21,841	29,964	-13,167
Proceeds from issue of hybrid capital	-	-	-	113,930	113,930
Repayment of hybrid capital	-	-57,450	-118,450	-150,000	-150,000
Coupon payments, hybrid capital	-	-3,519	-15,098	-4,809	-4,809
Cash flow from financing activities	**-147,937**	**-73,523**	**407,810**	**63,683**	**20,552**
Change in cash and cash equivalents	**23,624**	**-8,882**	**21,437**	**20,480**	**-40,432**
Total cash and cash equivalents at beginning of period	3,387	75,369	5,574	46,007	46,006
Total cash and cash equivalents end of period	**27,011**	**66,487**	**27,011**	**66,487**	**5,574**
Cash and cash equivalents	26,986	66,462	26,986	66,462	5,542
Restricted cash and cash equivalents	25	25	25	25	32
Total cash and cash equivalents end of period	**27,011**	**66,487**	**27,011**	**66,487**	**5,574**

Statement of shareholders' equity

	9M 2024								
EURk	Share capital	Share premium	Reserves (equity method)	Hedging reserve	Treasury shares	Retained earnings	Total	Hybrid capital	Total Parent
Equity at 1 January 2024	**40,624**	**1,911**	**37,400**	**-24,440**	**-461**	**241,541**	**296,575**	**115,000**	411,575
Profit/loss for the period	-	-	-56,498	-	-	-22,302	-78,800	15,098	-63,702
Other comprehensive income									
Value adjustments of hedging instruments	-	-	24,662	9,792	-	-	34,454	-	34,454
Tax of value adjustments of hedging instruments	-	-	-4,951	-2,154	-	-	-7,105	-	-7,105
Currency translation of foreign operations	-	-	-8,582	-	-	-	-8,582	-	-8,582
Other comprehensive income	**-**	**-**	**11,129**	**7,638**	**-**	**-**	**18,767**	**-**	**18,767**
Total comprehensive income	**-**	**-**	**-45,369**	**7,638**	**-**	**-22,302**	**-60,033**	**15,098**	**-44,935**
Transactions with owners									
Increase in share capital	9,702	686,938	-	-	-	-	696,640	-	696,640
Dividends	-	-	-5,438	-	-	5,438	-	-	-
Purchase of treasury shares	-	-	-	-	-19,447	-	-19,447	-	-19,447
Exercise of warrants	212	1,402	-	-	13	-	1,627	-	1,627
Share-based compensation expenses	-	-	-	-	-	2,826	2,826	-	2,826
Redeem of hybrid capital	-	-	-	-	-	-3,450	-3,450	-115,000	-118,450
Coupon payments, hybrid capital	-	-	-	-	-	-	-	-15,098	-15,098
Other transactions	-	-	-4,220	-	-	-346	-4,566	-	-4,566
Total transactions with owners	**9,914**	**688,340**	**-9,658**	**-**	**-19,434**	**4,468**	**673,630**	**-130,098**	**543,532**
Equity at 30 September 2024	**50,538**	**690,251**	**-17,627**	**-16,802**	**-19,895**	**223,707**	**910,172**	**-**	**910,172**

The share capital consists of nom. 376,298,861 shares of DKK 1 each, corresponding to EUR 50.5m. Increase in share capital EUR 9.7m relate to Mitsubishi HC Capital Inc. acquired 20% stake in the company. The transaction costs related to the increase amounts to EUR 9.0m and is deducted in share premium. The share capital is fully paid in.

The Equity Treasury share reserve comprises the cost of the parent company's shares held by the Group, and is recognised as retained earnings and reserves in the equity. At 30 September 2024, the Group held nom. 2,155,929 shares of DKK 1 each corresponding to EUR 0.3m of the parent company's shares. The shares have been bought back under the warrant program, where the parent company has a right, but not an obligation, to buy back shares from resigned employees. The company has concluded a share buy-back from current and former employees as a result of Mitsubishi HC Capital Inc. acquired 20% stake of the company.

The hybrid capital is fully redeemed per 17 May 2024. See further in note 6 under consolidated financial statements.

Statement of shareholders' equity, continued

	9M 2023								
EURk	Share capital	Share premium	Reserves (equity method)	Hedging reserve	Treasury shares	Retained earnings	Total	Hybrid capital	Total Parent
Equity at 1 January 2023	**40,602**	**1,758**	**39,077**	**-22,538**	**-181**	**166,559**	**225,277**	**150,000**	**375,277**
Profit/loss for the period	-	-	50,565	-	-	18,539	69,104	4,809	73,913
Other comprehensive income									
Value adjustments of hedging instruments	-	-	-9,611	-1,420	-	-	-11,031	-	-11,031
Tax of value adjustments of hedging instruments	-	-	1,942	312	-	-	2,254	-	2,254
Currency translation of foreign operations	-	-	4,297	-	-	-	4,297	-	4,297
Other comprehensive income	**-**	**-**	**-3,372**	**-1,108**	**-**	**-**	**-4,480**	**-**	**-4,480**
Total comprehensive income	**-**	**-**	**47,193**	**-1,108**	**-**	**18,539**	**64,624**	**4,809**	**69,433**
Transactions with owners									
Regulation on disposal of companies	-	-	-3,863	-	-	3,863	-	-	-
Dividends	-	-	-43,424	-	-	43,424	-	-	-
Purchase of treasury shares	-	-	-	-	-280	-	-280	-	-280
Exercise of warrants	22	153	-	-	-	-	175	-	175
Share-based compensation expenses	-	-	-	-	-	2,586	2,586	-	2,586
Issue of hybrid capital	-	-	-	-	-	-1,070	-1,070	115,000	113,930
Redeem of hybrid capital	-	-	-	-	-	-	-	-150,000	-150,000
Other adjustments	-	-	8,868	-	-	-8,868	-	-4,809	-4,809
Other transactions	-	-	-	-	-	-3,733	-3,733	-	-3,733
Total transactions with owners	**22**	**153**	**-38,419**	**-**	**-280**	**36,202**	**-2,322**	**-39,809**	**-42,131**
Equity at 30 September 2023	**40,624**	**1,911**	**47,851**	**-23,646**	**-461**	**221,300**	**287,579**	**115,000**	**402,579**

The share capital consists of nom. 302,328,808 shares of DKK 1 each, corresponding to EUR 40.6m. The share capital is fully paid in.

The Equity Treasury share reserve comprises the cost of the parent company's shares held by the Group, and is recognised as retained earnings and reserves in the equity. At 30 September 2023, the Group held nom. 162,762 shares of DKK 1 each corresponding to EUR 0.022 of the parent company's shares. The shares have been bought back under the warrant programme, where the parent company has a right, but not an obligation, to buy back shares from resigned employees.

The obligation to pay coupon payments on hybrid capital is at the discretion of European Energy A/S, and treated as dividend. Accumulated coupon payments as per 30 September 2023, amounts to EUR 8.4m, which will reduce retained earnings if European Energy A/S does not elect to defer coupon payment on the next interest payment date in January 2027.

Management's Statement

52 MW

Kassø Power-to-X plant, Denmark

Statement by the Board of Directors and Management Board

The Board of Directors and the Management have considered and adopted the Interim Report of European Energy A/S for the period 1 January – 30 September 2024. The Interim Report is presented in accordance with the International Accounting Standard IAS 34 on Interim Financial Reporting.

The accounting policies applied in the Interim Report are consistent with those applied in the Group's Annual Report 2023.

We consider the accounting policies appropriate, accounting estimates reasonable and overall presentation of the Interim Report adequate. Accordingly, we believe that the Interim Report gives a true and fair view of the Group's financial position, results of operations and cash flows for the period.

In our opinion, the Interim Report includes a true and fair account of the matters addressed and describes the most significant risks and elements of uncertainty facing the Group.

The Interim Report has not been audited or reviewed by the auditors.

Søborg, 29 November 2024

Registered Executive Management

Knud Erik Andersen

Board of Directors

Jens Due Olsen
Chair

Keiro Tamate
Deputy Chair

Knud Erik Andersen

Mikael Dystrup Pedersen

Hilde Bakken

Jesper Helmuth Larsen

Claus Dyhr Christensen

Disclaimer and cautionary statement

This document contains forward-looking statements concerning European Energy's financial conditions, results of operations and business activities.

All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on Management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements.

Forward-looking statements include, among other things, statements concerning potential new accounting standards and policies, and European Energy's potential exposure to market risks and statements expressing Management's expectations, beliefs, estimates, forecasts, projections and assumptions.

There are a number of factors that could affect European Energy's future operations and could cause European Energy's results to differ materially from those expressed in the forward-looking statements included in this document, including (without limitation):

- changes in demand for European Energy's products;
- currency and interest rate fluctuations;
- loss of market share and industry competition;
- environmental and physical risks;
- legislative, fiscal and regulatory developments, including changes in tax or accounting policies;
- economic and financial market conditions in various countries and regions;
- political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, and delays or advancements in the approval of projects;
- ability to enforce patents;
- project development risks;
- cost of commodities;
- customer credit risks;
- supply of components from suppliers and vendors; and
- customer readiness and ability to accept delivery and installation of products and transfer of risk.

All forward-looking statements contained in this document are expressly qualified by the cautionary statements contained or referred to in this statement. Undue reliance should not be placed on forward-looking statements. Each forward-looking statement speaks only as of the date of this document. European Energy does not undertake any obligation to publicly update or revise any forward-looking statement as a result of new information or future events other than as required by Danish law.

In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this document.

1 MW

Flakkebjerg agri-PV test facility, Denmark

European Energy A/S
Gyngemose Parkvej 50
DK-2860 Søborg
Reg. no. 18351331

info@europeanenergy.dk
www.europeanenergy.com

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52 MW

Kassø Power-to-X plant, Denmark