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Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2025	10
Balance sheet at 31.12.2025	11
Statement of changes in equity for 2025	13
Notes	14
Accounting policies	18

Entity details

Entity

Momentum Energy Jutlandia Development K/S
Københavnsvej 81 A
4000 Roskilde

Business Registration No.: 37205850

Date of foundation: 05.11.2015

Registered office: Roskilde

Financial year: 01.01.2025 - 31.12.2025

Executive Board

Rasmus Sielemann Christensen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Egtved Allé 4
6000 Kolding

Statement by Management

The Executive Board has today considered and approved the annual report of Momentum Energy Jutlandia Development K/S for the financial year 01.01.2025 - 31.12.2025.

The annual report is presented in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2025 and of the results of its operations for the financial year 01.01.2025 - 31.12.2025.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Roskilde, 13.05.2026

Executive Board

Rasmus Sielemann Christensen

Independent auditor's report

To the shareholders of Momentum Energy Jutlandia Development K/S

Opinion

We have audited the financial statements of Momentum Energy Jutlandia Development K/S for the financial year 01.01.2025 - 31.12.2025, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2025 and of the results of its operations for the financial year 01.01.2025 - 31.12.2025 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the audit of the financial statements to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Kolding, 13.05.2026

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Lars Ørum Nielsen

State Authorised Public Accountant
Identification No (MNE) mne26771

Sussi Toft Johansen

State Authorised Public Accountant
Identification No (MNE) mne35830

Management commentary

Financial highlights

	2025 DKK'000	2024 DKK'000	2023 DKK'000	2022 DKK'000	2021 DKK'000
Key figures					
Revenue	114,429	139,314	194,191	21,194	13,909
Operating profit/loss	(29,173)	50,866	117,157	(18,374)	(12,245)
Net financials	(14,171)	(4,305)	(3,620)	(4,953)	2,630
Profit/loss for the year	(41,457)	49,284	120,664	(20,724)	(9,381)
Total assets	873,219	875,324	818,163	521,475	200,714
Investments in property, plant and equipment	99,510	82,153	7,954	282,166	0
Equity	432,374	442,712	412,525	255,992	115,496
Ratios					
EBIT margin (%)	(25.49)	36.51	60.33	(86.69)	(88.04)
Net margin (%)	(36.23)	35.38	62.14	(97.78)	(67.45)
Return on equity (%)	(9.47)	11.53	36.10	(11.16)	(7.81)
Equity ratio (%)	49.51	50.58	50.42	49.09	57.54

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

EBIT margin (%):

$\frac{\text{Operating profit/loss} * 100}{\text{Revenue}}$

Revenue

Net margin (%) :

$\frac{\text{Profit/loss for the year} * 100}{\text{Revenue}}$

Revenue

Return on equity (%) :

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

Equity ratio (%) :

$\frac{\text{Equity} * 100}{\text{Total assets}}$

Primary activities

Like previous years, the activities are owning and operating wind turbines. The company owns a total of 250 wind turbines in 126 wind farms.

Development in activities and finances

The Company realized an operating loss of DKK 41.5 million in 2025, which is primarily attributable to significant impairment of wind turbines due to difficult market conditions and uncertain future earnings from wind turbines. Please also see the following sections.

In 2025 the Company was refinanced as external mortgage debt has been repaid with new loans from group companies. Current liabilities has been reduced significantly as no repayment of the loan from Group companies is required in 2026.

To strengthen its capital base, the Company received a group contribution of DKK 40 million in 2025.

Profit/loss for the year in relation to expected developments

The loss in 2025 was not expected at the realised level. The reasons for this is that revenue is not realised at expected level and impairment of wind turbines are higher than expected due to the difficult market conditions.

Uncertainty relating to recognition and measurement

The preparation of the annual report requires management to make estimates and judgements that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The most significant area of estimation uncertainty in 2025 relates to the impairment assessment of operational wind and solar assets and the write-down of development projects.

Impairment of operational assets is assessed based on the recoverable amount of the assets as at 31 December 2025, determined on the basis of expected future cash flows under prevailing market conditions. Key assumptions include expected electricity prices, production volumes, balancing costs, operating costs, discount rates and remaining asset lifetime, among others. The impairment assessment is inherently sensitive to changes in these assumptions, and in particular to movements in electricity prices. An increase in long-term electricity price assumptions would reduce the impairment need, whilst a further deterioration would increase it. More broadly, changes in interest rate levels, regulatory frameworks and macroeconomic conditions may also impact the assessment. Should market conditions improve, previously recognised impairments may be reversed up to the original carrying amount prior to impairment.

Write-downs on development projects are based on management's assessment of the probability of realisation of

each project, taking into account current power price forecasts, grid connection costs, project maturity and regulatory conditions, among others. These assessments are subject to change as market conditions and project-specific circumstances evolve. Should conditions improve, previously recognised write-downs may be reversed up to the original carrying amount prior to write-down.

Unusual circumstances affecting recognition and measurement

The year 2025 was characterised by a combination of unusually challenging market conditions, including record levels of negative price hours, significantly higher balancing costs following regulatory changes, and weak wind conditions. These developments were significant in scope and collectively had a material impact on the Group's financial performance. As a direct consequence, the Group recognised significant write-downs and value adjustments in 2025, as described in the income statement above.

In 2025, the Company completed a horizontal merger with the sister company Momentum Energy DK-møller III K/S - both subsidiaries under Momentum Energy Dania P/S. The merger was accounted for as of 1 January 2025 using the book value method, whereby the assets and liabilities of the merged company were acquired at their carrying amounts.

Outlook

For 2026, the Entity expects revenue of DKK 126 million and a result before tax of DKK 45 million. The outlook is subject to inherent uncertainty across a range of factors, including electricity price developments, interest rate levels, regulatory changes and broader macroeconomic and geopolitical conditions, all of which may impact both financial performance and asset valuations, as further described under Significant accounting estimates and judgements above.

Use of financial instruments

Please see the description in note 12.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2025

	Notes	2025 DKK	2024 DKK
Revenue		114,429,433	139,313,833
Other operating income		16,760	13,617
Other external expenses		(71,253,154)	(63,023,053)
Gross profit/loss		43,193,039	76,304,397
Depreciation, amortisation and impairment losses	2	(71,543,863)	(24,462,308)
Other operating expenses		(822,033)	(976,463)
Operating profit/loss		(29,172,857)	50,865,626
Income from investments in group enterprises		213,514	994,332
Income from investments in associates		1,673,805	1,729,859
Other financial income from group enterprises		4,765,672	12,622,300
Other financial income		2,902,810	3,025,826
Financial expenses from group enterprises		(7,328,048)	0
Other financial expenses	3	(14,511,684)	(19,953,616)
Profit/loss for the year	4	(41,456,788)	49,284,327

Balance sheet at 31.12.2025

Assets

	Notes	2025 DKK	2024 DKK
Land		6,139,000	4,460,300
Plant and machinery		652,714,679	628,133,976
Property, plant and equipment in progress		4,000,184	3,821,587
Property, plant and equipment	5	662,853,863	636,415,863
Investments in group enterprises		2,279,669	2,263,915
Receivables from group enterprises		123,027,072	0
Investments in associates		12,308,847	13,739,248
Other investments		29,549,721	29,193,905
Financial assets	6	167,165,309	45,197,068
Fixed assets		830,019,172	681,612,931
Raw materials and consumables		0	5,538,500
Inventories		0	5,538,500
Trade receivables		15,571,407	15,629,669
Receivables from group enterprises		0	159,729,049
Other receivables		7,411,705	3,078,163
Derivative financial instruments		0	5,965,731

Prepayments	7	1,661,625	0
Receivables		24,644,737	184,402,612
Cash		18,555,101	3,769,974
Current assets		43,199,838	193,711,086
Assets		873,219,010	875,324,017

Momentum Energy Jutlandia Development K/S | Balance sheet at 31.12.2025

12

Equity and liabilities

	Notes	2025 DKK	2024 DKK
Contributed capital	8	102,870,000	102,870,000
Reserve for fair value adjustments of hedging instruments		(2,042,609)	5,965,731
Retained earnings		331,546,790	333,876,569
Equity		432,374,181	442,712,300
Other provisions	9	130,309,601	117,657,000
Provisions		130,309,601	117,657,000
Mortgage debt		0	241,885,691
Payables to group enterprises		297,828,548	0
Non-current liabilities other than provisions	10	297,828,548	241,885,691
Current portion of non-current liabilities other than provisions	10	0	64,064,000
Trade payables		4,948,049	2,784,039
Payables to group enterprises		5,716,021	6,220,987
Derivative financial instruments		2,042,610	0
Current liabilities other than provisions		12,706,680	73,069,026
Liabilities other than provisions		310,535,228	314,954,717
Equity and liabilities		873,219,010	875,324,017

Employees	11
Financial instruments	12
Other unrecognised commitments	13
Assets charged and collateral	14
Non-arm's length related party transactions	15
Group relations	16

Statement of changes in equity for 2025

	Contributed capital DKK	Reserve for fair value adjustments of hedging instruments DKK	Retained earnings DKK	Total DKK
Equity beginning of year	102,870,000	5,965,731	333,876,569	442,712,300
Effect of mergers and business combinations	0	0	(872,991)	(872,991)
Fair value adjustments of hedging instruments	0	(8,008,340)	0	(8,008,340)
Group contributions etc	0	0	40,000,000	40,000,000
Profit/loss for the year	0	0	(41,456,788)	(41,456,788)
Equity end of year	102,870,000	(2,042,609)	331,546,790	432,374,181

Notes

1 Uncertainty relating to recognition and measurement

As the Company owns and operates wind turbines, the Company is affected by weather conditions and fluctuations in electricity prices including wind power capture rates, curtailments etc.

In 2025, production from wind turbines in Denmark has been suffering from an increased amount of negative spot prices, leading to curtailed productions and higher capture rate adjustments. Furthermore operating costs such as balancing costs have increased significantly.

As a consequence, management has performed an impairment assessment of the wind turbines resulting in a write down.

When estimating the value-in-use of the wind turbines, management has used assumptions and estimates on, among other things, energy yield, the future development of spot prices, capture rates, curtailments and interest rates, which form the basis for the calculation.

Changes in the applied assumptions and parameters could potentially have a significant effect on the estimated recoverable amount of the wind turbines.

2 Depreciation, amortisation and impairment losses

	2025 DKK	2024 DKK
Depreciation of property, plant and equipment	36,729,216	32,664,687

Impairment losses on property, plant and equipment	34,814,647	(8,202,379)
	71,543,863	24,462,308

3 Other financial expenses

	2025 DKK	2024 DKK
Other interest expenses	10,624,878	17,533,677
Exchange rate adjustments	15,954	2,033
Other financial expenses	3,870,852	2,417,906
	14,511,684	19,953,616

4 Proposed distribution of profit and loss

	2025 DKK	2024 DKK
Retained earnings	(41,456,788)	49,284,327
	(41,456,788)	49,284,327

5 Property, plant and equipment

	Land DKK	Plant and machinery DKK	Property, plant and equipment in progress DKK
Cost beginning of year	4,460,300	732,834,889	3,821,587
Addition through business combinations etc	737,700	31,697,300	0
Additions	941,000	63,564,171	2,569,668
Disposals	0	(5,356,059)	0
Cost end of year	6,139,000	822,740,301	6,391,255
Depreciation and impairment losses beginning of year	0	(104,700,913)	0
Addition through business combinations etc	0	(462,944)	0
Impairment losses for the year	0	(32,423,576)	(2,391,071)
Depreciation for the year	0	(36,729,216)	0
Reversal regarding disposals	0	4,291,027	0
Depreciation and impairment losses end of year	0	(170,025,622)	(2,391,071)
Carrying amount end of year	6,139,000	652,714,679	4,000,184

6 Financial assets

Investments in group enterprises	Receivables from group enterprises	Investments in associates	Other investments
--	--	------------------------------	----------------------

	DKK	DKK	DKK	DKK
Cost beginning of year	2,208,000	0	16,354,705	29,193,905
Additions	0	123,027,072	0	355,816
Disposals	0	0	(1,430,401)	0
Cost end of year	2,208,000	123,027,072	14,924,304	29,549,721
Revaluations beginning of year	55,915	0	(2,615,457)	0
Share of profit/loss for the year	15,754	0	1,673,805	0
Dividend	0	0	(1,673,805)	0
Revaluations end of year	71,669	0	(2,615,457)	0
Carrying amount end of year	2,279,669	123,027,072	12,308,847	29,549,721

The company own shares in Sdr. Bork Vind K/S and Vindenergi Danmark amba, which are represented as "Other investments" in the above amount.

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Enkelund Vindkraft I/S	Roskilde	I/S	96.00

Investments in associates	Registered in	Corporate form	Equity interest %
Hanstholm Havn Vindkraft I/S	Randers	I/S	26.61

7 Prepayments

Prepayments mainly represent prepaid insurance and land lease relating to subsequent financial year.

8 Contributed capital

	Number	Par value DKK	Nominal value DKK
Shares	102,870,000	1	102,870,000
	102,870,000		102,870,000

Fully liable partner is Momentum Komplementar ApS, CVR no. 36021241.

9 Other provisions

Other provisions comprise anticipated costs of dismantling obligations.

10 Non-current liabilities other than provisions

	Due after
	Due within 12 more than 12

	months 2024 DKK	months 2025 DKK
Mortgage debt	64,064,000	0
Payables to group enterprises	0	297,828,548
	64,064,000	297,828,548

The mortgage debt has been paid in 2025. At 31 December 2025 the company is financed by intercompany loans.

11 Employees

The Entity has no employees other than the Executive Board. The Executive Officer has not received any remuneration.

	2025	2024
Average number of full-time employees	0	0

12 Financial instruments

Derivative financial instruments

The company has entered into short term financial hedging contracts in order to reduce risks related to fluctuations in the price of electricity covering 135.852 MWh for 15 months after the balance sheet date. The hedge ratio never exceeds 70% of expected volume.

The contracts are considered to qualify as a cash flow hedge and the effective part of the changes in the fair value is recognised in equity in reserve for fair value of hedging instruments.

The derivative is measured at fair value after the fair value hierarchy level 2.

	2025 DKK	2024 DKK
Fair value at year end	(2,042,610)	5,965,731
Unrealised fair value adjustments recognised in the fair value reserve in equity	(8,008,340)	(17,341,396)

13 Other unrecognised commitments

An agreement has been entered into for the lease of lands, with a total lease obligation amounting to DKK 26.049 thousand. The non-cancellable period for the premises varies from 12 to 300 months.

14 Assets charged and collateral

Bank loans with Nykredit Bank A/S of the group enterprises' are secured by way of a deposited mortgage deed registered to the mortgagor on land and wind turbines of mDKK 69.9 nominal.

The carrying amount of mortgaged land wind turbines is mDKK 658.9.

Cash amounting to mDKK 0.25 is placed as collateral for banking facilities.

Cash amounting to mDKK 1.43 is placed on Escrow accounts as per 31 December 2025.

Collateral provided for group enterprises

The Entity has guaranteed the group enterprises' debt with Ringkjøbing Landbobank. Bank loans of group enterprises amount to DKK 52.033 thousand.

The Entity has guaranteed the group enterprises' debts with Nykredit Bank. Bank loans of group enterprises amount to DKK 440 million.

15 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

16 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
AEIF2 DK HoldCo ApS, Københavnsvej 81, 4000 Roskilde

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Momentum Energy Group A/S, Københavnsvej 81, 4000 Roskilde.

Accounting policies

Basis for financial statements

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Business combinations

The uniting-of-interests method (book-value-method) is applied on , mergers, where the enterprises concerned are controlled by the Parent, under which method the combination is considered completed at the date of acquisition or alternatively as per beginning of the year without restatement of comparative figures. Under the uniting-of-interests method, the acquiree's assets and liabilities are recognised at their carrying amounts, adjusted for any differences in accounting policies and accounting estimates. The difference between the consideration agreed and the carrying amount of the acquiree is recognised in equity.

Income statement

Revenue

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including compensation and gains on the disposal of tangible assets. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external expenses

Other external expenses include expenses relating to the Entity's normal activities, including costs incurred for production, premises and administration.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to depreciation on and writedown for impairment of tangible assets.

Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities, including losses on the disposal of tangible assets.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises'

profit/loss after full elimination of intra-group profits or losses.

Income from investments in associates

Income from investments in associates comprises the pro rata share of the individual associates' profit/loss after pro rata elimination of intra-group profits or losses.

Other financial income from group enterprises

Other financial income from group enterprises comprises interest income etc. on receivables from group enterprises.

Other financial income

Other financial income comprises dividends etc. received on other investments, interest income, , net capital or exchange gains on securities, payables and transactions in foreign currencies and amortisation of financial assets etc.

Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc from payables to group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, net capital or exchange losses on securities, payables and transactions in foreign currencies, and amortisation of financial liabilities etc.

Balance sheet

Property, plant and equipment

Land, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Plant and machinery	40 years*

*Wind turbines are depreciated on a straight-line basis over a combined useful life of 40 years from the date the turbine originally commenced electricity production. The useful life of acquired wind turbines is determined based on the turbine's age at the time of acquisition, resulting in a remaining depreciation period that reflects the original 40-year useful life from initial commissioning.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value, plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Refer to the above section on business combinations for more details about the accounting policies used on acquisitions of investments in group enterprises.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Investments in associates

Investments in associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the associates' equity value, calculated according to the accounting policies of the reporting entity, plus unamortised goodwill and plus or minus unrealised pro rata intra-group profits and losses.

Associates with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in associates is transferred to the reserve for net revaluation according to the equity method in equity.

Investments in associates are written down to the lower of recoverable amount and carrying amount.

Investments in associates fall within the definitions of both participating interests and associates, yet in the financial statements they have been presented as investments in associates because this designation reflects more accurately the Company's involvement in the relevant entities.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Other investments

Other investments comprise unlisted equity investments measured at the lower of cost and net realisable value.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other provisions

Other provisions comprise anticipated costs of dismantling obligations. Provisions are recognised when the company has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the company.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Cash flow statement

Referring to section 86(4) of the Danish Financial Statements Act, the Entity has prepared no cash flow statement as such statement is included in the consolidated cash flow statement of Momentum Energy Group A/S, Business Reg. No. 28 88 84 30.

