

Windpark Krammer B.V.
Vlissingen

Report on the
annual accounts 2022

9 May 2023

Windpark Krammer B.V.
Vlissingen

Table of contents

	Page
Management Board's report	2
Financial statements	
Balance sheet as at 31 December 2022	6
Income statement for the year 2022	7
Cash flow statement for the year 2022	8
Notes to the financial statements	9
Notes to the balance sheet	13
Notes to the income statement	25
Other information	
Reference to the auditor's opinion	28
Provisions of the Articles of Association relating to profit appropriation	28

Management Board's report

1. General

The principle objective of Windpark Krammer BV is to operate & maintain a 102 MW windfarm on and adjacent to the locks of Krammer (Dutch: Krammer sluizencomplex) in the Province of Zeeland. The total investment of Windpark Krammer amounts to over €195 million and is based on project financing. The shareholders of Windpark Krammer B.V. are Deltawind-Zeeuwind Holding B.V. (60%) en Kallista Energy B.V. (40%).

2. The year 2022

The overall performance of Windpark Krammer over 2022 has been good, the availability of the wind turbines was high. However, 2022 has been a year with (nationwide) low wind speeds, which causes the overall production figure to be lower than expected according to the long term projected production figures. The revenue effect from lower production is compensated by the high prices during the whole year.

Windpark Krammer has continued their efforts in 2022 to be able turn off the nightly obstacle lightning on the turbines. A successful pilot with transponder technology has led to the approval by various regulators to use this system. Windpark Krammer is the first windfarm in the Netherlands to put this system in use, further optimization still needs to take place.

3. Financial situation and results in 2022

In 2022 the total revenues were 53,214 million euro resulting in a profit of 22,588 million euro.

In 2022 dividends were paid out to the shareholders. In full compliance with the conditions set by the banking consortium behind the project financing, an amount of 7,235 million euro has been made available to our shareholders.

In 2022 we made the third repayment on the participation bond holders of the emission of 2018. There was no pay-out of 'bonus interest', as the production volume in reference year 2021 of 298 GWh did not meet the established hurdle rate for this.

The implementation of a revenue cap is still going through the legislative process, over 2022 an effect on the revenues of December is expected, this has been included as a reservation in the annual accounts.

The banking consortium responsible for the project financing of Windpark Krammer has remained stable over 2022, after the entrance of the Nederlandse Waterschapsbank in 2021.

4. An outlook to 2023

Windpark Krammer remains committed to optimise production and income stream from the windfarm, operating within the boundaries of the permits and the ambitions on respectful operations for nature and neighbours.

Important continued focus points are:

- 1) Secure a high availability in accordance with the contract with our main maintenance partner Enercon. Maintenance planning is carefully followed up by the asset team, as well as a timely and adequate solution of any (technical) issues which might arise.
- 2) A continued focus on optimising the performance of several auxiliary systems, such as DT Bird, DT Bat and the Icing Detection system. These systems contribute to a safe and smooth operation of the windfarm in accordance with permits and legislation.

Windpark Krammer B.V.
Vlissingen

- 3) Continued focus on Health, Safety and Environment, by closely following up on observations and plan a number of proactive safety related exercises and training activities.
- 4) Continue good relations with the stakeholders, especially neighbours, bond holders and authorities. Therefore Windpark Krammer continues a proactive communication approach and welcomes visitors to the windfarm regularly.
- 5) No expansions are expected in terms of personnel. The expected investment level for 2023 will be in line with 2022.

5. Risk management

After completion of the windfarm there are no construction risks left anymore. The following key risks in the Operation & Maintenance Phase are identified:

- Less wind than predicted. Not possible to mitigate. Focus on availability of the windfarm.
- Outage caused by substation downtime or cable damage. All cables are duly registered and visible when a KLIC-notification is done. Maintenance of substation is done timely and frequently.
- Limited availability of spare parts. Closely followed up with maintenance partner Enercon.

Risk management is an integral part of business management. The most relevant risks in our business relate to business operations and some financial risks. The company's risk policy is aimed at long-term continuity. The Supervisory Board regularly discusses the financial performance and the operational and financial risks with management. Management has a careful decision-making process in which no irresponsible risks are taken. The main areas in accordance with RJ 400 are set out below:

Strategic Activities: The activities of Windpark Krammer consist mainly of the production and sale of electricity to 4 corporate off takers. The results are amongst others influenced by macroeconomic developments in the field of raw material prices (especially with regard to the maintenance of the windfarm) and energy prices. Responding to the external development is a continuous process that is monitored by the board and management.

Operational activities: The operational processes are periodically reviewed and where necessary (control) measures are included (or adjusted) to ensure that the desired results are achieved.

Financial position: The risks and uncertainties regarding the financial position are limited due to the stable project financing conditions, capital position, supplier guarantees and a long term Power Purchase Agreement with 4 corporate off takers. Regular cash flow prognosis are drawn up allowing for adequate risk management through monitoring and timely adjustments.

In addition, Windpark Krammer B.V. ensures doing business with creditworthy parties.

Financial reporting: management draws up, analyses and takes action on quarterly reports of financial and non-financial performance of the windfarm. These reports are shared and discussed with the Supervisory Board and the shareholders during regular meetings. More frequent monitoring is done on market price developments and production figures.

Laws and regulations: management keeps a close look on the regulatory developments, especially regarding the (wholesale) electricity market and corporate law. Furthermore, the management involves (external) experts in the relevant aspects, for example external tax specialists are involved in various tax matters.

6. Legal

There were no legal issues in the year 2022.

Windpark Krammer B.V.
Vlissingen

7. Organization

Windpark Krammer B.V. does not employ their own personnel. The core team consists of a managing director and seconded employees of the cooperatives Deltawind and Zeeuwind, with additional external advisors and specialists for specific topics.

8. Supervisory Board

The Supervisory Board of Windpark Krammer B.V. consists of Jan-Willem van der Graaf (chairman), Jasper Vis and Frederic Roche. Below you will find the position and ancillary function of them:

Mr. Jan-Willem van der Graaf	Board member Royal Huisman
Mr. Jasper Vis	Work Stream Lead for North Sea Wind Power Hub at TenneT
Mr. Frederic Roche	CEO Kallista Energy B.V.

Bruinisse, 9 May 2023

Marlies Sikken

Director of Windpark Krammer B.V.

Windpark Krammer B.V.
Vlissingen

Financial statements

Balance sheet as at 31 December 2022

(Before appropriation of result)

Assets

		31-12-2022		31-12-2021	
		€	€	€	€
Fixed assets					
Property, plant and equipment	1		151.364.407		161.338.293
Current assets					
Receivables, prepayments, and accrued income	2		12.185.877		15.331.662
Cash and cash equivalents	3		15.839.606		7.432.199
			<u>179.389.890</u>		<u>184.102.154</u>

Equity and liabilities

Equity

Share capital paid called up	4	20.000		20.000	
Share premium	5	30.001.559		30.001.559	
Other reserve	6	(9.078.854)		(6.857.266)	
Result for the year		<u>22.588.125</u>		<u>5.013.412</u>	
			43.530.830		28.177.705
Provisions	7		8.442.065		5.821.653
Long-term liabilities	8		107.098.458		120.055.141
Current liabilities, accruals and deferred income	9		20.318.537		30.047.655
			<u>179.389.890</u>		<u>184.102.154</u>

Income statement for the year 2022

		2022		2021	
		€	€	€	€
Net Turnover	10		53.214.573		28.558.668
Depreciation of fixed assets	11	9.973.886		9.973.886	
Other operating expenses	12	9.109.432		7.767.370	
Total operating expenses			<u>19.083.318</u>		<u>17.741.256</u>
Total of operating result			34.131.255		10.817.412
Interest and similar expenses	13		<u>(3.734.184)</u>		<u>(4.096.176)</u>
Total of result before tax			30.397.071		6.721.236
Income tax expense	14		<u>(7.808.946)</u>		<u>(1.707.824)</u>
Total of result after tax			<u><u>22.588.125</u></u>		<u><u>5.013.412</u></u>

Cash flow statement for the year 2022

(According to the indirect method)

		<u>2022</u>		<u>2021</u>	
		€	€	€	€
Cash flow from operating activities					
Operating result			34.131.255		10.817.412
<i>Adjustments for</i>					
Depreciation			9.973.886		9.973.886
Changes in provisions	7		2.865.064		1.288.766
<i>Changes in working capital</i>					
Movements operating accounts receivable	2	4.293.889		(5.994.488)	
Movements operating accounts payable	9	(9.189.356)		14.447.850	
			<u>(4.895.467)</u>		<u>8.453.362</u>
Cash flow from business activities					
			42.074.738		30.533.426
Income tax paid	14		(9.583.785)		(2.950.899)
Cash flow from operating activities					
			32.490.953		27.582.527
Cash flow from financing activities					
Dividend paid		(7.235.000)		(10.558.000)	
Income from long-term liabilities		-		11.850.000	
Redemptions of long-term liabilities		(13.437.046)		(22.425.128)	
Interest paid		(3.411.500)		(3.449.512)	
Cash flow from financing activities					
			<u>(24.083.546)</u>		<u>(24.582.640)</u>
Movements in cash					
			<u>8.407.407</u>		<u>2.999.887</u>
			<u>2022</u>		<u>2021</u>
			€		€
Breakdown of cash and cash equivalents					
Cash and cash equivalents at the beginning of the period			7.432.199		4.432.312
Balance sheet movements of cash and cash equivalents in 2022			<u>8.407.407</u>		<u>2.999.887</u>
Cash and cash equivalents at the end of the period			<u>15.839.606</u>		<u>7.432.199</u>

Windpark Krammer B.V.
Vlissingen

Notes to the financial statements

Entity information

Registered address and registration number trade register

The actual address of Windpark Krammer B.V. is Boezemweg 13, 3255 MC in Oude-Tonge, the registered office of the legal entity is Vlissingen. Windpark Krammer B.V. is registered at the Chamber of Commerce under number 54108306.

General notes

The most important activities of the entity

The activities of Windpark Krammer B.V. (the company) mainly consist of realization and exploitation of wind turbines (at the turbine location) around the lock complex Krammer and the dams.

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements are drawn up in accordance with the Dutch Accounting Principles and also in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. In the balance sheet and profit and loss account, references are made to the Notes.

Change in accounting policies

The Dutch Accounting Standards Board (Raad voor de Jaarverslaggeving or DASB), has revised the guideline regarding the standards for revenue recognition (RJ 270 The income statement). This new Standard is effective for reporting years starting on or after 1 January 2022. This change in accounting policy has no effect on the shareholders' equity as of January 1, 2022 or the result 2022. Normally, changes in accounting policy are processed retrospectively with adjustment of comparative figures in accordance with DAS 140. DAS 270.7 however provides a transitional provision to prospectively process the change in accounting policy. The company made use of this transitional provision.

Financial instruments

Derivatives are initially recognised in the balance sheet at fair value, the subsequent valuation of derivative financial instruments depends on whether or not the instrument is quoted in an open market. If the underlying object of the derivative financial instrument is listed on a stock exchange, it is valued at fair value. If the object is not quoted in an open market, it will be stated at cost or current value, if lower.

The company applies cost price hedge accounting to interest rate swaps that ensure that certain liabilities with variable interest rates are converted into loans with fixed interest rates. The ineffective portion of the change in value of the interest rate swaps is recognised in profit or loss under the financial income and expense.

Accounting principles

Property, plant and equipment

Other tangible fixed assets are valued at historical cost or production cost including directly attributable costs, less straight-line depreciation based on the expected future life and impairments. Fixed assets under construction are not depreciated. Direct costs which are attributable to the construction of the Wind farm and a reasonable part of the indirect costs are also included as investment.

Periodical major maintenance is capitalised according to the components approach, with which the aggregate expenditures are allocated to the component parts.

Receivables

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is carried at nominal value.

Deferred tax liabilities

Deferred tax liabilities are recognised for temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the book values applied in these financial statements on the other. The computation of the deferred tax liabilities is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax liabilities are valued at nominal value.

Other provisions

Where the effect of the time value of money is material, the other provisions are valued at the present value of the expenditures expected to be required to settle the obligations and losses. The discount rate at which the present value is determined is a pre-tax discount rate that reflects current market interest rates and the risks specific to the liability. Where the effect of the time value of money is not material, the other provisions are valued at face value. Unless stated otherwise, the other provisions are valued at the present value.

Provision for decommissioning obligations:

Windpark Krammer B.V. is liable for decommissioning costs based on its market share in any year, because of this the Company will form a provision in that year for its share in the estimated decommissioning costs. The provision for decommissioning obligations is valued at the present value of the estimated future cash flows. The amount of the provision is based on the best estimate at year end which comes down to € 584.500 per turbine. Taking account of the movement in Inflation (2022: 10%, 2023/2024: 5% and 2025 and further years: 2,00%) the required provision at 31 December 2036 is valued at € 32.594.942 (34 turbines). The annual allocation is based on an interest rate of 2,75%.

Provision for government-ceiling:

The European Commission decided on 6 October 2022 to temporarily tax the high extra profits of electricity producers, as a result of the exceptionally high energy prices. The amount of the provision is based on the draft legislative text published by the Ministry of Economic Affairs and Climate Policy on 27 January 2023. This proposal states that 90% of the monthly average market revenues above EUR 130/MWh, in the period December 2022 to June 2023, will be skimmed. The obligation recorded is the best estimate of the amounts required to settle the related obligations as at balance sheet date.

Non-current liabilities

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost price.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the nominal value.

Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Net revenue

Net turnover comprises the income from the supply of goods from contracts after deduction of discounts and such like and of taxes levied on the turnover.

Depreciation of property, plant and equipment

Amortisation and depreciation costs are presented as a separate item in the income statement. Future depreciation and amortisation is adjusted if there is a change in estimated future useful life. Gains and losses from the occasional sale of property, plant or equipment are included in depreciation.

Income tax expense

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes. Deferred tax assets (if applicable) are recognised only to the extent that realisation is probable.

Windpark Krammer B.V.
Vlissingen

Cash flow statement

The cash flow statement is prepared according to the indirect method.

The funds in the cash flow statement consist of cash and cash equivalents. Cash equivalents can be considered to be highly liquid investments.

Cash flows in foreign currencies are translated at an estimated average rate. Exchange rate differences concerning finances are shown separately in the cash flow statement.

Corporate income taxes, issuance of share capital, interest received and dividends received are presented under the cash flow from operating activities. Interest paid and dividends paid are presented under the cash flow from financing activities.

Transactions that do not result in exchange of cash and cash equivalents, such as financial lease, are not presented in the cash flow statement. The payments of the lease installments on account of the financial lease contract are presented under the cash flow from financing activities as redemptions of debts for the redemption component and as paid interest for the interest component.

Notes to the balance sheet

1 Property, plant and equipment

	<u>Fixed assets</u>
	€
Balance as at 1 January 2022	
Cost or manufacturing price	194.680.676
Accumulated depreciation and impairments	<u>(33.342.383)</u>
Book value as at 1 January 2022	<u>161.338.293</u>
Movements	
Depreciation	<u>(9.973.886)</u>
Balance movements	<u>(9.973.886)</u>
Balance as at 31 December 2022	
Cost or manufacturing price	194.680.676
Accumulated depreciation and impairments	<u>(43.316.269)</u>
Book value as at 31 December 2022	<u>151.364.407</u>

The depreciation percentage used for the tangible fixed assets is 5%

2 Receivables, prepayments, and accrued income

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
Trade receivables	2.182.904	5.148.688
Company tax	1.148.104	-
Prepayments and accrued income	<u>8.854.869</u>	<u>10.182.974</u>
	<u>12.185.877</u>	<u>15.331.662</u>

Of the total amount of receivables an amount of nil has a remaining term over 1 year.

Windpark Krammer B.V.
Vlissingen

Prepayments and accrued income

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
PPA settlement	8.366.499	9.542.981
Landlease	423.199	412.158
Other prepaid expenses	65.171	227.835
	<u>8.854.869</u>	<u>10.182.974</u>

3 Cash and cash equivalents

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
ING Bank N.V.	14.011.710	5.604.303
ASN Bank	1.827.896	1.827.896
	<u>15.839.606</u>	<u>7.432.199</u>

An amount of € 1.827.896 is not freely available.

4 Share capital paid called up

The issued share capital of the company amounts to EUR 20.000, divided into 98 shares A and 102 shares B shares of EUR 100 each.

	<u>Shares A</u>	<u>Shares B</u>	<u>Total</u>
	€	€	€
Balance as at 1 January 2022	9.800	10.200	20.000
Movements	-	-	-
Balance as at 31 December 2022	<u>9.800</u>	<u>10.200</u>	<u>20.000</u>

5 Share premium

	<u>2022</u>	<u>2021</u>
	€	€
Balance as at 1 January	30.001.559	30.001.559
Movements	-	-
Balance as at 31 December	<u>30.001.559</u>	<u>30.001.559</u>

Share premium has originate as a result of the decision taken by shareholders at June 21, 2016 to expand the existing share capital of € 10.000 to € 20.000 as of September 21, 2016. Because of this the shareholder of the newly issued shares A paid an amount of € 22.418.264 to the share premium. The shareholder of the newly issued shares B paid a total amount to share premium of € 7.583.295.

This amount contains the following parts:

- € 6.499.800 related to the intercompany loan
- € 1.083.495 related to pre-investments.

6 Other reserve

	<u>2022</u>	<u>2021</u>
	€	€
Balance as at 1 January	(6.857.266)	(4.514.238)
Appropriation of result	5.013.412	8.214.972
Dividend paid	<u>(7.235.000)</u>	<u>(10.558.000)</u>
Balance as at 31 December	<u>(9.078.854)</u>	<u>(6.857.266)</u>

Undistributed profit

	<u>2022</u>	<u>2021</u>
	€	€
Balance as at 1 January	5.013.412	8.214.972
Appropriation of result	(5.013.412)	(8.214.972)
Result for the year	<u>22.588.125</u>	<u>5.013.412</u>
Balance as at 31 December	<u>22.588.125</u>	<u>5.013.412</u>

According to the article 18 of the statutory profit from 2022 amounting to € 22.588.125 will be added to the other reserves in the next year.

In anticipation of the adoption of this proposal by the general shareholders' meeting, this has not yet been accounted for in the financial statements. The profit of the financial year is included under undistributed profit.

The annual report 2021 was adopted in the general shareholders' meeting held on 5 May 2022. The general meeting of shareholders has determined the appropriation of result in accordance with the proposal being made to that end.

7 Provisions

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
Deferred tax liabilities	1.432.940	1.677.592
Other provisions	<u>7.009.125</u>	<u>4.144.061</u>
	<u>8.442.065</u>	<u>5.821.653</u>

The provisions have a predominantly long-term character.

Deferred tax liabilities

	<u>2022</u>	<u>2021</u>
	€	€
Balance as at 1 January	1.677.592	1.705.850
Release of provision for deferred taxes	<u>(244.652)</u>	<u>(28.258)</u>
Balance as at 31 December	<u>1.432.940</u>	<u>1.677.592</u>

Deferred tax liabilities are recognised for the taxable temporary differences between the tax and the accounting base of tangible fixed assets.

	<u>Accounting</u>	<u>Tax base</u>	<u>Difference</u>	<u>Amount</u>
	base			liabilities
				(25.8%)
Tangible fixed assets	151.364.407	144.301.464	7.062.943	1.822.240
Other provisions	<u>(5.707.440)</u>	<u>(4.198.521)</u>	<u>(1.508.919)</u>	<u>(389.300)</u>
	<u>145.656.967</u>	<u>140.102.943</u>	<u>5.554.024</u>	<u>1.432.940</u>

Deferred tax liabilities are recognised for the taxable temporary differences between the tax and the accounting base of tangible fixed assets at a rate of 25.8%.

Other provisions

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
Provision for decommissioning obligations	5.707.440	4.144.061
Provision for government-ceiling	<u>1.301.685</u>	<u>-</u>
	<u>7.009.125</u>	<u>4.144.061</u>

Windpark Krammer B.V.
Vlissingen

Provision for decommissioning obligations

	<u>2022</u>	<u>2021</u>
	€	€
Balance as at 1 January	4.144.061	2.855.295
Addition	<u>1.563.379</u>	<u>1.288.766</u>
Balance as at 31 December	<u><u>5.707.440</u></u>	<u><u>4.144.061</u></u>

Provision for government-ceiling

	<u>2022</u>	<u>2021</u>
	€	€
Balance as at 1 January	-	-
Addition	<u>1.301.685</u>	-
Balance as at 31 December	<u><u>1.301.685</u></u>	<u><u>-</u></u>

8 Long-term liabilities

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
Other bonds and private loans	16.145.027	18.396.078
Bank loans	<u>90.953.431</u>	<u>101.659.063</u>
	<u><u>107.098.458</u></u>	<u><u>120.055.141</u></u>

Loans repayable within 12 months of the end of the financial year in the amount of EUR 13.276.649 (2021: EUR 13.437.045) are not included in the long-term liabilities, but are included in the current liabilities.

Other bonds and private loans

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
Bond loan 2018	6.790.400	7.708.800
Bond loan 2021	<u>9.354.627</u>	<u>10.687.278</u>
	<u><u>16.145.027</u></u>	<u><u>18.396.078</u></u>

Windpark Krammer B.V.
Vlissingen

Bond loan 2018

	<u>2022</u>	<u>2021</u>
	€	€
Balance as at January 1	8.575.200	9.392.600
Repayment	(866.400)	(817.400)
Balance as at December 31	<u>7.708.800</u>	<u>8.575.200</u>
Repayment within 1 year	(918.400)	(866.400)
Long term loans as at December 31	<u><u>6.790.400</u></u>	<u><u>7.708.800</u></u>

The bond loan is provided for funding the build of the Wind farm. The rate of interest on each Bond loan for the Interest Period until the end of the construction period is 7%. In the operational phase the rate of interest is depending on the power production of the windfarm. The rate of interest is:

- 6% if the production in any calander year is below 314,3 GWh.
- 7% if the production in any calander year is between 314,3 GWh and 332,9 GWh.
- 8% if the production in any calander year is more than 332,9 GWh.

Repayment of the loan is started at September 30, 2019 according to an annuity repayment schedule. Of the total amount of the bond loan of € 7.708.800 an amount of € 2.531.683 has a remaining duration of longer than 5 years.

Bond loan 2021

	<u>2022</u>	<u>2021</u>
	€	€
Balance as at January 1	11.962.575	-
Received loan	-	11.850.000
Accrued interest	-	112.575
Repayment	(1.275.297)	-
Balance as at December 31	<u>10.687.278</u>	<u>11.962.575</u>
Repayment within 1 year	(1.332.651)	(1.275.297)
Long term loans as at December 31	<u><u>9.354.627</u></u>	<u><u>10.687.278</u></u>

The bond loan is provided for refinancing the subordinated Bridge Loan. The rate of interest on each Bond loan is 4,5%. Repayment of the loan is started at September 30, 2022 according to an annuity repayment schedule. Of the total amount of the bond loan of € 10.687.278 an amount of € 3.396.447 has a remaining duration of longer than 5 years.

Bank loans

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
Green Bank Term Loan (Rabobank)	20.630.399	23.107.829
Green Fund Term Loan (ASN Bank)	20.654.715	23.137.630
Standard Term Loan (ING/SMBC)	47.857.413	53.604.824
Debt Service Reserve Facility (ASN Bank, ING Bank, Rabobank, SMBC)	1.810.904	1.808.780
	<u><u>90.953.431</u></u>	<u><u>101.659.063</u></u>

Windpark Krammer B.V.
Vlissingen

Green Bank Term Loan (Rabobank)

	<u>2022</u>	<u>2021</u>
	€	€
Balance as at January 1	25.722.493	27.463.691
Received loan	-	-
Repayment	(2.614.664)	(1.813.532)
Amortised costs	-	-
	<u>23.107.829</u>	<u>25.650.159</u>
Released amortised costs	74.792	72.334
Balance as at December 31	<u>23.182.621</u>	<u>25.722.493</u>
Repayment within 1 year	<u>(2.552.222)</u>	<u>(2.614.664)</u>
Long term loan as at December 31	<u><u>20.630.399</u></u>	<u><u>23.107.829</u></u>

The Green Bank Term Loan is provided for funding the build of the Wind farm. Repayment is started at September 30, 2019. The rate of interest for each Interest period is the percentage rate per annum which is the aggregate of the applicable Margin (1,80%), the applicable EURIBOR (0,428%) and the Green Discount (0,60%) which comes down to 0,662%.

Repayment of the loan is estimated to take 14,5 years. Of the total amount of the Green Bank Term Loan of € 23.505.911 an amount of € 10.260.540 has a remaining duration of longer than 5 years.

Green Fund Term Loan (ASN Bank)

	<u>2022</u>	<u>2021</u>
	€	€
Balance as at January 1	25.752.294	27.500.061
Received loan	-	-
Repayment	(2.614.664)	(1.813.908)
Amortised costs	-	-
	<u>23.137.630</u>	<u>25.686.153</u>
Released amortised costs	69.307	66.141
Balance as at December 31	<u>23.206.937</u>	<u>25.752.294</u>
Repayment within 1 year	<u>(2.552.222)</u>	<u>(2.614.664)</u>
Long term loan as at December 31	<u><u>20.654.715</u></u>	<u><u>23.137.630</u></u>

The Green Fund Term Loan is provided for funding the build of the Wind farm. Repayment is started at September 30, 2019. The rate of interest for each Interest period is the percentage rate per annum which is the aggregate of the applicable Margin (1,55%), the Base Rate (0,757%) and the Green Discount (0,50%) which comes down to 1,807%.

Repayment of the loan is estimated to take 14,5 years. Of the total amount of the Green Fund Term Loan of € 23.505.911 an amount of € 10.260.540 has a remaining duration of longer than 5 years.

Windpark Krammer B.V.
Vlissingen

Standard Term Loan (ING/SMBC)

	<u>2022</u>	<u>2021</u>
	€	€
Balance as at January 1	59.670.844	63.710.289
Received loan	-	-
Repayment	(6.066.020)	(4.207.393)
Amortised costs	-	-
	<u>53.604.824</u>	<u>59.502.896</u>
Released amortised costs	173.743	167.948
Balance as at December 31	<u>53.778.567</u>	<u>59.670.844</u>
Repayment within 1 year	(5.921.154)	(6.066.020)
Long term loan as at December 31	<u><u>47.857.413</u></u>	<u><u>53.604.824</u></u>

The Standard Term Loan is provided for funding the build of the Wind farm. Repayment is started at September 30, 2019. The rate of interest for each Interest period is the percentage rate per annum which is the aggregate of the applicable Margin (1,25%) and the applicable EURIBOR (0,428%) which comes down to 0,712%. Repayment of the loan is estimated to take 14,5 years. Of the total amount of the Standard Term Loan of € 54.529.473 an amount of € 23.800.216 has a remaining duration of longer than 5 years.

Debt Service Reserve Facility (ASN Bank, ING Bank, Rabobank, SMBC)

	<u>2022</u>	<u>2021</u>
	€	€
Balance as at January 1	1.808.779	1.806.656
Received loan	-	-
Repayment	-	-
Amortised costs	-	-
	<u>1.808.779</u>	<u>1.806.656</u>
Released amortised costs	2.125	2.124
Long term loan as at December 31	<u><u>1.810.904</u></u>	<u><u>1.808.780</u></u>

The Debt Service Reserve Facility is provided for funding the build of the Wind farm. The rate of interest on each Debt Service Reserve Loan for each Interest Period is the percentage rate per annum which is the aggregate of the applicable Margin (1,50%) and three months EURIBOR (0,428%) which comes down to 0,962%. The total amount of the loan has a remaining duration of longer than 5 years.

9 Current liabilities, accruals and deferred income

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
Repayment obligations	13.276.649	13.437.045
Trade payables	245.846	634.683
Liabilities to group companies	77.278	52.806
Payables relating to taxes and social security contributions	1.379.003	1.721.956
Other payables	5.339.761	14.201.165
	<u>20.318.537</u>	<u>30.047.655</u>

The current liabilities, accruals and deferred income have a predominantly short-term character.

Trade payables

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
Creditors	<u>245.846</u>	<u>634.683</u>

Liabilities to group companies

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
Coöperatie Deltawind u.a.	44.136	38.901
Coöperatieve Windenergie Vereniging Zeeuwind u.a.	<u>33.142</u>	<u>13.905</u>
	<u>77.278</u>	<u>52.806</u>

Payables relating to taxes and social security contributions

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
Value added tax	1.379.003	1.339.873
Company tax	-	382.083
	<u>1.379.003</u>	<u>1.721.956</u>

Windpark Krammer B.V.
Vlissingen

Other payables

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
Ammounts to be paid	314.223	12.233
Interest and bank charges	277.206	274.489
EPK-settlement	305.503	-
SDE-settlement	<u>4.442.829</u>	<u>13.914.443</u>
	<u>5.339.761</u>	<u>14.201.165</u>

Financial instruments

For the notes on financial instruments reference is made to the specific item by item note. The company's policy in respect of financial risks is included below. In addition, the financial derivatives of the company and the related risks are disclosed.

General

The main financial risk the company is exposed to is the interest rate risk. The company's financial policy is aimed at mitigating the impact of interest rate fluctuations on the result in the short term and to follow the market interest rates in the long term. The company uses financial derivatives to control financial risks linked to business operations at control. By using financial derivatives, the company takes no speculative positions.

Interest rate risk

The policy in respect of interest rate risk is aimed at mitigating the interest rate risks originating from the financing of the company and optimizing the net interest expenses at the same time. This policy translates into a desired profile of fixed-interest and variable-interest positions including cash, with which in principle the variable-interest position does not exceed 103,13% of the net liability.

The following is a schedule with information on the interest rate risks of the group:

Loan	Term	Interest revision dates	Nominal interest	Effective interest	Interest rate risk hedged through hedge instrument?
Green Bank Term Loan	December 31, 2022	none	0,620%	2,537%	yes
Green Fund Term Loan	December 31, 2022	none	1,807%	2,140%	no
Standard Term Loan	December 31, 2022	none	0,672%	2,5489%	yes
DSRF	December 31, 2022	none	0,962%	3,095%	no

Interest rate swaps:

Bank	Notional amount swap	Long-term debt	Effective date interest date swap	Maturity date interest date swap	Variable interest (3 months Euribor + Margin)	Fixed interest	Mark to market value
SMBC	27.265.376	27.265.376	31-08-2017	31-12-2031	2,443%	0,965%	2.492.385
ING	27.265.376	27.265.376	31-08-2017	31-12-2031	2,443%	0,965%	2.468.219
Rabobank	23.504.635	23.505.912	31-08-2017	31-12-2031	2,393%	0,965%	2.129.739

Cost price hedge accounting

The effective part of financial derivatives that have been assigned for cost price hedge accounting is valued at cost. By comparing the critical comparative features of the hedge instrument with the critical features of the hedged position on every balance sheet date, it is determined whether there is an indication for ineffectiveness. In the event the critical features of the hedge instrument and the critical features of the hedged position are not equal, this is an indication that the cost price hedge contains an ineffective part. In that case a quantitative ineffectiveness measurement is carried out by comparing the cumulative change of the fair value of the hedge instrument with the cumulative change of the fair value of the hedged position since the designation of the hedge relationship. Ineffectiveness is recognised in the profit and loss account if and insofar as the quantitative ineffectiveness measurement shows a (cumulative) loss.

Windpark Krammer B.V.
Vlissingen

Non-recognised assets and liabilities and contingent assets and liabilities

Non-processed liabilities

Credit facility

At the end of the financial year the private company has the following credit facilities:

- € 2.120.360 DSR Facility by the ING Bank;
- € 2.120.360 DSR Facility by the SMBC;
- € 1.827.896 DSR Facility by the Rabobank;
- € 1.500.000 LC Facility by the ING Bank.

As a security first right of mortgage has been given to ING Bank for an amount of € 280 million.

Long-term financial commitments

Rental obligations real estate

The company has entered into a financial commitment until July 1, 2039 in respect of rental of business premises for € 62.634 a year. At the end of this period, the agreement will be renewed for a period of one year unless it has been terminated at least three months before it expires.

The company has entered into a financial commitment without a termination date in respect of rental of storage for € 9.336 a year.

Leasehold

The annual leasehold for sites amounts to € 1.838.634. The remaining term of the contract is 18 years.

Maintenance contract

The company has a long-term maintenance contract for the maintenance of the turbines. The yearly payment amounts to € 3.232.000. The remaining term of the contract is 17 years.

Notes to the income statement

10 Net Turnover

	<u>2022</u>	<u>2021</u>
	€	€
Revenues production phase	53.774.382	26.715.739
Guarantees of origin	655.328	639.762
SDE Subsidy	456	1.115.992
Rent income	86.092	87.175
Government-ceiling	<u>(1.301.685)</u>	<u>-</u>
	<u>53.214.573</u>	<u>28.558.668</u>

Average number of employees

During 2022 there were no employees working with the company (2021: same).

11 Depreciation of fixed assets

	<u>2022</u>	<u>2021</u>
	€	€
Tangible fixed assets	<u>9.973.886</u>	<u>9.973.886</u>

12 Other operating expenses

	<u>2022</u>	<u>2021</u>
	€	€
Other employee related costs	135.614	148.983
Maintenance	3.650.672	2.347.526
Addition decommissioning reserve	1.563.379	1.288.766
Special projects	146.418	393.093
Overhead costs	153.582	232.178
Organisation costs	1.748.331	1.682.748
Landlease	<u>1.711.436</u>	<u>1.674.076</u>
	<u>9.109.432</u>	<u>7.767.370</u>

Other employee related costs

	<u>2022</u>	<u>2021</u>
	€	€
Travelling costs board of directors	3.978	3.167
Travelling costs supervisory board members	73	326
Fees board of directors	96.000	112.000
Fees supervisory board members	35.000	33.231
Other employee related costs	563	259
	<u>135.614</u>	<u>148.983</u>

13 Interest and similar expenses

	<u>2022</u>	<u>2021</u>
	€	€
Interest and similar expenses	<u>3.734.184</u>	<u>4.096.176</u>

Interest and similar expenses

	<u>2022</u>	<u>2021</u>
	€	€
Interest and banking costs	2.388.729	2.288.845
Interest bond loans	1.025.489	989.858
Interest Subordinated Bridge Loan	-	508.926
Released amortised costs long-term liabilities	319.966	308.547
	<u>3.734.184</u>	<u>4.096.176</u>

14 Income tax expense

	<u>2022</u>	<u>2021</u>
	€	€
Deferred income tax expense	244.652	28.258
Income tax expense from current financial year	(8.053.598)	(1.736.082)
Total of income tax expense	<u>(7.808.946)</u>	<u>(1.707.824)</u>
Effective tax rate	25,70	25,40
Applicable tax rate	25,80	25,00

The effective tax rate differs from the nominal tax rate (25,8%) because the Dutch tax burden is 15% up to an amount of € 395.000.

Windpark Krammer B.V.
Vlissingen

Signing of the financial statements

Vlissingen, 9 May 2023

Management board:

M. Sikken
Director

Supervisory board:

J.W.G. van der Graaf

J. Vis

F. Roche

Windpark Krammer B.V.
Vlissingen

Other information

Reference to the auditor's opinion

Reference is made to the auditor's report as included hereinafter.

Provisions of the Articles of Association relating to profit appropriation

According to the article 18 of the statutory articles specifies the following:
Profit is at the free disposal of the General Meeting of Shareholders.

INDEPENDENT AUDITOR'S REPORT

To the shareholders and the Supervisory Board of Windpark Krammer B.V.

Report on the audit of the financial statements 2022 included in the annual accounts

Our opinion

We have audited the financial statements 2022 of Windpark Krammer B.V., based in Vlissingen.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Windpark Krammer B.V. as at 31 December 2022, and of its result for 2022 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. The balance sheet as at 31 December 2022.
2. The profit and loss account for 2022.
3. The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Windpark Krammer B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud.

During our audit we obtained an understanding of the entity and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the Supervisory Board exercises oversight, as well as the outcomes. We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risk and performed the following specific procedures:

Fraud risk	Performed procedures	Observation
Risk of management override of controls	<p>The risk of management override of controls is a presumed fraud risk. We have performed the following procedures:</p> <ul style="list-style-type: none"> • We assessed the design and implementation of the internal controls relating to the recording of manual journal entries. • We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements. • We evaluated whether the judgments and decisions made by management in making the accounting estimates included in the financial statements indicate a possible bias that may represent a risk of material misstatement due to fraud. 	During the performance of our procedures, we did not identify any findings.

We incorporated elements of unpredictability in our audit. For 2022 this comprises a different audit approach related to the testing of manual journal entries. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We considered available information and made enquiries of relevant executives and the Supervisory Board. We evaluated whether the selection and application of accounting policies by the entity, particularly those related to subjective measurements and complex transactions, may be indicative of fraudulent financial reporting.

This did not lead to indications for fraud potentially resulting in material misstatements.

Audit approach compliance with laws and regulations

We assessed the laws and regulations relevant to the entity through discussion with management as well as reading minutes.

As a result of our risk assessment procedures, and while realizing that the effects from non-compliance could considerably vary, we considered the following laws and regulations: (corporate) tax law and the requirements under Part 9 of Book 2 of the Dutch Civil Code with a direct effect on the financial statements as an integrated part of our audit procedures, to the extent material for the financial statements.

Apart from these, the entity is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts and/or disclosures in the financial statements, for instance, through imposing fines or litigation.

Our procedures are more limited with respect to these laws and regulations that do not have a direct effect on the determination of the amounts and disclosures in the financial statements. Compliance with these laws and regulations may be fundamental to the operating aspects of the business, to the entity's ability to continue its business, or to avoid material penalties (e.g., compliance with the terms of operating licenses and permits or compliance with environmental regulations) and therefore non-compliance with such laws and regulations may have a material effect on the financial statements. Our responsibility is limited to undertaking specified audit procedures to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements. Our procedures are limited to (i) inquiry of management, the Supervisory Board, the Executive Board and others within the entity as to whether the entity is in compliance with such laws and regulations and (ii) inspecting correspondence, if any, with the relevant licensing or regulatory authorities to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements.

Naturally, we remained alert to indications of (suspected) non-compliance throughout the audit.

Finally, we obtained written representations that all known instances of (suspected) fraud or non-compliance with laws and regulations have been disclosed to us.

Audit approach going concern

Management has prepared the annual report on the basis of the continuity of all activities for a period of twelve months from the date of preparation of the annual report. Our procedures to review the management's going concern assessment include:

- Consider whether management's going concern assessment contains all relevant information of which we have become aware as a result of our audit. This includes the consideration of financial, operating and other facts and circumstances, and questioning management about key assumptions included in the going concern assessment. We paid attention to, among other, the working capital, financing- and solvency position of the entity and macroeconomic developments, such as the high inflation rate.
- Determine whether management has identified events or circumstances that may cast significant doubt on the entity's ability to continue as a going concern (hereinafter: going concern risks).
- Evaluate the budgeted operating results and related cash flows for the period of twelve months from the date of preparation of the financial statements, taking into account developments in the industry
- Analyzing whether the current and required financing for the continuation of the entire business activities is guaranteed.

Our audit procedures have not revealed any information that conflicts with management's assumptions and assumptions about the going concern assumption.

Report on the other information included in the annual accounts

The annual accounts contain other information, in addition to the financial statements and our auditor's report thereon.

The other information consists of:

- Management Board's Report.
- Other Information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements.
- Contains all the information regarding the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the Management Board's Report in accordance with Part 9 of Book 2 of the Dutch Civil Code, and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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.
- Obtaining 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.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management's use of the going concern basis of accounting, 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.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management and the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit.

Middelburg, 9 May 2023

Deloitte Accountants B.V.

Was getekend: M.D.M. Egter van Wissekerke