# Siemens Gamesa Renewable Energy A/S

**Borupvej 16**
**7330 Brande**

**CVR no. 76 48 62 12**

## Annual report for 2023/24

Adopted at the annual general meeting on 17 January 2025

DocuSigned by:
Alex Merrild Andersen
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Alex Merrild Andersen
chairman

# Table of contents

# Statement by management on the annual report

Today, the executive board and the board of directors have discussed and approved the annual report for the financial year 1 October 2023 – 30 September 2024 for Siemens Gamesa Renewable Energy A/S.

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

We consider the accounting policies applied adequate. Against this background, it is our opinion that the annual report gives a true and fair view of the company's assets and liabilities and financial position at 30 September 2024 and of the results of its operations and cash flows for the financial year 1 October 2023 – 30 September 2024.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

We recommend the adoption of the annual report at the annual general meeting.

Brande, 17 January 2025

**Executive board**

| | |
|---|---|
| Torben Bang | Jette Halberg |

**Board of Directors**

| | | |
|---|---|---|
| Jukka Pekka Pertola<br>chairman | Thomas Herbert Albert Siegert | Joakim Kaj Wilhelm<br>Lagerholm |
| Alex Merrild Andersen | Bernd Blanke | Lars Pedersen Bak |

# Independent auditor's report

*To the shareholder of Siemens Gamesa Renewable Energy A/S*

## Opinion

We have audited the financial statements of Siemens Gamesa Renewable Energy A/S for the financial year 1 October 2023 – 30 September 2024 comprising accounting policies, income statement, balance sheet, statement of changes in equity, cash flow statement and notes. 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 Company's assets, liabilities and financial position at 30 September 2024 and of the results of the Company's operations and cash flows for the financial year 1 October 2023 – 30 September 2024 in accordance with the Danish Financial Statements Act.

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company 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, that 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

# Independent auditor's report

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

# Independent auditor's report

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 management's review**

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aarhus C, 17 January 2025

KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98



Nikolaj Møller Hansen
State Authorised Public Accountant
MNE no. mne33220



Niklas R. Filipsen
State Authorised Public Accountant
MNE no. mne47781

# Company details

| | | |
|---|---|---|
| **The company** | Siemens Gamesa Renewable Energy A/S<br>Borupvej 16<br>7330 Brande | |
| | Telephone:<br>Fax: | +45 99 42 22 22<br>+45 99 99 22 22 |
| | E-mail: | info@siemensgamesa.com |
| | Website: | www.siemensgamesa.com/en/ |
| | CVR no.: | 76 48 62 12 |
| | Reporting period: | 1 October 2023 - 30 September 2024 |
| | Domicile: | Brande |
| **Board of Directors** | Jukka Pekka Pertola, chairman<br>Thomas Herbert Albert Siegert<br>Joakim Kaj Wilhelm Lagerholm<br>Alex Merrild Andersen<br>Bernd Blanke<br>Lars Pedersen Bak | |
| **Executive board** | Torben Bang<br>Jette Halberg | |
| **Auditors** | KPMG<br>Statsautoriseret Revisionspartnerselskab<br>Frederiks Pl. 42<br>8000 Aarhus C | |

# Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

| | 2023/24<br>MDKK | 2022/23<br>MDKK | 2021/22<br>MDKK | 2020/21<br>MDKK | 2019/20<br>MDKK |
|---|---|---|---|---|---|
| **Key figures** | | | | | |
| Revenue | 27.095 | 24.837 | 22.159 | 26.265 | 25.085 |
| Gross profit | -5.956 | -15.192 | -5.795 | 1.035 | -600 |
| Profit/loss from ordinary operating activities | -6.400 | -15.603 | -6.315 | 438 | -1.259 |
| Net financials | 49 | 46 | 258 | -23 | -55 |
| Profit/loss for the year | -6.393 | -15.590 | -5.850 | 421 | -1.012 |
| Balance sheet total | 36.096 | 24.578 | 25.677 | 25.232 | 22.834 |
| Investment in property, plant and equipment | -4.437 | -2.111 | -1.713 | -1.895 | -1.059 |
| Equity | -304 | -12.534 | -3.268 | 1.052 | 550 |
| **Cash flows from:** | | | | | |
| - operating activities | -2.637 | -4.204 | -636 | 5.207 | 5.717 |
| - investing activities | -3.999 | -3.045 | -2.380 | -2.022 | -1.857 |
| - financing activities | 18.090 | 5.967 | 1.253 | -290 | -2.191 |
| The year's changes in cash and cash equivalents | 11.455 | -1.282 | -1.763 | 2.895 | 1.669 |
| Number of employees | 6.052 | 5.923 | 5.576 | 5.507 | 5.348 |
| EBIT margin | -23,6% | -62,8% | -28,5% | 1,7% | -5,0% |
| Return on assets | -21,1% | -62,1% | -20,6% | 1,8% | -5,4% |
| Gross margin | -22,0% | -61,2% | -26,2% | 3,9% | -2,4% |
| Solvency ratio | -0,8% | -51,0% | -12,7% | 4,2% | 2,4% |
| Return on equity | 99,6% | 197,3% | 528,0% | 52,6% | -48,2% |

For definitions, see the summary of significant accounting policies.

## Management's review

### Business review

The company's main activity is the production, sale and installation of wind turbines, wind farms and subsequent maintenance of wind turbines. Leading the way forward in the renewable energy sector, Siemens Gamesa provides cleaner, more reliable, and affordable wind power. Our scale, global reach and proven track record ensure that we will play a central role in shaping the energy landscape of the future.

The annual report of Siemens Gamesa Renewable Energy A/S (SGRE A/S) covers only the activities of the Danish company. Activities in subsidiaries and other Siemens Gamesa entities in the wind turbine industry (including production and installations of wind turbines outside Denmark) are not covered by this annual report. Thus, the annual report does not give the full picture of Siemens Gamesa' activities in the wind turbine industry.

The company's headquarters and nacelle production facility is located in Brande. Hub production, product development, quality and service management are also carried out from this location. In addition, there is a blade and mould production facility in Aalborg.

The company mainly sells MW class wind turbines for both onshore and offshore locations, primarily in EMEA (Europe, the Middle East & Africa). The sale is primarily made through other entities in Siemens Gamesa.

### Uncertainity regarding recognition and measurement

The measurement of warranty provisions reflects whether the underlying obligation results from a single obligation or a larger population of items. The amounts recognized to settle the obligation correspond to the best possible estimate and are based, for example, on assumptions regarding failure rates and costs to remedy the failure per incident, which are occasionally derived from statistical models, based on empirical values and currently available information from ongoing inspections and defect rectifications. In particular, the assumptions and estimates regarding failure rates are sometimes subject to significant uncertainties insofar as they relate to new technologies for which hardly any operating data is available. Despite these uncertainties, we believe the process and parameters used represent the best possible estimate of warranty provisions as of the balance sheet date.

# Management's review

## Financial review

Revenue amounted to DKK 27.095 million in fiscal year 2024 compared to DKK 24.837 million in fiscal year 2023 which slightly exceeds the expectation stated in the annual report fiscal year 2023. The net result ended at DKK -6.393 million which does not meet the expectations stated in the annual report fiscal year 2023. The main reason for this is the same as stated below (higher planned costs on project margins resulting from the quality issues with onshore wind turbines).

The net result for the year increased DKK 9.197 million compared to fiscal year 2023 and ended at DKK -6.393 million.

In the previous year, Profit at SGRE had been affected by substantial negative impacts in connection with quality issues specifically relating to the 4.X and 5.X onshore wind turbines. In addition, there were increased product costs and ramp-up challenges in the offshore area of activities. As expected, SGRE's Profit was also negatively impacted by these issues in fiscal year 2024. The main reason for this was the effect of higher planned costs on project margins resulting from the quality issues with onshore wind turbines. Added to this were higher expenses in connection with the offshore ramp-up activities.

A group-wide task force with members from all functions and external technical experts was already deployed in the previous year to resolve the quality issues with the 4.X and 5.X platforms. Sales activities were suspended for both onshore platforms. As well as performing technical analyses of the quality issues and implementing remedial measures, further damage limitation and rectification measures were developed during the past fiscal year. Following the quality issues in the onshore activities in the prior fiscal year, ongoing analysis revealed no new technical findings. With respect to the ramp-up of our offshore activities, we were able to significantly increase productivity over the course of the past fiscal year.

## Significant events occurring after the end of the financial year

In the financial year 2023/24, the company experienced a loss, which resulted in a reduction of its equity to less than half of the registered capital and is thereby covered by the Danish rules on capital loss. The board approved in December a plan to recover the equity in the form of a group contribution by Siemens Gamesa Renewable Energy SAU into Siemens Energy Renewable Energy A/S. In December 2024 the company received the cash contribution of DKK 7,375 billion to recover the negative equity.

Furthermore, the company has ensured the availability of liquidity through group financing lines with the parent company (Siemens Energy AG). This will ensure that the company fulfills its obligations towards its creditors when they fall due and regularly continues its business.

# Management's review

## Outlook

The business performance in fiscal year 2025 is likely to be determined by the existing internal challenges. We have resumed - on schedule - sales activities for our 4.X onshore platform. Our next objective is to bring the 5.X platform back to market during fiscal year 2025, therefore we still expect our business in onshore to be significantly impacted by the temporary interruption of sales activities. In the offshore business, orders are likely to be slowed down by delayed contract placements and selective order acceptance. The development of revenue is expected to remain largely unaffected by this, as it will be determined by the processing of the existing order backlog. The project margins, burdened by higher planned costs due to the quality issues, as well as the increased product costs and challenges during the ramp-up in the offshore area in the past fiscal year, are expected to be decisive for the development of profit. For fiscal year 2025, revenue is foreseen to be around DKK 25-30 billion and a negative profit of around DKK 3-5 billion.

In fiscal year 2024, SG implemented the “Masterplan” for restructuring the wind power business. This plan builds on the Mistral program introduced in 2022. It is a general corporate program and the focal points of its activities are largely influenced by the quality issues at SG described above. A series of measures were already initiated in the past fiscal year. They include redesigning development processes, rules and regulations for a more selective bidder process, price adjustment clauses in customer contracts to reflect changes in the cost of raw materials, and higher margin requirements. In addition, at the start of fiscal year 2025, all service activities will be merged with the other activities of the onshore and offshore business to simplify communication with customers and accelerate the execution of projects.

# Management's review

**Special risks**

General risks

The company is exposed to the market risks and operational risks which are usual for the business, as well as to risks associated with the company's warranty commitments. It is the opinion of management that the provisions made are sufficient to cover the company's warranty commitments. Siemens Gamesa aims to reduce exposure to warranty commitments by enhancing quality control and product development. Sufficient provisions are ensured through comprehensive risk analysis and continuous monitoring of product defects and customer satisfaction.

Currency risks

The company's foreign currency risk exposure is mainly hedged by offsetting payments received against expenses in the same currency and by the use of derivative financial instruments. Currency risks are mainly hedged via forward exchange contracts in order to reduce the impact of exchange rate fluctuations. The company's goal is to protect against significant currency fluctuations and minimize their impact on earnings. This is achieved by implementing a consistent currency hedging strategy and reducing net exposure through natural hedging between revenues and expenses in the same currency.

Interest rate risks

The company's interest-bearing debt includes periodic drawings on the operating credit facilities and represents only a minor part of the balance sheet total. Thus, the company's income statement and balance sheet are not affected materially by interest rate fluctuations. To minimize the impact of interest rate volatility, Siemens Gamesa limits the use of interest-bearing debt and, where relevant, considers hedging through interest rate derivatives to achieve predictable financing costs.

Credit risks

Credit risks in connection with the sale of wind turbines are hedged via prepayments, bank guarantees, letters of credit, etc. The company is not exposed to substantial risks relating to one particular customer or business partner. The main part of the company's revenue is related to activities with other Siemens Gamesa entities. The company aims to mitigate the risk of losses on receivables and maintain a healthy customer portfolio. This is achieved through strict credit assessments of customers, securing payments through prepayments, bank guarantees, and letters of credit, and ensuring a diversified customer base to avoid dependency on individual customers or partners.

**Research and development activities**

All development activities are carried out within the company and in cooperation with a number of sub-suppliers. Development activities both include improvements of and changes to existing wind turbines and development of new and larger wind turbines.

# Management's review

## Intellectual property rights

The Company possesses, to a high extent, technical knowledge within its business area, built on years of accumulated know-how and expertise. Continuously creating new intellectual property and actively managing our intellectual property portfolio are key measures that enable us to secure and strengthen our technological position in the renewable energy sector. The background, education, and experience of our employees are essential to the intellectual capital of the Company, making the right combination of education and expertise within our teams critical to success. At Siemens Gamesa, our skilled employees are the driving force behind our innovation efforts. Their competencies and collaborative spirit enable us to develop groundbreaking technologies and prototypes, further advancing our business and solidifying our competitive edge. By fostering a culture of continuous improvement and technical excellence, we ensure that our intellectual property not only protects our innovations but also propels the sustainable energy solutions of the future.

## Branches

The company has a permanent establishment in South Africa.

# Management's review

**Corporate Social Responsibility**

The company meets the statutory requirements for Corporate Social Responsibility by following the Sustainability Report for Siemens Energy Group. Below is given an overview of the overall principles presented by the Siemens Energy Group. For the statutory reporting on corporate sustainability, cf. §99a, we refer to the Consolidated Sustainability Report 2024 for Siemens Energy AG, which can be accessed on the following link:
https://p3.aprimocdn.net/siemensenergy/d9bb52dc-6039-4159-a91f-b2430132c301/se-sustainability-report-2024-pdf_Original%20file.pdf

The Sustainability Report 2024 includes Siemens Gamesa in scope. Siemens Gamesa adopts the United Nations' Sustainable Development Goals (SDGs), which guides us in our ambition to become a sustainability leader in the industry. We have identified five SDGs as key focus areas:

• To achieve SDG 5, "Gender Equality," we strive to create equal opportunities – in the firm belief that not just our company but society as a whole can benefit from inclusion and diversity.

• By providing reliable, cost-effective, and sustainable energy for our customers, we contribute to SDG 7, "Affordable and Clean Energy."

• We address SDG 8, "Decent Work and Economic Growth," through the innovative power of our global operations, which stimulate economic development in many countries and create decent, future-proof jobs.

• Our products, services, and solutions for decarbonizing energy systems worldwide support the achievement of SDG 9, which is focused on "Industry, Innovation and Infrastructure."

• We are committed to achieving SDG 13, "Climate Action," by assisting our customers in reducing GHG emissions and working toward a net zero goal across the value chain.

We also acknowledge a medium impact on SDGs 3, 4, 6, 11, 12, 14, and 17.

# Management's review

## Diversity

This section constitutes Siemens Gamesa Renewable Energy A/S' reporting on gender diversity cf. §99b in the Danish FSA.

Siemens Gamesa promotes diversity in all its locations worldwide. Diversity is considered an invaluable source of talent, creativity and experience. Valuing the importance of the individual is one of the cornerstones of the Culture of Trust that we are building within all of the Siemens Gamesa organization.

At Siemens Gamesa, the Global Mobility & Diversity team within Global HR actively works to promote gender diversity in recognition of basic fairness as well as the fact that it is in the company's general interest. Siemens Gamesa strives to integrate women at all levels, including top management.

The board of directors at Siemens Gamesa Renewable Energy A/S has six members, of which four are elected by the shareholder. The remaining two are elected by the employees. Siemens Gamesa Renewable Energy A/S have no women in the board.

Since board members traditionally are chosen from among executives, it is imperative that the number of women in managerial positions is increased which will lead to more women executives and thus eligibility for board membership. These managerial positions consist of people with employee responsibilities.

For Siemens Gamesa Renewable Energy A/S the short-term target stated in the annual report for fiscal year 2023 was 20% of the positions in other management levels held by women. This target was met in fiscal year 2024 using the following initiatives, and they still apply:

• Preparation of individual development plans for female employees with identified leadership potential

• Focus on selecting women for Siemens Gamesa' talent programmes with a view to supporting women's career development

• Assignment of mentors to women participants in talent programmes

# Management's review

**Share of the underrepresented gender**

| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
|---|---|---|---|---|---|
| **Board of Directors (not incl. Employee-representatives)** | | | | | |
| Total employees | 4 | | | | |
| Underrepresented gender in percentage | 0% | | | | |
| Target for the share of the underrepresented gender in percentage | 25% | | | | |
| Year for meeting target | 2027/28 | | | | |
| | | | | | |
| **Other management levels** | | | | | |
| Total employees | 15 | | | | |
| Underrepresented gender in percentage | 27% | | | | |
| Target for the share of the underrepresented gender in percentage | 30% | | | | |
| Year for meeting target | 2027/28 | | | | |

**Data ethics**

Description of the entity's work with and policy for data ethical questions

Data ethics is an important consideration in the management of any organization, including Siemens Gamesa. Ensuring that data is collected, used, and shared in a responsible and transparent manner is essential for maintaining the trust of customers, employees, and other stakeholders. At Siemens Gamesa, we are committed to upholding high standards of data ethics in all of our operations. This includes implementing robust policies and procedures for data collection and handling, as well as training our employees on the importance of data ethics and how to uphold these standards.

We also work to be transparent about our data practices, including how data is collected and used, and we are committed to respecting the privacy and data rights of all individuals. By prioritizing data ethics, we aim to ensure that our use of data is ethical, responsible, and respectful of the rights and needs of all stakeholders.

# Accounting policies

The annual report of Siemens Gamesa Renewable Energy A/S for 2023/24 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied are consistent with those of last year.

Siemens Gamesa Renewable Energy A/S is a 100% owned subsidiary of Siemens Gamesa Renewable Energy S.A. Spain and is included in consolidated financial statement of Siemens Energy AG. The consolidated financial statement can be downloaded at:
https://p3.aprimocdn.net/siemensenergy/6974f976-432a-4ed9-ba61-b24301167dc8/A-Siemens-Energy-Annual-Report-2024-pdf_Original%20file.pdf

The annual report for 2023/24 is presented in TDKK.

**Omission of consolidated financial statements**

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of Siemens Gamesa Renewable Energy A/S and group entities are included in the consolidated financial statements of Siemens Energy AG, Otto-Hahn-Ring 6, 81739 Munich, Germany.

Change in comparative figures

With reference to the true and fair view laid down in the Danish Financial Statements Act, the Company has made some reclassifications to individual items in the income statement and balance sheet. The reclassifications have no impact on results before tax, results for the year or equity. Comparative figures have been restated accordingly.

**Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

## Accounting policies

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

**Segment information**

The company operates within only one business segment, as all activities are related to wind turbine development, production installation and service. Segments information is thus only provided by geographical markets specified in EMEA, North America and the rest of the world.

# Accounting policies

**Revenue**

The Company´s activities are mainly focused on:

• The promotion and development of wind farms, including engineering solutions, design, production and sale of wind turbines, and

• The rendering of operation and maintenance services through advanced technology services in the renewable energy sector.

Siemens Gamesa has implemented IFRS 15 for purposes of interpreting the provisions of the Danish Financial Statements Act on revenue.

Identification of performance obligations:
• Sales from construction-type contracts: A construction-type contract is a contract specifically negotiated for the construction of an asset or a combination of assets. The elements of the construction-type contracts may comprise, for example, the design and construction of nacelles, blades, towers, transformers, wind turbines etc., the transportation and logistics, the software included in wind turbines, the engineering, the erection, installation and commissioning of new wind turbines into service, etc. and, if applicable, they may also include the development of the wind farm (obtaining permits, licenses and authorizations). The promises in a contract are highly interrelated, interdependent and involve a significant service of integration and therefore, are not capable to being distinct for themselves individually. Furthermore, the delivery of the elements in the contract requires a single overarching project management team to ensure that the promises are delivered to the customer as per the contract accordingly. Therefore, the promises form a single performance obligation that provides the customer a complete and integral solution as per the contract (that is, a complete functioning wind farm rendering the agreed megawatts of output), and therefore, there is no significant judgment in the identification of the performance obligations.

Construction-type contracts are satisfied over time because Siemens Gamesa' performance does not create an asset with alternative use for the Company (IFRS 15.36). The Company manages projects with technical features that are specific for each customer contract, and therefore Siemens Gamesa produces components as per demand of the project (i.e. not producing to stock), and furthermore each project has its site specific customization regarding the components that are produced and used in the project (there is always bespoke works which are performed specifically for the project, like for example the siting and the related engineering for offshore as well as for onshore projects). Revenues are recognized under the percentage-of-completion method, based on the percentage of costs incurred to date compared to total estimated costs.

## Accounting policies

The percentage-of-completion method places considerable importance on accurate estimates of the extent of progress towards completion and may involve estimates on the scope of deliveries and services required for fulfilling the contractually defined obligations. These significant estimates include total estimated costs, total estimated revenues, contract risks, including technical, political and regulatory risks, and other judgments. The Company continuously updates the estimations (amongst others of total planned costs and estimated costs to complete) with a corresponding analysis of variances and accurate recognition and controlling of revenues. Under the percentage-of-completion method, changes in estimates may lead to an increase or decrease of revenue. In addition, Siemens Gamesa Renewable Energy A/S needs to assess whether the contract is expected to continue or to be terminated. In determining whether the continuation or termination of a contract is expected to be the most likely scenario, all relevant facts and circumstances relating to the contract are considered on an individual basis.

In the case that separate legal entities are set-up for the development and sale of wind farms, the non-current assets (basically wind turbines, fixtures and civil engineering work) of the wind farms adopting the legal structure of a public or private limited liability company whose shares are fully consolidated in the accompanying Financial Statements, are classified as “Inventories”. These inventories are considered in the percentage-of-completion calculations as a project cost (i.e. projects consume such inventories), so that the accounting is the same as in the case of a wind farm sales contract with a customer without the existence of a separate legal entity, although this business model is a less significant practice at present.

In the Operation and Maintenance business, the promises in the contract can also comprise of several services, like for example minor services, jack-up vessel services, regular maintenance, etc.

• Revenues from services: In typical service contracts of Siemens Gamesa Renewable Energy A/S (hereinafter, “Service contracts”), the promises form a single performance obligation as the customer simultaneously receives and consumes the benefits provided by the performance of Siemens Gamesa Renewable Energy A/S, that is, the operation and maintenance of a wind farm, as the services are being rendered by the Company. The promises in the contract are highly interrelated, interdependent and involve a significant service of integration and therefore, are not capable to being distinct for themselves individually. Furthermore, the provision of the elements in the contract requires a single overarching project management team to ensure that the promises are delivered to the customer as per the contract accordingly. Therefore, the promises form a single performance obligation that provides the customer a complete and integral solution as per the contract (e.g. a complete service solution for a wind farm for a period of years ensuring the proper functioning of the wind farm according to the technical specifications of the machines), and therefore, there is no significant judgment in the identification of the performance obligations.

## Accounting policies

Service contracts are satisfied over time because the customer simultaneously receives and consumes the benefits of the services performed by Siemens Gamesa. As in the construction-type contracts, revenues are recognized under the percentage-of-completion method, based on the percentage of costs incurred to date compared to total estimated costs.

In addition, it should be noted that in Siemens Gamesa' standard construction-type contracts and service contracts, there is a termination clause that typically stipulates that the Company has enforceable right to payment for performance completed to date of termination (including reasonable profit margin).

• Sale of goods (mainly related to sale of spare parts): the promise to transfer the goods to the customer correspond to the performance obligations under IFRS 15, since the respective promises are generally capable of being distinct, not tied to other promises and therefore, distinct within the context of the contract. With regard to such contracts, the sale of spare parts is not significant to Company revenues.

Revenues are recognized at the point in time when control of the goods passes to the buyer, usually upon delivery of the goods (at a point in time).

Principal or agent:
Siemens Gamesa Renewable Energy A/S acts as principal as it transfers control of and provides its own good or service directly to the customer. With that regard, the Company performs own value adding activities and furthermore, Siemens Gamesa Renewable Energy A/S is primarily responsible for fulfilling the promise to provide the specified good or service. Accordingly, e.g. in cases of subcontracted works and/or suppliers' deliveries of goods, in the context of construction contracts, the responsibility in front of the final customer remains with Siemens Gamesa.

The transaction price:
The objective when allocating the transaction price is that the entity allocates the transaction price to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which the entity expects to be entitled in exchange for transferring the promised goods or services to the customer.

Subsequent to the identification of the performance obligation in the contract, the contract price is allocated to the respective performance obligation. In general, Siemens Gamesa contracts consist of one performance obligation. Therefore, typically the contract price is fully assigned only to one performance obligation.

# Accounting policies

Variable consideration:
• Construction-type contracts: There is no significant variable component in such contracts (without considering penalties due to delay clauses considered in the contracts).

• Service contracts: There are several service contracts with variable pricing tied to the energy produced by the wind farm (normally with a floor fee). However, and when applicable, it does not represent a substantial part of the fulfilment of the performance obligation as per the contract.

In cases where variable consideration is present in the contract, Siemens Gamesa Renewable Energy A/S assesses it based on likelihood of occurrence according to past experience in the wind farms. If it's highly probable that the variable consideration will occur, then it is incorporated in the planned revenue of the contract. The assessment is performed on a contract by contract basis and is reviewed regularly.

As described above, Siemens Gamesa Renewable Energy A/S generally has identified one performance obligation for each construction type and service contract. Therefore, if a portion of variable consideration is present it is deemed as attributable to the identified performance obligation i.e. to the contract as a whole.

Relation between the timing of satisfaction of the performance obligations and the typical timing of payment and the effects that those factors have on the contract asset and the contract liability balances:
• Construction-type contracts: The planned points in time of revenue recognition are compared to the payment dates in order to identify the time period that elapses.

At contract approval date an analysis of monthly contract cash flows (collections and payments) is performed, in order to identify the financing period for discounting purposes. The company determines the existence of a significant financing component in the contracts by comparing the date on which it is expected to achieve the billing with the periods in which the contract asset is being generated, as the performance obligation is expected to be fulfilled. Based on abovementioned information it is concluded that for construction-type contracts (as also assessed on contract-by-contract basis) there is no financing component present (the average deferral period is less than 12 month).

• Service contracts and sale of goods: The timing of the rendering of the Operation and Maintenance services is generally not directly linked to the timing of payments from the customer for service contracts, although, there is a direct link referring to the sale of goods business (sale of spare parts, and sales of field services outside service contract). For the service contracts, Siemens Gamesa Renewable Energy A/S receives payments from the customer at regular intervals (typically quarterly invoicing), but timing of the service provided depends on the service season when the scheduled maintenance is performed. The timing of unscheduled lag depending on crane/jack up vessel availability, if such is needed). For example: a 15-year service contract will typically have one annual service campaign, and there could be years where unscheduled service is not necessary, while in other years there is more activity due to unscheduled service. Still, the customer payments for such service contract will not vary from the originally agreed payment schedule (apart from the possible price indexation, and from the fact that staggered pricing schemes are often agreed with the customer).

Other information about the performance obligations:
• Construction-type-contracts: The average duration of Siemens Gamesa Renewable Energy A/S construction-type contracts is 1-3 years, with contracts for onshore wind projects in the lower part of the range and those for offshore wind projects in the upper part of the range.

Payment terms for the customer are usually and in average 30-60 days from the date of issue of the invoice, always according to the contract terms.

The main warranties offered to customers in these contracts are the assurance type warranty (normal product warranty), including the power curve warranty and availability warranty. The power curve warranty offers an assurance of compliance with the wind turbine specifications in relation to the electrical power available in the wind turbine at different wind speeds. The availability warranty refers to the wind turbine being able to produce when the conditions for it are met within the technical specifications of the machine. These warranties are customary in the sales process of construction-type contracts in the wind turbine industry and can therefore not be separated as performance obligation.

• Service contracts: The average duration of Siemens Gamesa Renewable Energy A/S´s service contracts is of 8 to 9 years.

Payment terms for the customer are usually and in average 30-60 days from the date of issue of the invoice, always according to the contract terms.

The main warranty included in service contracts is related to the availability in the operation of the wind farm during the maintenance contract and is therefore an integrated element of the service performance obligation.

• Sale of goods: Payment terms for the customer in case of sale of goods are, generally and on average 30-60 days from the date of the issue of the invoice, always in accordance to the contract terms. Invoices are usually issued close to the time of delivery of the goods.

**Cost of productions**

Production costs comprise expenses, including amortisation/depreciation, gains and losses on securities and transactions denominated in foreign currencies and wages/salaries, incurred to generate the year's revenue.

## Accounting policies

**Other operating income**

Other operating income comprises items of a secondary nature relative to the company's primary objective, including income from property leasing, gains on the sale of fixed assets and sales of electricity from windturbines.

**Other operating expenses**

Other operating expenses comprise items of a secondary nature relative to the company's primary objective, including loss/modifications from property leasing and losses on the sale of fixed assets.

**Distribution costs**

Distribution expenses comprise expenses related to the sale of goods and sales campaigns etc. in the year. Expenses related to sales staff, advertising and exhibitions and amortisation/depreciation charges are recognised in distribution expenses as well.

**Administrative costs**

Administrative expenses comprise expenses paid in the year to manage and administer the company, including expenses related to administrative staff, office expenses and amortisation/depreciation charges.

**Financial income and expenses**

Financial income and expenses comprise interest income and expenses, surcharges, allowances under the on-account tax scheme and discounted leasing obligations etc.

**Tax on profit/loss for the year**

Tax for the year comprises current tax, withholding tax and changes in deferred tax for the year. The tax expense/income relating to the profit/loss for the year is recognised in the income statement. Current and deferred tax concerning changes in equity is taken directly to equity.

# Accounting policies

## Balance sheet

### Intangible assets

***Development projects***

Development costs comprise costs, wages/salaries and amortisation losses that are directly and indirectly attributable to the company's development activities.

Development projects that are clearly defined and identifiable and in respect of which the technological feasibility, sufficient resources and a potential future market or development potential in the enterprise can be demonstrated and where the intention is to produce, market or use the product or the process, are recognised as intangible assets provided that it is sufficiently certain that the future earnings are adequate to cover the production, sales and administrative expenses and the total development costs. Other development costs are recognised in the income statement when incurred.

Intangible assets, which are recognised in the balance sheet, are measured at cost less accumulated amortisation and impairment losses.

Following the completion of the development work, development costs are amortized on a straight-line basis over the estimated useful life. The amortisation period is usually 3-5 years.

### Tangible assets

Items of land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Assets in progress are included in tangible assets and are measured at cost. These costs include expenditures directly attributable to the construction process, such as materials, labor, and overheads. Depreciation of assets under construction does not commence until the asset is completed and ready for use, at which point the asset is transferred to the appropriate asset category and depreciation begins in accordance with the company’s depreciation policies.

## Accounting policies

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

| | Useful life |
|---|---|
| Buildings | 10-30 years |
| Plant and machinery | 3-10 years |
| Fixtures and fittings, tools and equipment | 3-5 years |

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

## Accounting policies

**Leases**

From the perspective of the lessee, IFRS 16, requires the lessee to recognize a right-of-use asset and a lease liability at the present value of the obligation to make lease payments. From the perspective of the lessor, a lessor classifies its leases as operating leases or finance leases, and accounts for those two types of leases differently.

Right-of-use assets and lease liabilities:
A lessee measures right-of use assets similarly to other non-financial assets (such as “Property, plant and equipment”) and lease liabilities similarly to other financial liabilities. Therefore, a lessee recognizes depreciation of the right-of-use asset and interest on the lease liability and classifies cash repayments of the lease liability into a principal and an interest portion.

Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments) and payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease.

The initial value of the lease liability is calculated as the value of future lease payments that are discounted, as a general rule at the incremental rate of the underlying assets. Lease payments include:

• Fixed or substantially fixed lease instalments specified in the contract, after deduction of any incentive to be received by the lessee. The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, it is reasonably certain not to be exercised. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that affects the Company´s ability to exercise or not exercise the option to renew or to terminate;

• Variable instalments dependent on an index or rate;

• The amounts that the lessee expects to pay for guarantees on the residual value of the underlying asset;

• The exercise price of the purchase option, if it is reasonably certain that the lessee will exercise such option; and

• Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. In general, the agreements have renewal and cancellation clauses.

## Accounting policies

Contingent lease payments subject to the occurrence of a specific event and the variable instalments dependent on the use of underlying asset are recorded at the time when they are incurred under the heading of cost by nature of external services in the income statement, rather than as part of the lease liability. During fiscal year 2024, Siemens Gamesa has no contingent or variable lease payments.

Subsequently, the lease liability is increased to reflect the finance costs and is reduced in the amount of the payments made. The unwinding of the financial discounting is recorded under “Interest expenses” in the income statement. The lease liability is remeasured whenever there is a change in indexes or rates, in the estimated amounts to be paid for guarantees on the residual value, in those cases where the exercise of options to extend is considered reasonably certain or in those cases where the options to cancel are considered not to be exercised within reasonable expectations.

The right-of-use asset is initially recorded at cost, which includes:

• The amount of the initial measurement of the lease liability;

• Any lease payment made on or before the lease start date, minus lease incentives received;

• The initial direct costs incurred as a result of the lease, and

• An estimation of the costs that will be incurred by the lessee for the dismantling and restoration of the asset.

After the initial recognition, the right-of-use asset is recorded at cost less accumulated depreciation and impairment losses. The depreciation of the right-of-use asset is recorded in the income statement during the useful life of the underlying asset, or during the lease term, whichever is shorter. If the property is transferred to the lessee or it is practically certain that the lessee will exercise the purchase option, it will be depreciated over the useful life of the asset. In case of non-removable leasehold improvements, the useful life of the respective leasehold improvement will not exceed the term of the lease contract.

For lease contracts which may include lease and non-lease components, both elements are not being separated for accounting purposes, recognizing them as a single element, except for the type of underlying assets for which the separation may have a significant impact.

In the determination of the lease term, Siemens Gamesa considers all the relevant facts and circumstances that create a significant economic incentive for the lessee to exercise the renewal option or not to exercise the cancellation option. Renewal or termination options are only included in the determination of the lease term if it is reasonably certain that the contract will be extended or will be terminated. If a significant event or a significant change in circumstances occurs that may affect the assessment of the term, Siemens Gamesa reviews the assessment made in the determination of the lease term.

# Accounting policies

**Equity investment in subsidiaries**

Equity investments in subsidiaries are measured at cost. In case of indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value.

**Other securities and equity investments**

Other securities and equity investments included in investment comprise unlisted shares that Management considers investment securities. The equity investments are measured at cost.

**Impairment of assets**

The carrying amount of equity investments in subsidiaries, other securities and equity investments, intangible assets and property, plant and equipment is subject to an annual impairment indicator test.

In case of evidence of impairment, each asset or group of assets is tested for impairment. Assets are written down to the lower of the recoverable amount and the carrying amount.

**Inventories**

Inventories are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct cost of labour and production/production overheads.

Production overheads include the indirect cost of materials, wages and salaries as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the cost.

The net realisable value of inventories is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

**Trade receivables**

Trade receivables are measured at amortised cost, which usually correspond to the nominal value. A provision is made for bad debts based on an individual assessment of each account receivable.

# Accounting policies

**Contract assets and liabilities**
Contract asset and liabilities is measured at sales value of the work performed.

Contract asset and liabilities includes construction work for the account of others in connection with wind turbine projects, where the supply of wind turbines also includes infrastructure such as roads, cable works, transformer stations, buildings and foundations.

The sales value is measured by reference to the stage of completion at the balance sheet date and the total expected income on each individual work in progress.

The stage of completion is made up as the costs incurred up to the balance sheet date compared to the total expected costs.

Individual contract work in progress is recognised in the balance sheet as either receivables or payables. Contract assets are made up as the sum of contract work in progress where the sales value of the work performed exceeds progress billings and bad debts. Contract liabilities are made up as the sum of contract work in progress where progress billings, less bad debts, exceed the sales value of completed work.

Expenses relating to sales work and contracts are recognised in the income statement as incurred.

When it is probable that the total contract costs will exceed the total contract revenue, a provision is made for the anticipated loss on the contract.

**Prepayments**
Prepayments recognised as assets include expenses incurred concerning subsequent financial years.

**Equity - dividend**
Proposed dividend is recognised as a liability at the date of adoption at the annual general meeting (declaration date). Dividend expected to be distributed for the year is shown as a separate item under equity.

**Reserve for development costs**
An amount corresponding to capitalised development costs is recognised in the reserve. The reserve is reduced as development costs are amortised.

**Reserve for current value of hedging**
The year's changes in exchange rates and the year's changes in value adjustments of hedging instruments are recognised in the fair value reserve in the financial statements.

# Accounting policies

### Share-based payments

Share-based payment awards are classified as equity-settled. The fair value is measured at the grant date and expensed over the vesting period. The fair value is determined as the market price of the underlying shares, considering dividends during the vesting period to which the grantees are not entitled, as well as market and non-vesting conditions, if applicable.

### Other provisions

Provisions comprise anticipated expenses related to commitments in respect of sold wind turbines, and provisions related to uncertain tax positions. Provisions are recognised when, as a result of past events, the company has a legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation.

Warranties (assurance-type) comprise obligations to make good any defects within the warranty period of normally two to five years. Provisions for warranties are measured at net realisable value and are recognised based on past experience. The provision made for each turbine is estimated on a current basis and is adjusted in accordance with the experiential development in costs.

The company records a provision for onerous contracts with customers when the current estimated total costs exceed the estimated revenues. Onerous contracts with customers are identified by monitoring the progress of the project and updating the estimates, which requires significant judgment relating to achieving certain performance standards as well as estimates involving warranty costs and estimates regarding project delays, including the assessment of responsibility splits between the contract partners for these delays.

### Deferred income

Deferred income comprises payments received concerning income in subsequent years.

# Accounting policies

**Income tax and deferred tax**

As management company, Siemens Gamesa Renewable Energy A/S is liable for payment of the joint taxation's corporate income taxes to the tax authorities.

Both current and deferred tax income or expense are recognized in the income statement, except when they are the result of a transaction whose results are recorded directly in “Total equity”, in which case the corresponding tax is also recorded in “Total equity”.

The current tax is the amount that Siemens Gamesa Renewable Energy A/S settles as a result of the tax filings of the income tax relating to a fiscal year. The deductions and other tax benefits in the tax liability, excluding the withholdings and payments on account, as well as the tax loss carryforwards from previous years that are effectively applied in the current year, give rise to a lower amount of current tax.

In addition to the above, royalty taxes are included in the annual taxes. These taxes are calculated based on royalties generated during the fiscal year and are settled as part of the overall corporate income taxes.

The deferred tax expense or income corresponds to the cancellation or recognition of deferred tax assets and liabilities. These include the temporary differences that are identified as those amounts that are expected to be payable or recoverable derived from the differences between the carrying amounts of the assets and liabilities and their tax value, as well as the tax loss carryforwards pending to be compensated and the unused tax credits. These amounts are recorded at the expected tax rate from the moment it is probable they are going to be recovered or settled.

# Accounting policies

**Liabilities**

Financial liabilities are recognised at the time of borrowing at the proceeds received net of transaction costs incurred.

Financial liabilities are subsequently measured at amortised costs.

Financial liabilities also include the capitalised lease commitment.

**Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under ‘Equity’.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

**Derivative financial instruments**

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Positive and negative fair values of derivative financial instruments are included in 'Other receivables' or 'Other payables', respectively.

Category of financial assets at fair value:
The different categories of financial instruments are grouped in categories from 1 to 3, depending on the fair value measurement system:

• Category 1: the fair value is obtained from directly observable quoted prices in active markets for identical assets and liabilities.

• Category 2: the fair value is determined using observable market inputs other than the quoted prices included in category 1, that are observable for the assets or liabilities, either directly (as prices) or indirectly (derived from prices).

• Category 3: the fair value is determined using measurement techniques that include inputs for the assets and liabilities that are not directly observable in the market.

The company applies Category 2 for the fair value measurement of derivative financial instruments.

## Accounting policies

Fair value adjustments of derivative financial instruments designated as and qualifying for recognition as a fair value hedge of recognised assets and liabilities are recognised in the income statement together with fair value adjustments of the hedged asset or liability.

Fair value adjustments of derivative financial instruments designated as and qualifying for hedging of future cash flows are recognised in other receivables or other payables and in the fair value reserve under 'Equity'. If the future transaction results in recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or the liability, respectively. If the future transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

For derivative financial instruments not qualifying for treatment as hedging instruments, changes in fair value are recognised in the income statement on an ongoing basis.

# Accounting policies

## Cash flow statement

The cash flow statement shows the company's cash flows for the year, broken down under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the company's cash and cash equivalents at the beginning and at the end of the year.

### Cash flows from operating activities

Cash flows from operating activities are stated as the company's profit or loss for the year, adjusted for non-cash operating items, changes in working capital and paid income taxes. Dividend income from investments is recognised under ‘Interest income and dividend received’. Interest element of discounted leasing obligations is recognised under 'Financial costs'.

### Cash flows from investing activities

Cash flows from investing activities comprise payments related to the acquisition of intangible assets, property, plant and equipment and investments.

### Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the company's share capital and related costs, as well as the raising of loans, repayment of interest-bearing debt, payment of dividends to shareholders and installment of lease obligations.

### Cash and cash equivalents

Cash and cash equivalents comprise cash, cash-pool and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

# Accounting policies

**Financial Highlights**

Definitions of financial ratios.

| | |
|---|---|
| Gross margin ratio | $\frac{\text{Gross Profit x 100}}{\text{Revenue}}$ |
| EBIT margin | $\frac{\text{Profit/loss before financials x 100}}{\text{Revenue}}$ |
| Return on assets | $\frac{\text{Profit/loss before financials x 100}}{\text{Average assets}}$ |
| Solvency ratio | $\frac{\text{Equity at year end x 100}}{\text{Total assets}}$ |
| Return on equity | $\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$ |

# Income statement 1 October 2023 - 30 September 2024

| | Note | 2023/24<br>TDKK | 2022/23<br>TDKK |
|---|---|---|---|
| **Revenue** | 2 | **27.095.082** | **24.837.048** |
| Cost of productions | | -33.050.598 | -40.029.283 |
| **Gross profit** | | **-5.955.516** | **-15.192.235** |
| Distribution costs | | -413.212 | -449.790 |
| Administrative costs | | -83.478 | -60.300 |
| **Operating profit/loss** | | **-6.452.206** | **-15.702.325** |
| Other operating income | 5 | 73.785 | 102.652 |
| Other operating costs | 6 | -22.061 | -3.306 |
| **Profit/loss before financial income and expenses** | | **-6.400.482** | **-15.602.979** |
| Income from equity investments in subsidiaries | | 25 | 223 |
| Financial income | 7 | 566.544 | 95.316 |
| Financial costs | 8 | -517.296 | -49.435 |
| **Profit/loss from ordinary activities before tax** | | **-6.351.209** | **-15.556.875** |
| **Profit/loss before tax** | | **-6.351.209** | **-15.556.875** |
| Tax on profit/loss for the year | 9 | -41.991 | -33.361 |
| **Net profit/loss for the year** | | **-6.393.200** | **-15.590.236** |
| Distribution of profit/loss | 10 | | |

# Balance sheet at 30 September 2024

| | Note | 2023/24 | 2022/23 |
|---|---|---|---|
| | | TDKK | TDKK |
| **Assets** | | | |
| Completed development projects | | 2.702.409 | 1.513.037 |
| Development projects in progress | | 1.908.945 | 2.466.941 |
| **Intangible assets** | 11 | **4.611.354** | **3.979.978** |
| Land and buildings | | 1.960.901 | 1.928.342 |
| Plant and machinery | | 2.904.321 | 1.579.243 |
| Other fixtures and fittings, tools and equipment | | 2.046.982 | 1.924.176 |
| Assets in progress and prepayments | | 2.101.950 | 1.180.454 |
| **Tangible assets** | 12 | **9.014.154** | **6.612.215** |
| Investments | 13 | 81.980 | 2.585 |
| **Fixed asset investments** | | **81.980** | **2.585** |
| **Total non-current assets** | | **13.707.488** | **10.594.778** |
| **Inventories** | 14 | **1.718.152** | **3.921.557** |
| Trade receivables | | 543.527 | 172.734 |
| Contract assets | 15 | 895.012 | 1.721.170 |
| Receivables from group entities | | 18.401.288 | 7.425.896 |
| Other receivables | 16 | 357.491 | 423.096 |
| Prepayments | 17 | 289.911 | 199.888 |
| **Receivables** | | **20.487.229** | **9.942.784** |
| **Cash at bank and in hand** | | **183.199** | **119.230** |
| **Total current assets** | | **22.388.580** | **13.983.571** |
| **Total assets** | | **36.096.068** | **24.578.349** |

# Balance sheet at 30 September 2024

| | Note | 2023/24 | 2022/23 |
|---|---|---|---|
| | | TDKK | TDKK |
| **Equity and liabilities** | | | |
| Share capital | | 120.000 | 120.000 |
| Reserve for development expenditure | | 3.596.855 | 3.104.382 |
| Reserve for current value of hedging | | -101.484 | -78.568 |
| Retained earnings | | -3.919.346 | -15.679.673 |
| **Equity** | | **-303.975** | **-12.533.859** |
| Other provisions | 18 | 16.666.582 | 15.266.017 |
| **Total provisions** | | **16.666.582** | **15.266.017** |
| Financial debt | 19 | 2.742.919 | 1.508.911 |
| Other payables | 20 | 166.619 | 237.124 |
| **Total non-current liabilities** | | **2.909.538** | **1.746.035** |
| Financial debt | | 219.905 | 361.117 |
| Prepayments received from customers | | 62.030 | 142.590 |
| Trade payables | | 6.225.882 | 5.252.441 |
| Contract liabilities | 15 | 9.042.166 | 11.366.423 |
| Payables to group entities | | 679.618 | 2.323.275 |
| Other payables | | 558.520 | 634.534 |
| Deferred income | 21 | 35.802 | 19.776 |
| **Total current liabilities** | | **16.823.923** | **20.100.156** |
| **Total liabilities** | | **19.733.461** | **21.846.191** |
| **Total equity and liabilities** | | **36.096.068** | **24.578.349** |
| Subsequent event | 1 | | |
| Staff | 3 | | |
| Fee to auditors appointed at the general meeting | 4 | | |
| Contingencies, etc. | 24 | | |
| Related parties | 25 | | |

# Statement of changes in equity

| | Share capital | Reserve for development expenditure | Reserve for current value of hedging | Retained earnings | Total |
|---|---|---|---|---|---|
| TDKK | | | | | |
| Equity at 1 October 2023 | 120.000 | 3.104.382 | -78.568 | -15.679.673 | -12.533.859 |
| Group contribution | 0 | 0 | 0 | 18.646.000 | 18.646.000 |
| Fair value adjustment of hedging instruments | 0 | 0 | -22.916 | 0 | -22.916 |
| Net profit/loss for the year | 0 | 492.473 | 0 | -6.885.673 | -6.393.200 |
| **Equity at 30 September 2024** | **120.000** | **3.596.855** | **-101.484** | **-3.919.346** | **-303.975** |

# Cash flow statement 1 October 2023 - 30 September 2024

| | Note | 2023/24 | 2022/23 |
|---|---|---|---|
| | | TDKK | TDKK |
| Net profit/loss for the year | | -6.393.200 | -15.590.236 |
| Adjustments | 22 | 3.774.396 | 9.415.773 |
| Change in working capital | 23 | -67.269 | 1.924.095 |
| **Cash flows from operating activities before financial income and expenses** | | **-2.686.073** | **-4.250.368** |
| Financial income | | 566.544 | 95.316 |
| Financial costs | | -517.296 | -49.435 |
| **Cash flows from operating activities** | | **-2.636.825** | **-4.204.487** |
| Investment in intangible assets | | -1.202.066 | -1.098.238 |
| Purchase of property, plant and equipment excl. right-of-use assets | | -2.899.642 | -2.073.064 |
| Sale of intangible assets | | 2.421 | 0 |
| Sale of property, plant and equipment | | 179.493 | 127.018 |
| Purchase of Other securities and equity investments | | -79.370 | -223 |
| Dividends received from subsidiaries | | 400 | 0 |
| **Cash flows from investing activities** | | **-3.998.764** | **-3.044.507** |
| Installment of leases | | -555.599 | -366.266 |
| Group contribution | | 18.646.000 | 6.333.000 |
| **Cash flows from financing activities** | | **18.090.401** | **5.966.734** |
| **Change in cash and cash equivalents** | | **11.454.812** | **-1.282.260** |
| Cash and cash equivalents at 1 October | | 6.357.930 | 7.640.190 |
| **Cash and cash equivalents** | | **17.812.742** | **6.357.930** |
| Cash and cash equivalents are specified as follows: | | | |
| Cash at bank and in hand | | 183.199 | 119.230 |
| Receivables from group enterprises, cashpool arrangement | | 17.629.543 | 6.238.700 |
| **Cash and cash equivalents** | | **17.812.742** | **6.357.930** |

# Notes

## 1 Subsequent event

In the financial year 2023/24, the company experienced a loss, which resulted in a reduction of its equity to less than half of the registered capital and is thereby covered by the Danish rules on capital loss. The board approved in December a plan to recover the equity in the form of a group contribution by Siemens Gamesa Renewable Energy SAU into Siemens Energy Renewable Energy A/S. In December 2024 the company received the cash contribution of DKK 7,375 billion to recover the negative equity.

Furthermore, the company has ensured the availability of liquidity through group financing lines with the parent company (Siemens Energy AG). This will ensure that the company fulfills its obligations towards its creditors when they fall due and regularly continues its business.

## 2 Information on segments

**Geographical**

| | EMEA | North America | Other countries | Total |
|---|---|---|---|---|
| 2023/24 | | | | |
| Revenue | 17.552.111 | 6.166.560 | 3.376.411 | 27.095.082 |
| 2022/23 | | | | |
| Revenue | 19.091.862 | 3.426.828 | 2.318.358 | 24.837.048 |

The company has been through organizational changes and operates only within one business segment. Segment information has therefore only been reported by geographical markets.

# Notes

| | 2023/24 | 2022/23 |
|---|---|---|
| | TDKK | TDKK |
| **3 Staff** | | |
| Wages and Salaries | 3.884.591 | 3.769.814 |
| Pensions | 378.073 | 308.730 |
| Other social security expenses | 93.815 | 95.119 |
| Other staff expenses | 182.943 | 113.465 |
| | **4.539.422** | **4.287.128** |

| | | |
|---|---|---|
| Including remuneration to the executive board and the board of directors: | | |
| Executive Board and Board of Directors | 6.700 | 7.216 |
| | **6.700** | **7.216** |

| | | |
|---|---|---|
| Number of fulltime employees on average | 6.052 | 5.923 |

Pursuant to section 98b(3) of the Danish Financial Statements Act, the Company has disclosed remuneration of the Executive Board and the Board of Directors assembled as only one member of the board of directors is receiving remuneration for the role as board member. Pension to the executive board and the board of directors amounted to DKK 353 thousand in 2023/24 (DKK 303 thousand in 2022/23).

# Notes

**Performance oriented Stock Awards program**

Siemens Energy grants equity settled stock awards to senior managers and Executive Board members. The stock awards are subject to a vesting period of four years and entitle the beneficiary to receive Siemens Energy shares without payment of consideration following the vesting period. A cash settlement is possible in exceptional cases.

The stock awards are tied to performance criteria. In this context, 40% of the target amount is linked to the relative total shareholder return (TSR) of Siemens Energy (TSR target). For stock awards granted in fiscal year 2022 and later (tranches 2022 to 2024), the TSR is calculated as follows: 50% compared with the total shareholder return of the STOXX Global 1800 Industrial Goods and Services (gross return) and 50% compared with the S&P Global Clean Energy Index (total return). For the 2021 tranche, the TSR is calculated as 70% compared to the Total Shareholder Return of the STOXX Global 1800 Industrial Goods and Services and 30% compared to the MVIS US-Listed Oil Services. A further 40% of the target amount is linked to the basic earnings per share (EPS target). The remaining 20% of the target amount is linked to an internal Siemens Energy sustainability target based on environment, social and governance targets (ESG targets). The target attainment for each performance criterion ranges between 0% and 200%.

In fiscal year 2024, senior managers and Executives Board members were granted stock awards settled in shares with a fair value of DKK 29.5 million (DKK 22 million).

The weighted average fair value of shares granted to senior managers in fiscal year 2024 amounted to €8.25 per share (2023: €12.59 per share) and was determined as the market price of the Siemens Energy share less the present value of expected dividends.

The fair value of the TSR-based stock awards granted was calculated using an option price model on the basis of a Monte Carlo simulation. In addition to the expected € interest rates, share volatility based on peer-group data is also considered.

## 4 Fee to auditors appointed at the general meeting

Pursuant to section 96(3) of the Danish Financial Statements Act, the Company has not presented the fee to auditors appointed at the general meeting. The fee to the auditors appointed at the general meeting is included in the disclosures to the consolidated financial statements of Siemens Energy AG.

# Notes

| | | 2023/24 | 2022/23 |
|---|---|---|---|
| | | TDKK | TDKK |
| 5 | **Other operating income** | | |
| | Gain on sale of assets | 4.604 | 6.401 |
| | Sales of electricity from windturbines | 65.319 | 95.900 |
| | Other | 3.862 | 351 |
| | | **73.785** | **102.652** |
| 6 | **Other operating costs** | | |
| | Other | 1.727 | 64 |
| | Loss on sale of assets | 20.334 | 3.242 |
| | | **22.061** | **3.306** |
| 7 | **Financial income** | | |
| | Interest received from group enterprises | 561.312 | 2.635 |
| | Other financial income | 5.232 | 13.877 |
| | Discounting of long term warranty | 0 | 78.804 |
| | | **566.544** | **95.316** |
| 8 | **Financial costs** | | |
| | Interest element, discounted leasing obligations | 93.491 | 27.055 |
| | Interest paid to group enterprises | 57.630 | 3.791 |
| | Other financial costs | 49.281 | 18.589 |
| | Discounting of long term warranty | 316.894 | 0 |
| | | **517.296** | **49.435** |

# Notes

| | | 2023/24 | 2022/23 |
|---|---|---|---|
| | | TDKK | TDKK |
| **9** | **Tax on profit/loss for the year** | | |
| | Current tax for the year | 31.310 | 15.905 |
| | Deferred tax for the year | 552 | 430 |
| | Adjustment of tax concerning previous years | 10.129 | 17.026 |
| | | **41.991** | **33.361** |

| | | | |
|---|---|---|---|
| **10** | **Distribution of profit/loss** | | |
| | Transferred to other statutory reserves | 492.473 | -659.848 |
| | Retained earnings | -6.885.673 | -14.930.388 |
| | | **-6.393.200** | **-15.590.236** |

# Notes

## 11 Intangible assets

| | Completed development projects | Development projects in progress | Total |
|---|---|---|---|
| TDKK | | | |
| Cost at 1 October 2023 | 2.931.967 | 2.466.941 | 5.398.908 |
| Additions for the year | 1.118.528 | 83.538 | 1.202.066 |
| Disposals for the year | -22.791 | 0 | -22.791 |
| Transfers for the year | 641.534 | -641.534 | 0 |
| Cost at 30 September 2024 | 4.669.238 | 1.908.945 | 6.578.183 |
| Impairment losses and amortisation at 1 October 2023 | 1.418.930 | 0 | 1.418.930 |
| Depreciation for the year | 568.269 | 0 | 568.269 |
| Reversal of depreciation of sold assets | -20.370 | 0 | -20.370 |
| Impairment losses and amortisation at 30 September 2024 | 1.966.829 | 0 | 1.966.829 |
| **Carrying amount at 30 September 2024** | **2.702.409** | **1.908.945** | **4.611.354** |

**Special assumptions regarding development projects**

The capitalized development projects within Siemens Gamesa are related to the development of new wind turbine models, software and the optimization of the components´ performance. The development projects will be supporting the core of the business in the years to come as the market is searching for higher efficiency and scale of turbines.

Projects are assessed for impairment using business cases built on discounted forecasted sales including order backlog. The length of the forecasts depend on the type of technology and the expected market presence.

No impairment has been identified to new or existing projects in 2023/24.

# Notes

## 12 Tangible assets

| | Land and buildings | Plant and machinery | Other fixtures and fittings, tools and equipment | Assets in progress and prepayments | Total |
|---|---|---|---|---|---|
| TDKK | | | | | |
| Cost at 1 October 2023 | 3.603.103 | 2.704.193 | 6.372.422 | 1.282.411 | 13.962.129 |
| Additions for the year | 423.738 | 1.545.827 | 1.124.840 | 1.342.262 | 4.436.667 |
| Disposals for the year | -235.352 | -77.334 | -667.082 | 0 | -979.768 |
| Transfers for the year | 2.712 | 296.369 | 223.642 | -522.723 | 0 |
| Cost at 30 September 2024 | 3.794.201 | 4.469.055 | 7.053.822 | 2.101.950 | 17.419.028 |
| Impairment losses and depreciation at 1 October 2023 | 1.674.761 | 1.124.950 | 4.448.246 | 101.957 | 7.349.914 |
| Depreciation and impairment for the year | 259.054 | 508.464 | 1.170.188 | -101.957 | 1.835.749 |
| Reversal of impairment and depreciation of sold assets | -100.515 | -68.680 | -611.594 | 0 | -780.789 |
| Impairment losses and depreciation at 30 September 2024 | 1.833.300 | 1.564.734 | 5.006.840 | 0 | 8.404.874 |
| **Carrying amount at 30 September 2024** | **1.960.901** | **2.904.321** | **2.046.982** | **2.101.950** | **9.014.154** |
| *Hereof right-of-use assets:* | | | | | |
| **Carrying amount, IFRS 16, at 1 October 2023** | **469.325** | **1.351.439** | **18.952** | **0** | **1.839.716** |
| Additions/disposals (contract adjustments), IFRS 16 | 265.117 | 1.271.887 | 21 | 0 | 1.537.025 |
| Depreciation, IFRS 16 | -166.151 | -379.816 | -9.632 | 0 | -555.599 |
| **Carrying amount, IFRS 16, at 30 September 2024** | **568.291** | **2.243.510** | **9.341** | **0** | **2.821.142** |
| Cost for non-capitalized leasing: | | | | | |
| Cost of short-term rental and lease arrangements | | | | | 117.650 |
| Cost of low-value lease expenses | | | | | 598 |

# Notes

| | 2023/24 | 2022/23 |
|---|---|---|
| | TDKK | TDKK |
| **13 Investments** | | |
| Cost at 1 October 2023 | 5.399 | 5.399 |
| Capital increase | 79.370 | 0 |
| Cost at 30 September 2024 | 84.769 | 5.399 |
| Revaluations at 1 October 2023 | -2.814 | -3.037 |
| Received dividend | -400 | -350 |
| Profit/loss after tax | 425 | 573 |
| Revaluations at 30 September 2024 | -2.789 | -2.814 |
| **Carrying amount at 30 September 2024** | **81.980** | **2.585** |

From the total carrying amount of DKK 81,9 million then DKK 79,4 million is for Siemens Gamesa Renewable Power Private Limited, India (other investments).

| | 2023/24 | 2022/23 |
|---|---|---|
| | TDKK | TDKK |
| **14 Inventories** | | |
| Raw materials and consumables | 66.495 | 1.920.129 |
| Work in progress | 1.004.697 | 1.105.223 |
| Finished goods and goods for resale | 104.988 | 128.135 |
| Prepayments for goods | 541.972 | 768.070 |
| | **1.718.152** | **3.921.557** |

| | 2023/24 | 2022/23 |
|---|---|---|
| | TDKK | TDKK |
| **15 Contract assets and liabilities** | | |
| Billed revenue | 118.290.981 | 140.042.304 |
| Sales | 110.143.824 | 130.397.050 |
| | **-8.147.157** | **-9.645.254** |
| Recognised in the balance sheet as follows: | | |
| Contract assets | 895.012 | 1.721.170 |
| Contract liabilities | -9.042.169 | -11.366.424 |
| | **-8.147.157** | **-9.645.254** |

Revenue recognition utilizing the Percentage of Completion method is based on costs incurred to date over total estimated costs. Nevertheless, the amounts invoiced to the customer are based on achieved milestones set out in the contract. Therefore, amounts recognized as revenue in a period do not have to match the amounts invoiced in the same period. In contracts where recognized revenue is greater than the volume invoiced, the difference is recognized in the “Contract assets” account, while in contracts where recognized revenue is less than the volume invoiced, the difference is recognized in the “Contract liabilities” account.

# Notes

## 16 Financial instruments

In order to hedge recognised and non-recognised financial transactions, Siemens Gamesa Renewable Energy A/S uses forward exchange contracts.

| Currency | Expected future payments (net) | Hedged by forward contracts | Net position |
|---|---|---|---|
| | TDKK | TDKK | TDKK |
| EUR | 2.496.269 | 2.490.304 | 5.965 |
| CNY | -37.322 | -39.507 | 2.185 |
| USD | -2.092.422 | -2.060.456 | -31.966 |
| GBP | -284.710 | -282.925 | -1.785 |
| Others | -177.636 | -110.267 | -67.369 |
| | **-95.821** | **-2.851** | **-92.970** |

At year end, the company's unrealised exchange gains totaled to DKK 167,2 million before tax and DKK 130,4 million after tax.

The year's change in unrealised exchange losses totals DKK 17,4 million after tax, of which a loss of DKK 2 million is taken to equity and a loss of DKK 15,4 million is recognised in the income statement. The offset of this year's change in unrealised exchange losses is posted within other receivables on the balance sheet.

## 17 Prepayments

Prepayments recognised as assets include expenses incurred concerning subsequent financial years. These prepayments are mostly related to facility, travel, licensing and support/site costs.

# Notes

| | | 2023/24 | 2022/23 |
|---|---|---|---|
| | | TDKK | TDKK |
| **18** | **Other provisions** | | |
| | Balance at beginning of year at 1 October 2023 | 15.217.419 | 7.705.451 |
| | Reversal of provisions | -1.842.900 | -924.519 |
| | New provisions | 8.894.535 | 11.267.716 |
| | Usage of provisions | -5.919.366 | -2.703.827 |
| | Accretion and changes in interest rates of non-current provisions | 316.894 | -78.804 |
| | **Balance at 30 September 2024** | **16.666.582** | **15.266.017** |
| | | | |
| | The expected due dates of other provisions are: | | |
| | Within one year | 6.843.149 | 6.123.801 |
| | Between 1 and 5 years | 9.406.287 | 8.892.422 |
| | Over 5 years | 417.146 | 249.794 |
| | | **16.666.582** | **15.266.017** |

Warranties relate to completed projects and products sold and are calculated on the basis of expected repair and replacement costs through projected failure rates determined using a statistical model. This anticipates product defects or functional failures that may arise during the warranty period and require repair. In addition, the recognition of non-recurring provisions is derived from various factors, such as customer complaints and quality issues, where the expected failure rates are above normal. Thus, provisions for warranties also include the provisions for the repair of specific components due to exceptional technical problems. They are recognized as soon as the technical problem has been identified and the specific scope can be assessed. This includes issues such as serial defects, major repair cases of specific components and potentially derived customer claims.

**19 Financial debt**

Of the company's financial debt related to IFRS16 lease contracts DKK 296,7 million (fiscal year 2023: DKK 361,7 million) falls due for payment after 5 years.

**20 Other payables**

Of the company's payables, DKK 166,6 million (fiscal year 2023: DKK 237,1 million) is due to the New Holiday Act and falls due for payment after more than 1 year after the balance sheet date.

# Notes

## 21 Deferred income

Deferred income of DKK 35,8 million (fiscal year 2023: DKK 19,8 million) comprise payments received from customers that cannot be recognised until the subsequent financial year.

| | 2023/24 | 2022/23 |
|---|---|---|
| | TDKK | TDKK |
| **22 Cash flow statement - adjustments** | | |
| Depreciation, amortisation and impairment losses | 2.404.018 | 1.898.216 |
| Change in other provisions | 1.400.565 | 7.560.566 |
| Other adjustments | -30.187 | -43.009 |
| | **3.774.396** | **9.415.773** |

## 23 Cash flow statement - change in working capital

| | | |
|---|---|---|
| Change in inventories | 2.203.405 | -838.404 |
| Change in receivables | 846.398 | 2.784.692 |
| Changes in short- & long-term liabilities | -3.094.156 | -13.953 |
| Changes to unrealised hedging items | -22.916 | -8.240 |
| | **-67.269** | **1.924.095** |

# Notes

| | | 2023/24 | 2022/23 |
|---|---|---|---|
| | | TDKK | TDKK |
| **24** | **Contingencies, etc.** | | |
| | Operating lease liabilities.<br>Total future lease payments within 1 year: | | |
| | Other rent and lease liabilities | 158.689 | 147.243 |
| | | **158.689** | **147.243** |
| | Guarantees to customers and suppliers provided by third parties, the company's bank and financial connections. | 2.119.822 | 2.593.150 |

In addition DKK 13.556 million (30 September 2023: DKK 27.633 million) is guaranteed by SFS/Siemens AG/SGRE S.A., which can be subject to recourse.

Also DKK 9.431 million (30 September 2023: DKK 9.420 million) is guaranteed by Siemens Energy.

**Other commitments**

As from the income year 2012, the company is jointly and severally liable together with other jointly taxed danish entities for payment of tax on the joint taxation income as well as withholding taxes.

# Notes

## 25 Related parties

Related parties include the executive board and the board of directors as well as the family members of these persons.

Parent company (100% owner of Siemens Gamesa Renewable Energy A/S):
Siemens Gamesa Renewable Energy S.A., Zamudio, Bizkaia Parque Tecnologico, Edificio 222, Spain.

Siemens Gamesa Renewable Energy A/S is furthermore included in Siemens Energy AG's consolidated Financial Statement.

**Subsidaries and foreign branches**

Siemens Gamesa Energy Tajdidpazir, Iran (99,98%).

The company has a permanent establishment in South Africa.

**Transactions with parent company**

Purchase of goods/services - TDKK 228.669
Sale of goods/services - TDKK 28.465

Interest income - TDKK 561.312
Interest expenses - TDKK 57.630
Fee expenses related to guaranties - TDKK 296.982

Receivables from parent company - TDKK 11.433.984
Payables to parent company - TDKK 288.409
Group contribution - TDKK 18.646.000

**Transactions with other group companies**

Purchase of goods/services - TDKK 19.331.001
Sale of goods/services - TDKK 18.186.745

Corporation tax income - TDKK 2.088
Fee expenses related to guaranties - TDKK 7.946

Receivables from other group companies - TDKK 6.967.304
Payables to other group companies - TDKK 391.209
Tangible assets sold to other group companies - TDKK 36.331
Capital investments to other group companies - TDKK 79.370
Dividend distribution from subsidiaries - TDKK 400

Remuneration to the Executive Board and Board of Directors is disclosed in note 3.