



ANNUAL REPORT 2020

BRIEF PORTRAIT

of *Energiekontor AG*

A solid business policy and a lot of experience in renewable energies: That's what Energiekontor has stood for for more than 30 years. Founded in Bremerhaven in 1990, the Company is one of the pioneers in the industry and is today one of Germany's leading project developers. Its core business ranges from the planning and construction to the operational management of wind farms in Germany and abroad and was expanded in 2010 to include solar energy. In addition, Energiekontor operates wind and solar farms with a nominal output of almost 280 megawatts in its own portfolio. Energiekontor also aims to play a pioneering role in economic terms and to realise the first wind and solar parks in all target markets at market prices as quickly as possible, independently of state subsidies.

In addition to its headquarters in Bremen, Energiekontor has offices in Bremerhaven, Hagen im Bremischen, Aachen, Augsburg, Bernau bei Berlin and Potsdam. The Company also has offices in England (Leeds), Scotland (Edinburgh, Glasgow), Portugal (Lisbon), USA (Austin/Texas and Rapid City/South Dakota) and France (Toulouse, Rouen).

The proud balance sheet since the Company was founded: 127 realised wind farms and 12 solar parks with a total output of over 1 gigawatt (GW). This corresponds to an investment volume of almost EUR 1.8 billion.

The Company went public on 25 May 2000. The Energiekontor AG share (WKN 531350/ISIN DE0005313506) is listed in the General Standard of the German Stock Exchange in Frankfurt and can be traded on all German stock exchanges.

Investor Information as at 31.12.2020

Stock exchange listing	German Stock Exchange, Frankfurt
Market segment	General Standard
Class of shares	Bearer shares
Industry	Renewable Energies
Initial public offering (IPO)	25 May 2000
WKN	531350
ISIN	DE0005313506
Reuters	EKT
Shareholding structure	52.43 % Founders; 46.66 % Free float; 0.91 % Energiekontor AG
Research	Jan Bauer, Warburg Research Dr Karsten von Blumenthal, First Berlin Guido Hoymann, Metzler Capital Markets Alina Köhler, Hauck & Aufhäuser
Designated Sponsor	ODDO BHF
Financial calendar	31 March 2021: Publication of the Annual Report 2020 14 May 2021: Publication of the report on Q1 2021 20 May 2021: Annual General Meeting of Energiekontor AG 13 August 2021: Publication of half-year report 2021 15 November 2021: Publication of the report on Q3 2021 22–24 November 2021: German Equity Forum, Frankfurt a.M.
Investor Relations	Peter Alex, Tel: +49 421 3304-126 Email: IR@energiekontor.com Internet: www.energiekontor.com/investor-relations

CONSOLIDATED KEY FIGURES

of *Energiekontor AG*

Income statement

in EUR m	2020	2019
Sales	146.6	63.7
Total output	165.1	96.4
EBITDA (EBIT plus depreciation and amortisation)	65.4	38.9
EBIT (EBT plus financial result)	46.0	16.3
EBT (Earnings before tax)	31.2	0.8
Consolidated net income	20.4	0.2

Balance sheet

in EUR m	2020	2019
Technical plants (wind/solar parks)	166.9	192.4
Equity	65.6	56.2
Total assets	449.0	389.9
Equity ratio	14.6 %	14.4 %
Notional equity ratio (cf. comments in the management report on page 62)	19.5 %	18.7 %

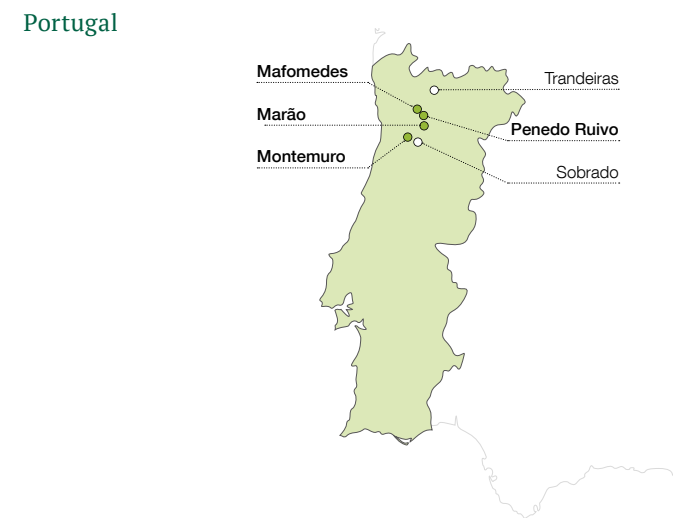
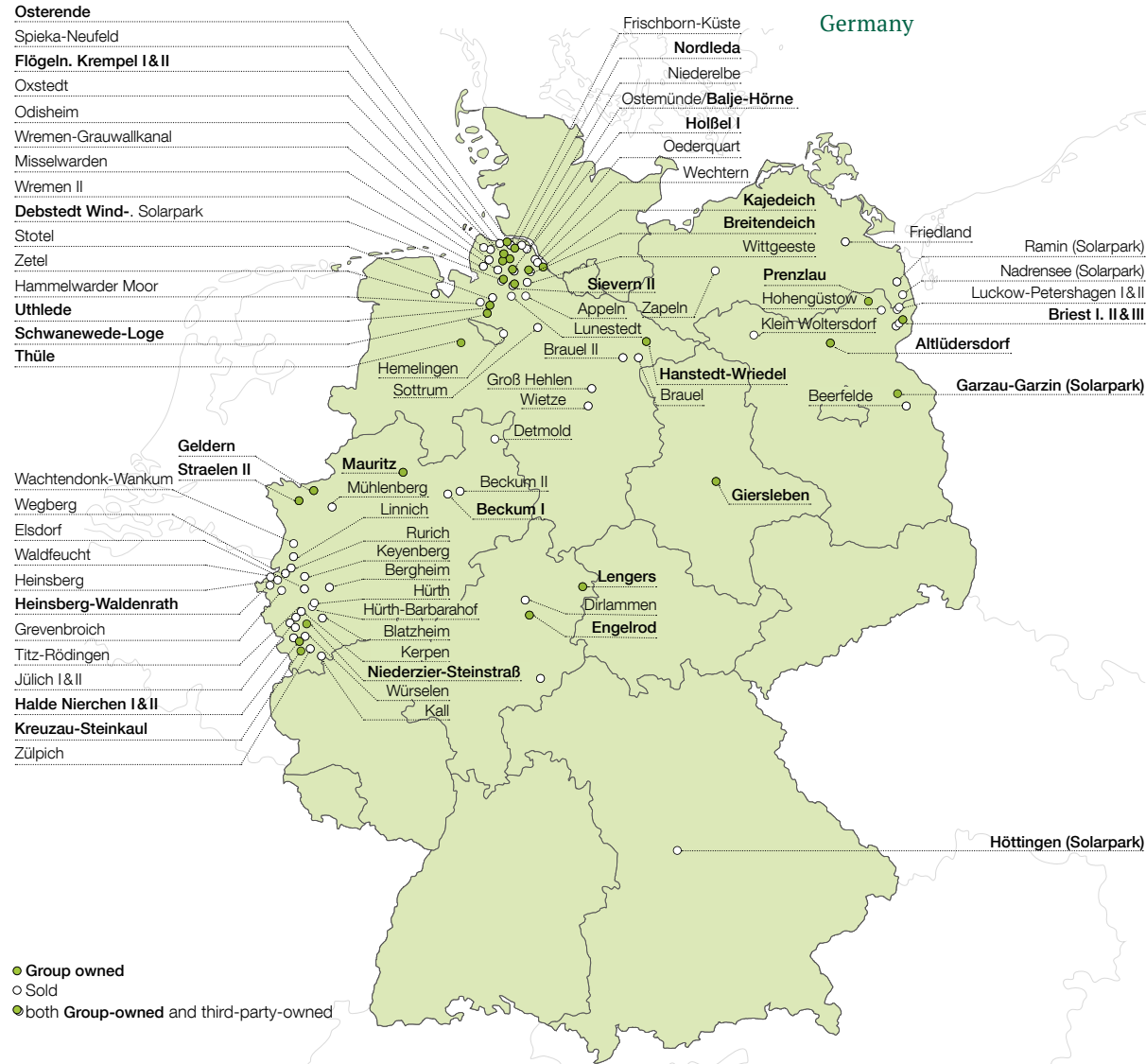
Cashflow

in EUR m	2020	2019
Cash flow from operating activities (operating cash flow)	17.9	13.3
Cash and cash equivalents at the end of the period	79.5	67.0

For the pro forma key figures, see note on page 164.

WIND FARMS AND SOLAR PARKS

of *Energiekontor AG*



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ENERGIEKONTOR –

A success story since 1990



1990

FOUNDATION OF THE COMPANY

Günter Lammers and Dr. Bodo Wilkens set up Energiekontor Windkraft GmbH in Bremerhaven. The Electricity Feed-In Act (StrEG) adopted at the end of the year paves the way for the young wind energy industry to enter the electricity market.



1994

CONSTRUCTION OF THE FIRST WIND FARM

The Company spends its first years building the business mainly on the North Sea coast in the state of Lower Saxony. The first wind farm is developed in 1994 in Misselwarden, near Bremerhaven. Ten turbines, each with rated power of 500 kilowatts (kW), are installed there – in those days, the largest on the market.



1995

FIRST BRANCHES ABROAD

Energiekontor founded its first subsidiaries in other European countries in Greece and Portugal. In 1999, the first branch office followed in Great Britain, today the Company's second core market after Germany.

2000

IPO

By 2000 Energiekontor had built wind farms with an output of over 200 megawatts (MW). In order to be able to further expand abroad, the Company went public that year. The listed Company Energiekontor Aktiengesellschaft was created.

2001

REPOWERING BEGINS

Modern turbines gain in power and efficiency, which in turn allows older turbines to be replaced by new, more powerful ones – this is called repowering. In 2001, Energiekontor implements its first repowering measures at the Misselwarden wind farm, increasing the rated power of the converted turbines by 30 percent. Today, it is possible to multiply the performance of the turbines at a site.

2002

NEW MEANS OF PROJECT FINANCING

Energiekontor Finanzierungsdienste GmbH & Co KG is founded. Its task is the interim and project financing of wind energy projects in Germany and abroad. To date, the Company and other subsidiaries have financed a large number of wind farms through step-up bonds.



THE FIRST CORPORATE BOND IS PLACED

In addition to step-up bonds, the Energiekontor Group has also regularly offered corporate bonds since 2008. This gives investors the opportunity to participate in the Company's success and at the same time drive forward the successful expansion of wind and solar energy in Germany and abroad. The money raised through the bonds is used in particular for the preliminary, interim and refinancing of the projects.

During the mostly five-year terms of the bonds, investors receive a guaranteed and attractive interest rate. This makes the papers interesting for short- to medium-term oriented investors who value a good return with a manageable risk. It will also issue the corporate bonds from 2008.

EXPANSION OF GROUP-OWNED ELECTRICITY PRODUCTION

As an independent power producer, Energiekontor Group has been operating its own Group-owned wind farms in Germany and Portugal since 2002. The first two British projects are added at the turn of the year 2012/2013. The sale of the electricity ensures continuous income.

2004

FIRST OFFSHORE PERMIT

Energiekontor began to plan wind farms on the sea already in 2001. The time is ripe three years later when the offshore wind farm Borkum Riffgrund West is granted its construction license. It is the first of three offshore projects that Energiekontor will develop and sell.

2008

500 MEGAWATTS ONSHORE WIND POWER

Energiekontor reached the milestone of having planned and erected 500 megawatts of onshore wind power in 2009. The wind farms with this nominal output were located in the Group's key German regions of northern Germany and North Rhine-Westphalia, as well as in the national markets of Portugal and the United Kingdom. The investment volume totalled over EUR 720 million.

2009

2010

THE FIRST SOLAR ELECTRICITY PROJECT

Energiekontor supplements its core business of wind energy in 2010 by adding photovoltaic sites. In the same year, the Company installs the first solar roof on a business development centre in Bremerhaven.

2012

2014

FIRST WIND FARM WITH A CITIZEN PARTICIPATION PROGRAMME

Energiekontor officially commissions the Zülpich wind farm in North Rhine-Westphalia. Two of the seven wind turbines belong to local citizens, the other five have been taken over by an infrastructure fund.

NUMEROUS PERMITS SECURED

Energiekontor has successfully realised the Nadrensee auction pilot project and has been awarded the contract for another solar park in Brandenburg. All wind farms scheduled to be erected in 2016 go into operation as planned before the end of the year, including three repowering projects with total power of 27.4 MW. Furthermore, the Company has secured itself many permits: in Germany alone, these amount to power of approximately 80 megawatt. As these permits were granted before the end of 2016, the projects can be realised independently of the auctioning procedure for renewable energy starting in 2017. Permits granted before the end of the year in the UK also reach some 20 MW of wind power.



PIONEERING ACHIEVEMENT: FIRST CONCLUSION OF A PPA IN GERMANY

Energiekontor concludes a long-term power purchase agreement (PPA) with EnBW Energie Baden-Württemberg AG for a solar park planned by Energiekontor. The solar park, which Energiekontor will build and operate, is to produce around 88 gigawatt hours of electricity per year with an installed capacity of around 85 MW. The power purchase agreement is the first of its kind in Germany. It enables Energiekontor to build and operate the solar park without EEG subsidies.

2020
Energiekontor celebrates its 30th anniversary.

2015

2016

2017

2018

2019

2020

COMPANY ANNIVERSARY AND FIRST PILOT SOLAR AUCTIONS

2015 – Company anniversary and first pilot solar auctions 25 years after the Company was founded, Energiekontor boasts the realisation of some 580 wind turbine systems with total rated power in excess of 840 MW. This corresponds to an investment volume of more than EUR 1.3 billion. In its European key regions, the Company prepares itself intensively for the upcoming renewable energy auctions; in the first round of the German pilot auctions for photovoltaic ground-mounted solar arrays, it is awarded the contract for the Nadrensee project in Mecklenburg-Western Pomerania.

TEN PROJECTS COMMISSIONED

Based on the permits obtained in 2016, a record number of wind farms were constructed in 2017. A total of ten projects with a total output of 67 MW were completed and commissioned by the end of the year.

DEFYING THE ADVERSE MARKET CONDITIONS

Despite very difficult market conditions, especially due to the introduction of the tendering regime for wind turbines in Germany in 2017, three wind farms, one single turbine and one solar farm with a total of around 47 megawatts were commissioned.

Current performance record:

34 wind farms
1 solar park
Group owned
~280 MW

127 wind farms
12 solar parks
realized

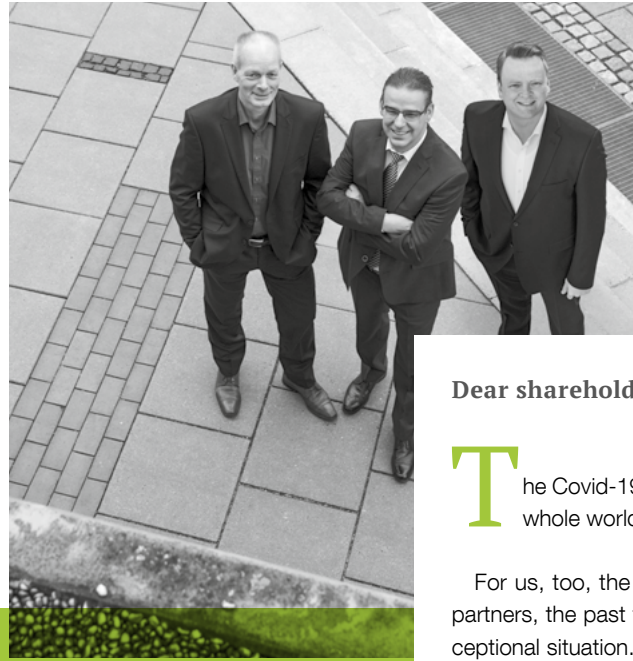
MORE THAN 1 GW OUTPUT



> 600,000 households



> 2 billion kWh per year



LETTER

to the shareholders

Dear shareholders, business partners, investors and employees,

The Covid-19 virus and its economic, political and social impact continue to keep the whole world under wraps.

For us, too, the entire Energiekontor Group, our business partners and our municipal partners, the past financial year was marked by coping with the consequences of this exceptional situation. The Corona crisis presented us with unique, unusual and special challenges – and this in the year in which we wanted to celebrate our thirtieth Company anniversary appropriately.

We were all suddenly forced to adapt, to limit ourselves and to learn to deal with new uncertainties. We rose to the challenges and successfully steered our Company through this extraordinary situation with great confidence and passion.

We would like to take this opportunity to thank our employees in particular. Without their continued passion, their creative approaches to solutions, and without the commitment demonstrated every day anew, it would hardly have been possible to make the 2020 financial year so successful. We would also like to thank our external partners, with whom we work together in a spirit of trust and partnership.

What we said a year ago at the outbreak of the pandemic has come true in full: Our business model is very robust and therefore we were only affected by the consequences of the virus outbreak to a manageable extent overall. This was certainly also due to the fact that



PETER SZABO
CHAIRMAN OF THE BOARD



GÜNTER ESCHEN
MEMBER OF THE MANAGEMENT BOARD



CARSTEN SCHWARZ
MEMBER OF THE MANAGEMENT BOARD

“We look back on a successful 2020 financial year.”

— Peter Szabo, Chairman of the Board

> we had taken a series of strict measures since the beginning of March 2020 to ensure that Energiekontor would not come to a standstill should individual employees be affected. We have been able to ensure this very well to date. However, even in the event that our ability to work is affected in parts in the future, this would lead to postponements of projects in the worst case.

Since the beginning of March 2020, most employees have been working from home. Physical contact with employees, business partners and business trips have been kept to an absolute minimum. We quickly and almost smoothly adapted our processes, workflows and organisational structures across the entire Energiekontor Group to the lockdown regulations and social distancing rules and were thus able to efficiently develop on-going projects. So today we can report on a thoroughly successful 2020 financial year, even if the conditions have not become any easier.

**VERY
EFFICIENT
EVEN FROM
HOME
OFFICE**

Once again, the financial year was a challenging one, both for Energiekontor and for the wind energy sector in Germany as a whole. The federal government, the states and the approval authorities have not taken the measures necessary to clear the existing backlog of approvals. Instead, there is still uncertainty about planned distance regulations, with the result that the construction of new wind turbines in Germany is still only taking place at a low level.

In the course of 2020, only 420 onshore wind turbines (WTGs) with a total capacity of 1,431 MW were added in Germany. Compared to the record low in the previous year, this represents an increase of around 46 percent. Nevertheless, the expansion remains miles below the level that is actually necessary. In addition, 203 wind turbines with a total capacity of 223 MW had to be dismantled in 2020, so that net new capacity was only 1,208 MW. Comparing this with the expansion of around 5,000 MW in 2017 shows the dramatic slump that has been recorded in recent years.

The solar sector in Germany is developing significantly better than the wind sector, but still not at a sufficiently high level. In December 2020, Germany still experienced a small year-end rally in photovoltaic construction. With 525 megawatts, it was the strongest month of the year and the only one in which the 500-megawatt mark was broken in 2020. Overall, the gross new construction of all photovoltaic systems for 2020 thus totalled 4,885 MW. This means that the addition of photovoltaics has increased by almost one gigawatt compared to 2019.

As Energiekontor’s business focus continues to be in Germany, the development of the domestic market is also decisive for the business results in the past financial year. Against this background, we are quite satisfied with the Group’s key figures in the past financial year: Revenues rose to around EUR 146,6 million (2019: EUR 63.7 million), earnings before taxes (EBT) to around EUR 31.3 million (2019: EUR 0.8 million) and the consolidated net income for the year to EUR 20.4 million (2019: EUR 0.2 million).

- > The highlights of the past business year were:
 - ~ The commissioning of the two wind farms Waldfeucht and Beckum with a total of 22.5 MW
 - ~ The sale of three wind farms (Beckum, Boddin and Heinsberg) with a total of 20.8 MW
 - ~ The commissioning and sale of four solar parks (Gefrees, Absberg, Karstädt and Höttingen) with a total of 21.6 MW
 - ~ Financial close for seven wind farm projects and one solar project with a total of 90 MW
 - ~ Conclusion of a PPA with Engie for a 41.5 MW solar project in Mecklenburg-Vorpommern and a PPA in Wales for a 4.5 MW wind farm project
 - ~ Granting of construction permits for one solar and four wind projects with approx. 141 MW
 - ~ Successful participation in various German wind and solar tenders (awards for wind and solar parks with a volume of 101.5 MW and 16.7 MW respectively)
 - ~ 10 building permits with just under 350 MW have been granted for the UK so far.
 - ~ Expansion of the project pipeline to over 6.000 MW

Due to the pleasing development of the 2020 financial year, the Supervisory Board and Executive Board plan to submit a dividend proposal of € 0.80 per share to the Annual General Meeting on 20 May 2021.

The 2021 financial year also got off to a very successful start. The outstanding event so far was the sale of the first Scottish onshore wind project, Longhill, at the beginning of March. As is well known, we have invested a lot in the expansion of our Scottish pipeline in recent years. With the sale of the Longhill wind farm project, we are now reaping the first fruits here even a little earlier than originally planned. With our overall very well-filled and resilient project pipeline at home and abroad and the great progress in the profitability of our projects, we have created the conditions for 2021 to be a better financial year than 2020. It is still to be

expected that there will be delays in project development due to Corona. It is not yet possible to foresee whether this will result in projects that are scheduled for commissioning in 2021 or 2022 being postponed to the following year. What is foreseeable, however, is that we have passed the economic trough and can look confidently to future business development beyond the 2021 financial year.

The good development of the share in the past year shows that the capital market agrees with our assessment. This spurs us on and is an obligation for us at the same time. We will continue to work with all our strength to continuously improve Energiekontor.

We would like to thank all our employees and companions and look forward to continuing on this successful path together with you, our shareholders. Above all, we wish you good health!

Bremen, March 2021

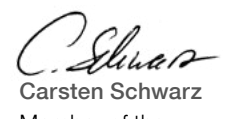
The Management Board



Peter Szabo
Chairman of the
Management Board



Günter Eschen
Member of the
Management Board



Carsten Schwarz
Member of the
Management Board

REPORT

of the Supervisory Board

Dear shareholders, business partners, investors and employees,

In the 2020 financial year, the Supervisory Board again continuously monitored the management of the Management Board and regularly advised it on the management of the Company. In doing so, we were always able to convince ourselves of their legality, appropriateness and regularity. The Management Board fulfilled its duties to provide information and informed us regularly, promptly and comprehensively in written and oral form about all issues of strategy, planning, business development, risk situation, risk development and compliance that are relevant to the Company and the Group. This also included information on deviations of the actual development from previously reported targets as well as deviations of the business development from the planning. The members of the Supervisory Board always had sufficient opportunity to critically examine the submitted reports and proposed resolutions of the Management Board and to contribute their own suggestions. In particular, we intensively discussed all business transactions of importance to the Company on the basis of written and oral Management Board reports and checked them for plausibility. On several occasions, the Supervisory Board dealt in detail with the Company's risk situation, liquidity planning and equity situation. As a result of an analysis of the value potential of the Group's businesses and the opportunities and risks of strategic steps, critical operational issues were presented to the Supervisory Board in a clear and differentiated manner. The Supervisory Board gave its approval to individual business transactions insofar as this was required by law, the articles of association or the rules of procedure for the Executive Board.

The Chairman of the Supervisory Board also maintained a close and regular exchange of information and ideas with the Management Board between committee meetings and kept himself informed of significant developments.

There were no indications of conflicts of interest on the part of Management Board and Supervisory Board members, which must be disclosed to the Supervisory Board without delay and about which the Annual General Meeting is to be informed.

Meetings and participation

In the 2020 financial year, a total of five Supervisory Board meetings were held (9 March 2020, 2 April 2020, 12 May 2020, 22 September 2020 and 15 December 2020), at each of which the Supervisory Board was fully represented. The members of the Management Board participated in the Supervisory Board meetings, unless otherwise determined by the Chairman of the Supervisory Board.

The Supervisory Board consists of three members and has not formed any committees. Resolutions of the Supervisory Board were passed both in meetings and by written circulation. All resolutions of the Supervisory Board were passed unanimously. The Supervisory Board was also in intensive contact with the Management Board outside of the Supervisory Board meetings and kept itself informed about the course of business and important events.

Focus of the Supervisory Board's deliberations

The development of sales, earnings and employment as well as the financial position and liquidity of Energiekontor AG and the Group were the subject of regular discussions at the Supervisory Board meetings.

The dominant topic at the Supervisory Board meeting on 9 March 2020 was the year to date and the measures that had been implemented at Energiekontor or were to be implemented in the short term in order to remain operational in the situation at the time (Corona outbreak). Employees who had home workplaces were expected to work from home. This affected not only, but especially those staff members who have a longer journey to the >



DR. BODO WILKENS
CHAIRMAN OF THE
SUPERVISORY BOARD

> office. Those who did not yet had a laptop or mobile device were to be equipped with one as soon as possible. In addition, an urgent appeal was made to all employees to adhere to the guidelines of the Robert Koch Institute on hygiene and dealing with other people. Furthermore, the agenda for the 2020 Annual General Meeting was discussed and subsequently approved. The current declaration on the Corporate Governance Code and the declaration on corporate governance according to §289a HGB were also discussed and approved.

At the Supervisory Board meeting on 2 April 2020, the annual financial statements for 2019 were prepared and adopted. There was also a report on the status quo of the preparation for the Annual General Meeting, which was to be held virtually for the first time due to the Corona pandemic.

The Supervisory Board meeting on 12 May 2020 primarily served to prepare and discuss the upcoming Annual General Meeting.

At the meeting on 22 September 2020, the current status of this year's business performance was discussed, and it was noted that so far everything had largely gone according to plan. As expected, our business model had proved to be very robust and it had therefore come as no surprise that Energiekontor had only been affected to a very manageable extent overall by the consequences of the temporary lockdown and the economic downturn in Germany and worldwide. In the first half of 2020, all key Group figures improved significantly compared to the same period in 2019. Sales increased by 79.0 percent, EBT by 245.1 percent and earnings per share by 231.8 percent. Another topic of the meeting was the possible relocation of the headquarters to Lilienthal. In addition to the status quo, the results of the second employee survey were also discussed. The new shareholder structure was also discussed.

In the Supervisory Board meeting on 15 December 2020, the Supervisory Board dealt in detail with the efficiency review in relation to the cooperation between the Management Board and the Supervisory Board. When looking back at 2020 as a whole, it was noted that the financial year as a whole had gone according to plan, but that the Beckum wind farm (2 WTGs) was still under construction, which was not in line with the plan. The commissioning should nevertheless still take place by the end of the year.

Corporate Governance

All Supervisory Board members attended all Supervisory Board meetings. However, due to the Covid 19 pandemic, all meetings were held by video transmission.

No conflicts of interest arose among the members of the Supervisory Board in connection with their activities as members of the Supervisory Board of Energiekontor AG.

In March 2020, the Management Board and the Supervisory Board issued a joint declaration of compliance pursuant to § 161 of the German Stock Corporation Act (AktG). The declaration has been made permanently available to the public on the Company's website at www.energiekontor.de.

In its meeting on 15 December 2020, the Supervisory Board conducted the efficiency review required by the Corporate Governance Code.

In addition, the Management Board also reports on corporate governance at Energiekontor AG on behalf of the Supervisory Board in the Corporate Governance Report and in the Declaration on Corporate Governance.

Annual and consolidated financial statements

The auditors elected at the Annual General Meeting on 20 May 2020 and appointed by the Supervisory Board, PKF Deutschland GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart branch, have audited the annual financial statements and the consolidated financial statements of Energiekontor AG for the financial year from 1 January to 31 December 2020, as well as the combined management report of Energiekontor AG and the Group for the same financial year.

In accordance with section 317 (4) of the German Commercial Code (HGB), the auditor has examined and found that the Management Board has set up a monitoring system, that the legal requirements for the early identification of risks threatening the existence of the Company have been met and that the Management Board has taken appropriate measures to identify developments at an early stage and to avert risks.

> The auditor has submitted to the Supervisory Board the declaration of independence required by the Corporate Governance Code and has disclosed to the Supervisory Board the audit and consulting fees incurred in the respective financial year.

The auditor explains the auditing principles in his audit report. The result is that Energiekontor AG has complied with the rules of the German Commercial Code (HGB) and IFRS. The auditors did not raise any objections.

The annual financial statements and the consolidated financial statements as well as the combined management report for the AG and the Group were each issued an unqualified audit opinion. The annual financial statements, the consolidated financial statements, the combined management report for the AG and the Group and the auditor's report were submitted to all members of the Supervisory Board in good time. The financial statement documents were discussed in detail at the balance sheet meeting of the Supervisory Board on 25 March 2021 in the presence of and following a report by the auditor. The Supervisory Board examined the annual financial statements, the consolidated financial statements, the combined management report of the AG and the Group as well as the proposal for the appropriation of the balance sheet profit in detail on its own responsibility.

After completion of this audit, there were no objections to be raised. The Supervisory Board concurred with the results of the audit and approved the financial statements and the combined management report prepared by the Management Board for the 2020 financial year. The 2020 annual financial statements of Energiekontor AG were thus adopted. The Supervisory Board examined the Executive Board's proposal for the appropriation of the balance sheet profit. The Supervisory Board concurs with the Executive Board's proposal. According to the final result of the Supervisory Board's examination, no objections were raised.

Thanks to

The Supervisory Board expresses its gratitude and appreciation to the Management Board and all employees for their high level of commitment and performance in the reporting year 2020.

Bremen, March 2021



Dr. Bodo Wilkens

Chairman of the Supervisory Board

CORPORATE GOVERNANCE REPORT

The German Corporate Governance Code has been in force since 2002. It was last updated on 16 December 2019 (publication in the Federal Gazette on 20 March 2020) and contains regulations, recommendations and suggestions for proper and responsible corporate governance. The Code serves to create more transparency in order to strengthen the confidence of investors, customers, employees and the public in the corporate governance of German companies. Energiekontor AG welcomes the provisions of the German Corporate Governance Code (GCGC), which consider the interests of both, companies and investors.

For Energiekontor as a group with a large number of shareholdings, good and sustainable corporate governance is of particular importance. The Management Board and Supervisory Board are convinced that good corporate governance, which considers Company and industry-specific aspects, is an important basis for the success of Energiekontor AG. The implementation and observance of these principles is understood to be a central management task.

In the 2020 financial year, the Management Board and Supervisory Board once again dealt intensively with the corporate governance of Energiekontor AG and the Group, as well as with the contents of the German Corporate Governance Code. Energiekontor AG complied with the recommendations of the German Corporate Governance Code during the reporting period, with a few Company-specific exceptions.

The Supervisory Board and Management Board of Energiekontor AG issued the declaration of conformity required by the German Stock Corporation Act in the reporting period in March 2020 and most recently in March 2021. It can be viewed permanently on the website (www.energiekontor.com) under the path "Investor Relations/Corporate Governance".

Declaration by the Board of Management and the Supervisory Board of Energiekontor AG on the recommendations of the "Government Commission on the German Corporate Governance Code" pursuant to Section 161 of the German Stock Corporation Act (AktG)

1. Since the last declaration of conformity in March 2020, Energiekontor AG has complied with the recommendations of the "Government Commission on the German Corporate Governance Code" in accordance with the then applicable version of the German Corporate Governance Code dated 7 February 2017, with the exceptions listed below:

Section 3.8 para. 3: The D&O insurance policy taken out by the Company for the Supervisory Board does not provide for a deductible. Furthermore, the Management Board and the Supervisory Board are of the opinion that the agreement of a deductible would not be suitable to improve the motivation and responsibility with which the members of the Supervisory Board perform the tasks and functions assigned to them.

Section 4.1.5: When filling management positions, the Management Board shall be guided by the requirements of the relevant function and shall look for the best possible person who meets these requirements. If several equally qualified female or male candidates are available, the Management Board shall pay attention to diversity and an appropriate consideration of women in the Company when making appointments, without making these criteria a primary principle.

Section 5.1.2: The Supervisory Board is guided by suitability and qualification when appointing members to the Management Board and seeks the best possible appointment to Management Board positions. In the opinion of the Company, the special weighting of further criteria prescribed by the Code would limit the selection of possible candidates for the Executive Board.

> **Section 5.4.1:** Suitability, experience and qualifications are also the decisive selection criteria for appointments to the supervisory board. A commitment to specifications regarding future appointments restricts flexibility without any other advantages for the Company. This applies all the more as the supervisory board consists of only three members.

Section 7.1.2: Energiekontor AG is guided by the post-admission requirements of the Regulated Market, which stipulates publication of the annual financial report within 4 months of the end of the reporting period and publication of the half-yearly financial report within 3 months of the end of the reporting period.

2. Energiekontor AG will comply with the recommendations of the “Government Commission on the German Corporate Governance Code” in the version of 16 December 2019 published by the Federal Ministry of Justice in the official section of the Federal Gazette on 20 March 2020, with the exceptions listed below:

Section A.1: When filling management positions, the Management Board shall be guided by the requirements of the relevant function and shall look for the best possible person who meets these requirements. If several equally qualified female or male candidates are available, the Management board shall pay attention to diversity and an appropriate consideration of women in the Company when making appointments, without making these criteria a primary principle.

Section B.1: The Supervisory Board bases its appointments to the Management Board on suitability and qualifications and seeks the best possible appointments to Management Board positions. Furthermore, the Supervisory Board considers it appropriate not to make the selection of Management Board members dependent on criteria such as individual orientation or gender, but rather solely on their personality and expertise. In the opinion of the Company, the special weighting of further criteria prescribed by the Code would limit the selection of possible female or male candidates for the Management Board.

Section C.1: The recommendations in C.1 were not complied with. Suitability, experience and qualifications are also the decisive selection criteria for appointments to the Supervisory Board. Being bound by specifications regarding future appointments restricts flexibility without any other advantages for the Company. This applies all the more as the Supervisory Board consists of only three members.

Section C.7: The current Supervisory Board consists of three persons. Two members are the founders of the Company. In order to comply with the recommendation of the GCGC, the supervisory board would have to be expanded to at least 5 persons. This is not considered appropriate.

Section C.8: In the opinion of the Supervisory Board, no conclusion can be drawn from the length of membership of the Supervisory Board as to the independence of the respective member and, furthermore, there have been no indications to date of a lack of independence on the part of Dr Bodo Wilkens or Mr Günter Lammers.

Section C.10: The Company’s Supervisory Board consists of three members. Committees cannot be sensibly formed and are not necessary from the point of view of the Supervisory Board. The Chairman of the Supervisory Board, Dr Bodo Wilkens, has been a member of the Supervisory Board of Energiekontor AG for more than 12 years, but is considered independent of the Company with reference to recommendation C.8.

Section D2-5 and D.11: The Company’s Supervisory Board consists of three members. Committees cannot reasonably be formed and are not necessary from the Supervisory Board’s point of view. The formation of an audit committee and a nomination committee would not result in an efficient division of labour within the Supervisory Board, as the relevant complexes of topics and issues are discussed in plenary sessions. The circumstances of the Company do not require the formation of other committees.

Section G1: A remuneration system following the recommendations of G.1 has not yet been decided. The Supervisory Board will decide on such a remuneration system in good time before the invitation to the Annual General Meeting in 2021 and present it to the shareholders for approval at the Annual General Meeting following 31 December 2020 in accordance with the transitional provision of §26j of the Introductory Act to the German Stock Corporation Act. After approval of the remuneration system by the Annual General Meeting on 20 May 2021, the Declaration of Conformity will be updated accordingly.

Section G.2: The remuneration system to be determined in accordance with recommendation G.1 has not yet been resolved. Following the resolution of the Annual General Meeting on the new remuneration system, the Supervisory Board intends to take recommendation G.2 into account when concluding new Management Board contracts.

Section G.10: Recommendation G.10 was newly introduced. Recommendation G.10 is not complied with. The Supervisory Board intends to take into account the recommendation of a partial share-based variable remuneration when concluding new Management Board contracts, if appropriate in the individual case.

Section G.11: Recommendation G.11 was newly introduced. Recommendation G.11 is not complied with. As a matter of principle, variable performance-based remuneration is only paid out if agreed targets have been achieved. A clawback of variable remuneration is therefore not applicable due to the achievement of targets.

Section G.13: Recommendation G.13 was newly introduced. Recommendation G.13 is currently not complied with. The Supervisory Board intends to take recommendation G.13 into account when concluding new Management Board contracts.

Further development of corporate governance

Energiekontor AG continues to develop its understanding of good and responsible corporate management. Professional and efficient corporate management and control in the Group is based on governance, risk and compliance systems.

First and foremost, risks must be prevented where they can arise, and if this is not possible, they must be recorded and reduced. To ensure this, internal controls are implemented in the business processes as automatically as possible. Since this cannot be fully realised in every case, the effectiveness of the control system must be ensured by management through further control measures.

Secondly, this is done, for example, through guidelines and work instructions within the framework of the internal control system, the risk management system and the compliance management system. The close integration of the internal control system, risk management system and compliance management system ensures the highest possible degree of effectiveness in the avoidance and management of risks. The management monitors the appropriateness and effectiveness of the implemented processes and systems through independent audits. The model is rounded off by the external monitoring of the auditor.

Adequate control and risk management

Dealing responsibly with risks is part of corporate governance at Energiekontor AG. Continuous and systematic management of entrepreneurial opportunities and risks is of fundamental importance for professional corporate management. It helps to identify risks at an early stage, assess them and control them through measures. The Management Board regularly reports to the Supervisory Board on the current development of the main Group risks. The Supervisory Board regularly focuses on monitoring the effectiveness of the internal control and risk management system. Energiekontor AG continuously develops the individual systems and measures and adapts them to changing conditions. Key features of our control and risk management system can be found in the opportunities and risks report.

Compliance

Compliance as a group-wide measure for adherence to law, legislation and internal Company guidelines is an essential management and monitoring task at Energiekontor AG. There is a clear commitment to compliance with the law and internal guidelines: violations are not tolerated in the sense of “zero tolerance”. All indications of misconduct are investigated.

Objectives of the Supervisory Board and the Management Board with regard to their respective composition and the composition of the management levels below the Management Board

The Supervisory Board currently consists of three male members. They were appointed until the end of the Annual General Meeting, which decides on the discharge for the 2023 financial year. Provided there are no resignations, the future composition of the Supervisory Board will not be decided until the Annual General Meeting in 2023. The Supervisory Board in office until then continues to stand by its decision of April 2018 that the target for the proportion of women on the Supervisory Board of Energiekontor AG is 0 percent.

The Management Board currently consists of three male members. The Supervisory Board is of the opinion that the Management Board positions are currently filled in the best possible way and that an increase in the size of the Management Board is not appropriate in view of the size and structure of the Company. Therefore, the Supervisory Board continues to stand by its determination of April 2018 that the target for the proportion of women to be achieved on the Management Board of Energiekontor AG is 0 percent.

There is currently only one management level below the Management Board at Energiekontor AG. The Management Board has set a target of 17 percent for the proportion of women at the management level below the Management Board. Currently, the proportion of women at the management level below the Management Board is 33 percent. The target has therefore been reached.

Avoidance of conflicts of interest

Consultancy agreements existed between members of the Supervisory Board and the Company in the reporting year. The contractual relationships in the financial year are presented in the remuneration report. Conflicts of interest of Management Board or Supervisory Board members, which must be disclosed to the Supervisory Board without delay, did not occur.

Related party transactions are described in the notes to the consolidated financial statements under 8.4.

Reportable securities transactions and shareholdings of Management Board and Supervisory Board members

Pursuant to Art. 19 MAR (8), members of the Management Board and the Supervisory Board or persons closely related to them are obliged to disclose reportable transactions in shares of Energiekontor AG or related financial instruments if the value of the transactions reaches or exceeds the sum of EUR 5,000 within a calendar year. BaFin has increased the threshold from EUR 5,000 to EUR 20,000 by means of a general ruling with effect from 01.01.2020. No such transactions were reported to the Company in the 2020 financial year:

The following Supervisory Board members held the following interests in the Company's share capital as at 31 December 2020:

Name	Funktion	Stückzahl	In Prozent
Dr. Bodo Wilkens	Chairman of the Supervisory Board	3,759,835	26.24 %
Günter Lammers	Deputy Chairman of the Supervisory Board	3,752,474	26.19 %

Shareholders and Annual General Meeting

The shareholders of Energiekontor AG exercise their rights at the Company's Annual General Meeting, which is chaired by the Chairman of the Supervisory Board in accordance with the Articles of Association. The Annual General Meeting takes place once a year. Each share grants one vote.

Shareholders may either exercise their voting rights at the Annual General Meeting themselves or have them exercised by a proxy of their choice or by a Company proxy bound by instructions. Shareholders also have the option of casting their votes in writing – without authorising a proxy – by postal vote. All documents and information on the Annual General Meeting are available to shareholders in good time on the Company's website. In addition, it is possible to address questions to the staff of the Investor Relations Department by telephone or email.

Transparency through high information quality

Our dialogue with the capital market follows the claim to inform all target groups comprehensively, equally and promptly, while providing facts relevant to valuation in the highest possible quality.

The presentations given to analysts and investors are freely available on the website in a very timely manner. There, the Investor Relations department also provides extensive data and facts to help analysts and investors better understand and evaluate our businesses and their value prospects.

We provide information on recurring dates, such as the date of the Annual General Meeting or the publication dates of interim reports, in a financial calendar published in the Annual Report, in the interim reports and on the Company's website.

Our website also provides information on current developments within the Group. All press releases and ad-hoc announcements of Energiekontor AG are published there in German and English. The Company's Articles of Association can also be accessed on the website, as can the consolidated financial statements, interim reports and information on the implementation of the recommendations and suggestions of the German Corporate Governance Code. All interested parties can also register for an IR distribution list, which keeps them up to date on news from the Group.

Corporate Governance Statement

The current declaration of the Board of Management and the Supervisory Board of Energiekontor AG on corporate governance pursuant to § 289 f and § 315 d of the German Commercial Code (HGB) is generally and permanently available on the Energiekontor AG website (www.energiekontor.de) under the path Investor Relations/Corporate Governance/Declaration on Corporate Governance. The declaration explains the relevant corporate governance practices that are applied over and above the statutory regulations. Furthermore, the working methods of the Management Board and Supervisory Board are described, and the composition of the Management Board and Supervisory Board is presented.

Remuneration report

Information on the remuneration of the Management Board and the Supervisory Board can be found in the remuneration report of the management report.

Bremen, March 2021

For the Supervisory Board



Dr. Bodo Wilkens

Chairman of the Supervisory Board

For the Management Board



Peter Szabo

Chairman of the Management Board



ESG –

More than just a fashionable term for us

ESG refers to the consideration of environmental, social and governance criteria. These ESG criteria are playing an increasingly important role in the assessment of corporate activity and especially in investment decisions.

The investment volumes of “ESG investments”, i.e. investment strategies in which environmental, social and governance aspects are considered, have risen rapidly in the last three to four years. According to a survey by Morgan Stanley, a remarkable 84 percent of investors are “actively considering” the integration of ESG criteria into their investment process. In recent years, ESG investments have recorded an average growth rate of 11.9 percent and the share of European ESG investments in total assets under management recently amounts to around 500 billion euros.

Several factors are contributing to ESG investing becoming the new norm. First and foremost, this is linked to the growing internalisation of corporate responsibility principles, which are closely related to ESG. Companies are increasingly aware of the impact that the perception of corporate responsibility has on brand value and customer perception, which in turn affects the financial values of the Company.

Moreover, ESG investments were previously thought to generate lower returns than conventional investment strategies. However, recent studies show that investments in sustainable assets are in fact equally profitable. This has lowered the barriers for investors to integrate ESG into their investment strategy.

In addition, the legal reporting requirements for ESG information are increasing. One example is the recent introduction of the European Non-Financial Reporting Directive, implemented in Germany as CSR-RUG, which requires large, capital market-oriented companies to publish non-financial information. This, combined with improved data management systems, has led to increasing availability, quality and comparability of data for ESG investments.

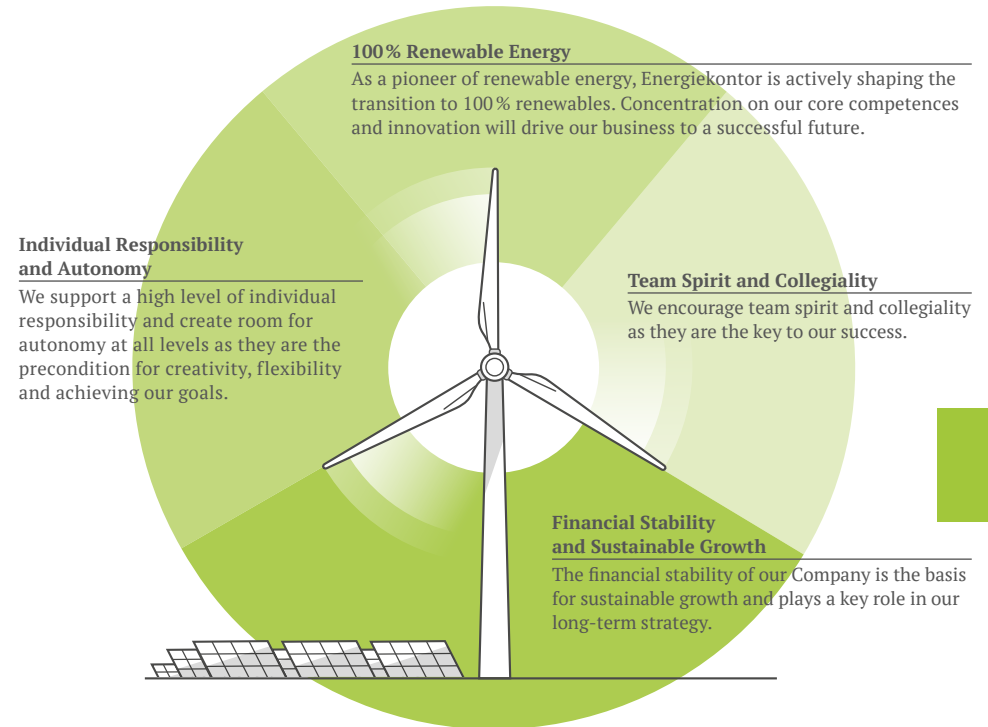


> The German government wants to develop Germany into one of the leading sustainable finance locations. We assume that this trend will accelerate further in the coming years and that Energiekontor will be able to benefit from this to an above-average extent if its own ESG rating can be further improved. After Energiekontor missed out on the “Prime” quality seal in 2019 with a C+ rating, it received the B– rating from ISS ESG for the first time in the past financial year. ISS ESG is the responsible investing division of Institutional Shareholder Services Inc, the market leader in advising institutional investors.

Ever since its foundation, Energiekontor has pursued the approach of placing the environment and the interests of its stakeholders at the centre of its business activities. We will communicate this even more transparently in the future.



Our mission statement



100% Renewable Energy – With Wind and Sun it’s Possible

Energiekontor has a clear vision of the future: a world in which all energy needs are met 100 percent from renewable energy. This vision shapes our mission statement. It goes without saying that this goal will neither be achieved by us alone nor in the foreseeable future. But it is an extremely rewarding task to approach this goal. The awareness that we are working on something big motivates our almost 200 employees anew. >

› Renewable energies have always had to live with the accusation that they only exist because of lavish subsidies and that these are mainly paid for by private consumers through higher electricity prices. But this argument does not take into account that energy production from fossil fuels and nuclear energy have also been heavily subsidised to date. But unlike renewables, these are not shown on the electricity bill.

The best way to overcome the existing resistance and achieve a sustainable penetration of the energy market with renewable energies is to have generation costs for electricity from renewable energies that are below the costs for fossil and nuclear electricity generation. This is where Energiekontor makes an important contribution. We are leading the way as a pioneer and are already planning wind and solar parks in the markets we address, whose electricity generation costs are lower than those of the conventional energy industry.

An increasing number of projects are also being realised without subsidies worldwide. We are thus facing a fundamental paradigm shift. Renewable energies are increasingly gaining ground over fossil fuels, not only because of their much higher environmental compatibility but also because of superior economic efficiency.

It is to be expected that social support will increase significantly when the expansion of wind and solar energy will no longer lead to rising electricity prices but even to falling prices in the medium term. The triumph of renewable energies has only just begun.

We have over 30 years of experience in the project planning and operation of wind farms. We also use this expertise to project and operate photovoltaic plants.

We see our wind and solar parks as an important contribution to climate protection, as no pollutants are released during electricity generation. After just a few months, the overall eco-balance of our plants is positive. This means that more emissions are saved than were consumed for production, transport and construction. The electricity from the wind and solar parks we have developed covers the annual electricity consumption of a city the size of Hamburg.

WIND AND SOLAR PARKS MAKE THE MOST IMPORTANT CONTRIBUTION TO CLIMATE PROTECTION

Climate neutrality 2050

In the 2015 Paris Agreement, the international community set itself the goal of limiting global warming to well below 2 degrees, preferably 1.5 degrees. The European Council adopted the goal of climate neutrality 2050 for the EU and in 2020 also increased the EU climate protection target 2030 from 40 percent to at least 55 percent reduction compared to 1990. China, Japan, South Korea, Canada and Great Britain have also already adopted climate neutrality targets, and US President Joe Biden recently formulated climate neutrality by 2050 at the latest as a goal for the USA. In Germany, the Climate Protection Act of December 2019 stipulates a 55 percent reduction in greenhouse gases by 2030 and climate neutrality by 2050.

The EU climate target for 2030, which has been raised in the meantime, will, however, mean that Germany will also have to take stronger climate protection measures than previously planned – a greenhouse gas reduction in Germany of about 65 percent below the 1990 level by 2030 can be assumed.

The expansion of renewable electricity generation and the electricity grid is one of the most important basic requirements for achieving climate neutrality. This is based on an increasing electricity demand through electrification, the additional electricity demand for the production of climate-neutral hydrogen and the compensation of coal and nuclear power plants that will be shut down within the next few years.

Due to high transport costs, the national electricity demand must be covered predominantly by national generation plants. However, the currently planned expansion of wind power and photovoltaic plants is insufficient to generate the large amounts of renewable electricity, according to almost all experts. Renewable energies cover only about 55 percent of the electricity demand in 2030 if current trends are continued. What is needed is 65 to 70 percent by 2030. In order to realise this expansion, planned annual tender quantities in the Renewable Energy Sources Act and the Act on the Development and Demand of Wind Energy at Sea must be increased. The annual increase must almost double compared to the current expansion, so that by 2030 not 76 gigawatts of additional capacity, as currently planned, but about 140 gigawatts from wind and solar power plants will be newly installed.

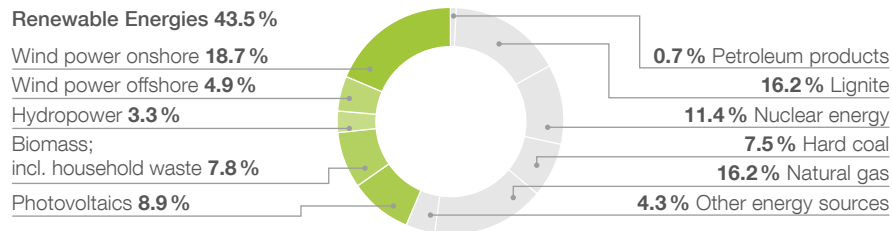


The energy turnaround is in full swing – but far from at an end

Ensuring a reliable, economic and environmentally compatible energy supply is one of the greatest challenges of the 21st century. The expansion of renewable energies is of paramount importance in this regard. Accordingly, it comes as no surprise that the accumulated capacity of renewable energies also recorded a renewed increase in 2020, even though expansion in Germany in particular continued to falter, especially in the wind sector. At the end of 2020, around 650 GW of wind energy and around 600 GW of photovoltaic capacity had been installed worldwide, corresponding to growth rates of around 10 percent and over 20 percent respectively.

Even if Germany has long since ceased to be the country with the highest installation values – China took over this role several years ago – the result of the expansion of renewable energies over the past years remains remarkable. The share of renewable energies in gross electricity generation in Germany was already 43.5 percent in 2020 (2019: 39.7 percent) and thus significantly more than fossil fuels combined. Onshore wind energy contributed by far the largest share with 18,7 percent (2019: 16.6 percent), followed by electricity generation from photovoltaics with 9.0 percent (2019: 7.6 percent).

Gross electricity generation in Germany 2020



Source: BDEW Bundesverband der Energie- und Wasserwirtschaft e.V.

The EEG 2021 anchors the goal that all electricity in Germany will be greenhouse gas neutral before the year 2050. This applies to both the electricity generated and the electricity consumed. Electricity deliveries to Germany must also be greenhouse gas neutral if the European Union as a whole is to achieve the goal of greenhouse gas neutrality.

+ 20 %

GROWTH RATE IN THE SOLAR ENERGY SECTOR

According to the Federal Government's targets, renewable energies are to provide 65 percent of Germany's electricity consumption in 2030. In order to achieve this interim goal on the way to greenhouse gas neutrality, the EEG 2021 sets the central course. For example, this law sets out the binding target model of the 2030 climate protection programme and regulates the extent to which the individual technologies are to contribute to the 65 percent target and the expansion paths with which this is to be achieved. The EEG 2021 provides for annual monitoring of target achievement to ensure that the 65 percent target is reached in 2030. If the EU decides on concrete new expansion targets for renewable energies as part of the implementation of the Green Deal, the EEG will also be adapted accordingly.

The new tender quantities provide for an accelerated expansion of renewable energies compared to previous years. To support this, the law makes additional areas usable for the energy turnaround: In order to boost onshore wind expansion, less windy sites can also be economically developed in future, and special solar installations (on bodies of water, arable land with simultaneous crop cultivation on the site and car park areas) are also newly included in the innovation tender. These measures are intended to give further impetus to the expansion of renewable energies.

However, the Bundesverband Erneuerbare Energien (German Renewable Energy Association) has been warning for quite some time that the expansion paths for renewable energies specified by the federal government will lead to a very large green electricity gap, as the electrification of transport and heat is systematically underestimated by the federal government in terms of future electricity demand. Depending on further framework conditions, the Fraunhofer Institute for Solar Energy Systems, for example, assumes that the currently installed wind and PV capacity of approx. 110 GW would have to be increased approximately fivefold in order to achieve a successful energy transition.

Other countries and especially the EU have also set ambitious goals for the expansion of renewable energies: at the end of 2019, the Commission President Ursula von der Leyen presented the so-called "European Green Deal", a concept with the goal of reducing net >



> greenhouse gas emissions in the European Union to zero by 2050 and thus becoming the first continent to become climate neutral. The European Green Deal is one of the six priorities of the von der Leyen Commission. The European Green Deal comprises a series of measures relating to financing, energy supply, transport, trade, industry, agriculture and forestry. For example, the previous target of reducing the European Union’s CO₂ emissions by 40 percent by 2030 compared to 1990 is to be tightened up to a reduction of 50 to 55 percent. To this end, the EU member states are to adapt their climate plans accordingly by 2023. A corresponding law was presented in March 2020. Furthermore, particularly affected countries are to be supported with a total of EUR 100 billion in the conversion to an emission-free economy.

According to IEA (International Energy Agency) estimates, annual net wind capacity additions are expected to have reached 65 GW in 2020, 8 percent more than in 2019. The Covid 19 measures caused onshore construction activity to be delayed from February to April 2020 due to supply chain disruptions and logistical challenges in many countries, but the offshore wind sector was only marginally affected by Covid 19-related delays due to long project lead times. For 2021, the forecast

assumes a further acceleration of wind additions to 68 GW (7.3 GW offshore).

In 2022, global annual installations are expected to return to 2019 levels due to the expiry of incentives in key markets such as China and the US, partly offset by faster expansion in Europe. Offshore capacity is expected to reach nearly 15 percent of total wind additions in 2022, up 50 percent from 2019, thanks to acceleration in key European markets and the commissioning of large capacity in emerging markets such as France, Korea and Vietnam, while the Chinese market slows. The United States is expected to be one of the largest offshore markets after 2022.

Annual global wind additions in 2023–25 could range between 65 GW and 100 GW. Accelerating the build-out will require improving policy support programmes, investing more in grids, addressing social acceptance and permitting challenges, accelerating the expansion of PPAs for companies, and reducing regulatory uncertainties and buyer risks in emerging markets. Offshore wind’s share of total wind power additions is expected to continue to increase and reach 20 percent by 2025 as deployment in new markets gains momentum.

Global solar installations will continue to show double-digit growth rates in the new decade, according to the new Global Photovoltaic (PV) Demand Forecast from IHS Markit.

Annual new installations in 2020 will reach 142 gigawatts (GW), an increase of 14 percent over the previous year, the Company said. The expected 142 GW is seven times the total capacity installed at the beginning of the previous decade (20 GW in 2010). Growth was also significant in terms of geographic reach. In 2010, there were 7 countries with more than 1 GW of installed capacity, most of them in Europe. IHS Markit expects more than 43 countries to reach this threshold by the end of 2020.

+ 10 %

GROWTH RATE IN THE WIND ENERGY SECTOR

Large markets like China will continue to have an outsized share of new installations for the foreseeable future. However, the over-reliance on China for global solar installation growth will continue to decline in the coming years as more capacity is added in other countries. Installations outside China grew by as much as 53 percent in 2019 and are expected to have continued to grow at double-digit rates in 2020. >

➤ Overall, the combined market share of the top 10 solar markets is expected to decline from 94 percent in 2010 to 73 percent in 2020.

According to IHS Markit, the global energy transition will be significantly determined by the following factors in particular:

- ~ The negative impacts of climate change and the associated new and stricter international agreements on climate protection and combating global warming, such as the Paris Climate Agreement. In addition, there are numerous other national and supranational initiatives and measures for achieving climate goals, phasing out nuclear energy and creating a carbon-free economy.
- ~ Private sector initiatives such as “RE100” show that companies are also increasingly interested in covering a large part of their energy needs with renewable energies, even without government regulations and legislative initiatives. The reasons for this are manifold; in addition to aspects of sustainability and image and reputation gains, the increasing economic viability of renewable energies and the long-term predictability of energy costs through the conclusion of long-term power purchase agreements also play a significant role.

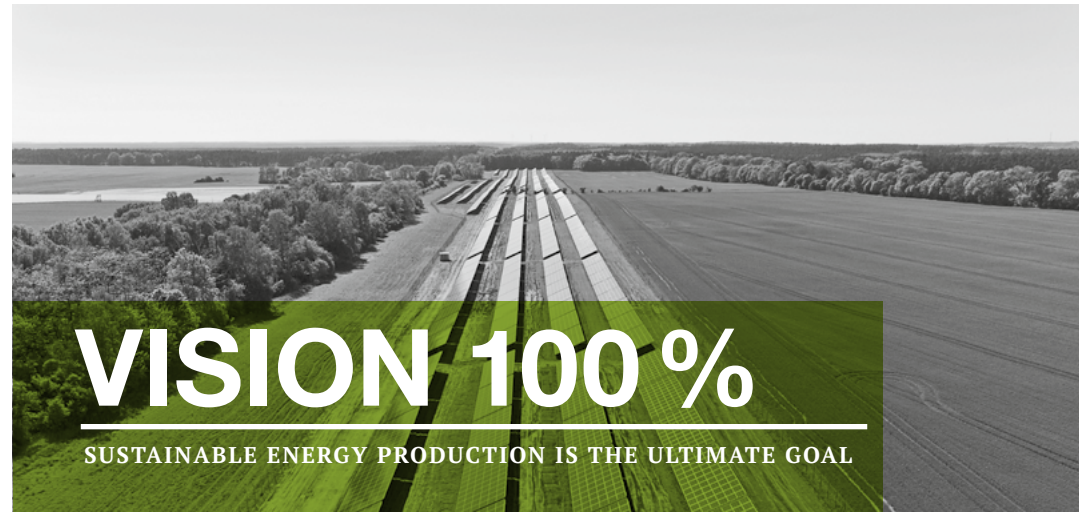
~ In addition, the demand for energy is also continuing to rise worldwide. The digitalisation of the economy, the advancing urbanisation of society as well as the topic of electromobility have resulted in a further increase in global energy demand. By 2040, global energy demand is expected to increase by around 30 percent compared to the base year 2015.

Climate protection and a secure energy supply are among the most important global challenges. Renewable energies, energy savings and the use of efficient technologies are key strategies to meet these challenges.

Energiekontor has set itself the task of expanding and using renewable energies from wind and solar power. In this respect, Energiekontor is making an important contribution to the vision of 100 percent renewable energies through this strategic positioning.

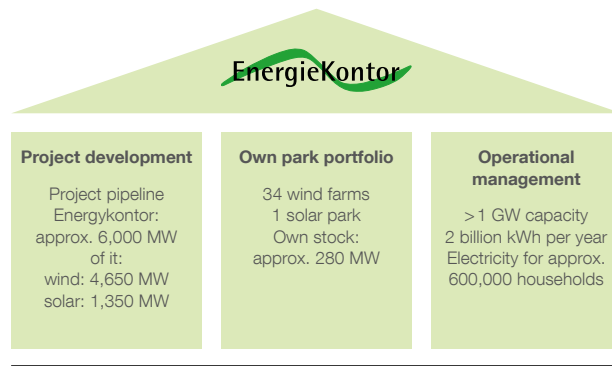
COMPANIES
DEMAND
MORE
RENEWABLE
ENERGIES

- ~ The significant drop in the price of electricity generation costs, especially in the photovoltaic and wind power sectors, has significantly increased the competitiveness and economic viability of electricity generation from renewable energies.
- ~ The higher economic efficiency is also driven by the rapid technical development and the significant drop in prices for the use of modern storage capacities. In the future, battery storage will enable a more meteorologically independent energy supply based on the use of renewable energy sources. The future coupling of renewable energies and battery storage offers a high degree of supply security and has the potential to become the superior energy system of the future.



Energiekontor stands on three stable pillars

Energiekontor's business model consists of three mutually supporting areas: project development in selected country markets and focus regions, the operation of the Group's own wind and solar farms, and the optimisation of value creation through operational management, efficiency enhancement and innovation.



Project development

Energiekontor looks back on over 30 years of experience in project development. From site acquisition, planning and financing to the turnkey construction of wind and solar farms, project development is the Group's core business. In five countries Energiekontor is directly on site as an expert and contact partner with its own teams. In the meantime, the Company has realised wind and solar parks with a total output of more than one gigawatt. The amount of electricity generated corresponds to the demand of more than 600,000 households, i.e. roughly the demand of a large city like Hamburg.

In addition to the development of wind farms, the Company has been significantly expanding the solar sector since 2010. Not only in Germany, but also in the USA and France, large-scale photovoltaic parks are to be built over the next few years according to the plans of the Energiekontor Group.

Worldwide, the remuneration for electricity from wind and solar parks is falling due to the discontinuation of subsidy programmes and falling production costs. Energiekontor has been

preparing for this for years and has developed a series of optimisation measures to reduce costs. Energiekontor wants to make an important contribution to the market penetration of renewable energies and is therefore striving to be one of the first companies to realise wind and solar parks in all addressed markets at electricity production costs that are below those of fossil or nuclear power plants.

Own park portfolio

In addition to project development, Energiekontor has built up a portfolio of the Group's own wind and solar parks over the course of the last few years. This own portfolio enables the Company to generate continuous income from the sale of electricity to cover the costs of project development, and thus independence and flexibility through a stable liquidity base. Even in times of unfavourable general conditions for project development, this allows the Company to maintain a steady headcount and continue project development at a constant level of upfront costs.

The own park portfolio is to be further expanded mainly through the acquisition of self-developed projects. In addition to onshore wind farms, more solar parks are to be transferred to the own portfolio in the future. The plants in the current own portfolio are located in Germany, Great Britain and Portugal. The distribution across different wind regions and the initiated expansion of solar parks in the own portfolio ensure a natural diversification and a stabilisation of the cash flow even with annual regional fluctuations in wind strength and solar irradiation.

Operational management

Energiekontor generally takes over the operational management for the projects it develops itself, regardless of whether they are sold or remain in its own portfolio. As a result, continuous income is generated in addition to the electricity revenues from own parks. This includes both commercial services, such as the handling of all business transactions with energy suppliers, lessors and investors, and technical management, from monitoring and maintenance to the implementation of measures to improve performance and extend the operating life. This is where the many years of experience from the constantly optimised operation of the Group's own parks come in. The cost-cutting momentum that comes to bear here benefits both Energiekontor and its customers. Energiekontor plans to significantly expand this service for third parties. >

Award as a family-friendly Company

In its mission statement, Energiekontor has placed the Company's employees at the centre. The management is not only interested in conditions that promote productive work, such as room for creativity and independent action or team spirit and collegiality. Rather, the focus is on the people themselves, who should feel comfortable and in good hands with their work at Energiekontor.



For this, Energiekontor was awarded the distinction "Family-friendly Company in the state of Bremen" for the first time in 2017. Energiekontor also received this recognition in 2020. It is linked to framework conditions in the Company's day-to-day operations that guarantee the compatibility of work and family in a special way. The focus is not only on parents with small children, but on all employees, who make an effort to reconcile family life with children or care for relatives and

take on long-term responsibility for this. The past financial year in particular, which demanded a great deal from parents of small children and school-age children due to Corona, shows how important it is to have an employer who responds to the needs and wishes of its workforce. After all, Energiekontor's success is based on the skills and commitment of its employees. Energiekontor cares about the needs of its employees, and for this a successful work-life balance is very important. It promotes the quality of life of each individual employee and is thus at the same time a guarantee for a high level of commitment and identification with the Company and its goals.

Energiekontor employs about half women and half men. The measures and offers already implemented in the Company today include individual working time arrangements, various part-time models, working time accounts, offers for Company pension schemes, a Company fitness programme, participation in a so-called "Future Day", regularly held events within the framework of "culture management" as well as internships for family members.

Energiekontor's success is based on the skills and commitment of its employees. The needs of the employees are close to our hearts, and a successful work-life balance is very important for this. It promotes the quality of life of each individual employee and is thus at the same time a guarantee for a high level of commitment and identification with our Company and the corporate goals.

The "Family-friendly Company" seal recognises and honours Energiekontor AG's family-friendly personnel policy. The management attaches great importance to continuing this policy, adding further topics and sustainably anchoring what has been achieved in the Company culture.



PPA

MOTOR OF THE GLOBAL
ENERGY TRANSITION



Energiekontor – Pioneer in PPAs

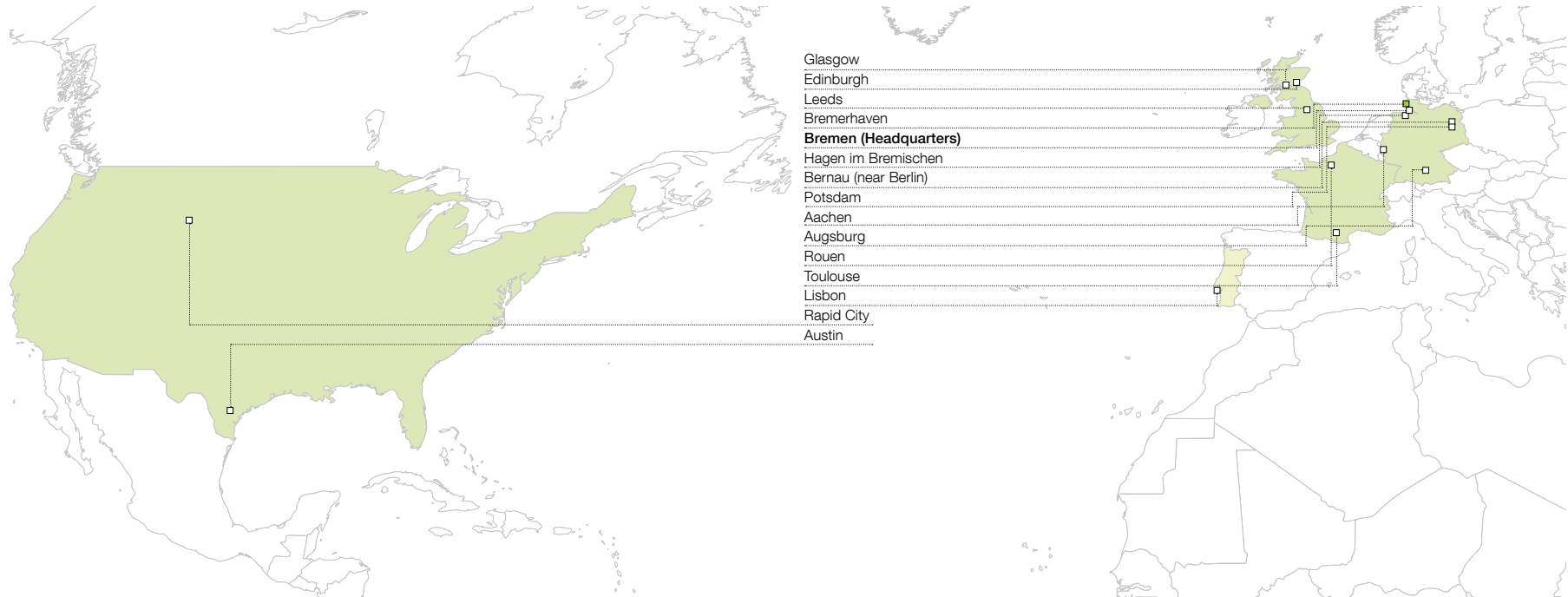
An important milestone in being able to offer electricity from wind and solar farms at pure market prices without government subsidies are long-term power purchase agreements (PPAs) with large industrial partners or other electricity off-takers.

A PPA is an often long-term electricity supply contract between two parties, usually between an electricity producer and an electricity buyer (electricity consumer or electricity trader). The PPA sets out all the terms and conditions – such as the amount of electricity to be supplied, the negotiated prices, the accounting treatment and the compensation arrangements in the event of non-compliance with the contract. Since it is a bilateral contract, a PPA can take many forms and be tailored to the contract partners. Electricity deliveries can be physical or on-balance-sheet. Since PPAs can reduce market price risks, they are used in particular for large electricity consumers and for planned large investments in the construction or continued operation of renewable energy plants. In contrast to the USA and the Mediterranean countries, PPAs are still relatively uncommon in Germany. Energiekontor was the first Company to conclude a PPA for a very large PV project as early as 2019. A significant increase in PPAs in Germany is expected from 2021 onwards, as a large number of wind farms will be phased out of the 20-year EEG tariff and a follow-up tariff will have to be secured for them.

PPAs offer the opportunity to secure fixed electricity prices over long periods of time, and thus protect themselves from strongly fluctuating and significantly rising electricity prices on the electricity exchanges. This long-term advantage is worth a higher electricity price in the short term to many large industrial companies and energy suppliers. In the UK, Energiekontor has already had many years of successful experience with PPAs and has thus gained the trust of major industrial partners. Thanks to the measures described in the previous sections, Energiekontor is already in a position to realise renewable energy projects economically on the basis of PPAs alone.

In Scotland in particular, where large-scale wind farms with excellent wind conditions are planned, this will happen on a PPA basis. In the USA, PPAs are also planned for the development of large-scale solar parks in the West Texas region. And in Germany, too, more and more talks are being held with industrial customers on long-term power purchase agreements. Energiekontor is playing a pioneering role in the development of this important market, which underlines our good competitive position.





Regional presence as a competitive advantage

Energiekontor is convinced of the regional principle. While competitors often spread their activities over as large an area as possible, Energiekontor concentrates on certain key regions. A strong regional presence and a long-term local anchoring have their undeniable advantages. This is why Energiekontor has its own offices in the regions where it projects wind and solar parks. It is important to have specialised employees who are not only familiar with the business of project development in the respective region, but also with the culture, language and procedures and can thus ensure effective and tailored planning and management of the projects. This is the reason why the majority of the parks have been or are being developed within a radius of about two hours by car from the offices. This approach of short distances has proven its worth and contributes to building trust with all interlocutors.

Energiekontor is a respected and reliable partner and offers local communities and municipalities a high level of expertise and many years of experience. The regional positioning makes it possible to address the respective needs of municipalities, residents and property owners in a special way. The intensive cooperation with municipal utilities, trades and banks as well as offers for citizen participation in the developed projects also promote value creation at the regional level. All of this creates trust and increases acceptance for the expansion of renewable energies.

Since regional presence has proven itself over the years to be an important and valuable prerequisite for successful project development for all parties involved, Energiekontor also follows this principle when opening up foreign markets. >

THE ENERGIEKONTOR TEAM

*Our most important asset **

Great Britain



Aachen



Diverse locations



Augsburg



Potsdam



Repowering



Diverse locations



Bernau (near Berlin)

* The photos show only a fraction of the Energiekontor team

Solar Bremen



Diverse locations



Austin



Bernau (near Berlin)



France



Building department



Lower Saxony



Bremen
administration



Hidden reserves at the parks in the own portfolio

The sustainable corporate strategy, which is based on Energiekontor's growth model, provides for the continuous expansion of the portfolio of the Group's own wind farms and solar parks in order to develop further projects with the current income from electricity sales and to stabilise the inflow of liquidity. The goal is to take over about half of the self-developed projects into the Company's own portfolio each year.

However, the acquisition of wind and solar parks into the own portfolio has consequences for the balance sheet as well as for the profit and loss account (P&L) of the group. As the Group's own developed wind and solar parks are only accounted for at external production costs, i.e. without the profit margins from the construction or sale of the projects, the consolidated balance sheet contains hidden values in the form of hidden reserves. Consequently, the Group equity ratio decreases with each additional wind and solar park that is transferred from project development to the Group's own portfolio, because the profit margin is eliminated within the scope of Group consolidation and is therefore not recognised in the income statement.

On the other hand, the hidden reserves hold significant substantial added value for the Company, which could be realised at any time through the full or partial sale of the Group's own wind and solar parks at their fair values. In this case, the group equity ratio would increase abruptly. However, such a sale is not in line with the corporate strategy. The note is merely intended to illustrate how much additional substance there is in the Company that is not directly reflected by the financial ratios.

Irrespective of this, the hidden reserves of the Group's own wind and solar parks are gradually realised over the useful life and thus lead, even with otherwise unchanged conditions, to an improvement in the result as well as to an increase in the Group's equity ratio or the possible dividend payments. The reason for this is the lower annual depreciation due to the lower depreciation assessment bases, which do not include the hidden reserves. However, this long-term effect will not yet have a significant impact within the next few years, as new wind farms and solar parks with hidden reserves are taken over into the own portfolio every year as planned, which will probably keep the equity ratio at a lower level. In the medium term, the expansion of the own portfolio to over 500 MW from the current level of just under 280 MW is planned.

HIDDEN RESERVES ARE RAISED IN THE LONG TERM



Transparency and security for all investors

In project development and corporate financing, Energiekontor AG essentially pursues three different paths:

1. Project development from own funds

Project development, the core business of Energiekontor AG, is financed with the Company's own funds. Due to the large number of imponderables in project acquisition, planning and the approval process, this step in the implementation of wind and solar parks involves the greatest risks. For this reason, one of Energiekontor's most important strategic principles is to keep its liquidity reserves at a sufficient level so that it always has sufficient funds available for project development. Energiekontor's sustainable growth model safeguards this component.



2. Interim financing of projects via corporate bond

Shortly after obtaining the building permit and securing the feed-in tariff via a PPA or a tender award for a wind or solar park, the financial close typically takes place, i.e. the issuing of the long-term bank loans. The prerequisite for this is secured interim financing for the period from construction to commissioning of the wind and solar parks, i.e. the provision of the equity capital required for construction in the form of financial resources by Energiekontor AG.

Current account lines at banks, so-called working capital loans, as well as corporate bonds with a term of five to eight years are used for the construction financing of the wind or solar parks. The interim financing is paid off with the sale of the projects. This means that the loan drawdowns can be repaid and used for the next project.

Energiekontor AG has issued seven corporate bonds with a total volume of around EUR 69 million over the past 18 years. With the repayment of the sixth corporate bond on 31 December 2020, the current portfolio as at 31 December 2020 is valued at around EUR 24 million. The next bond will be repaid on 31 January 2023.

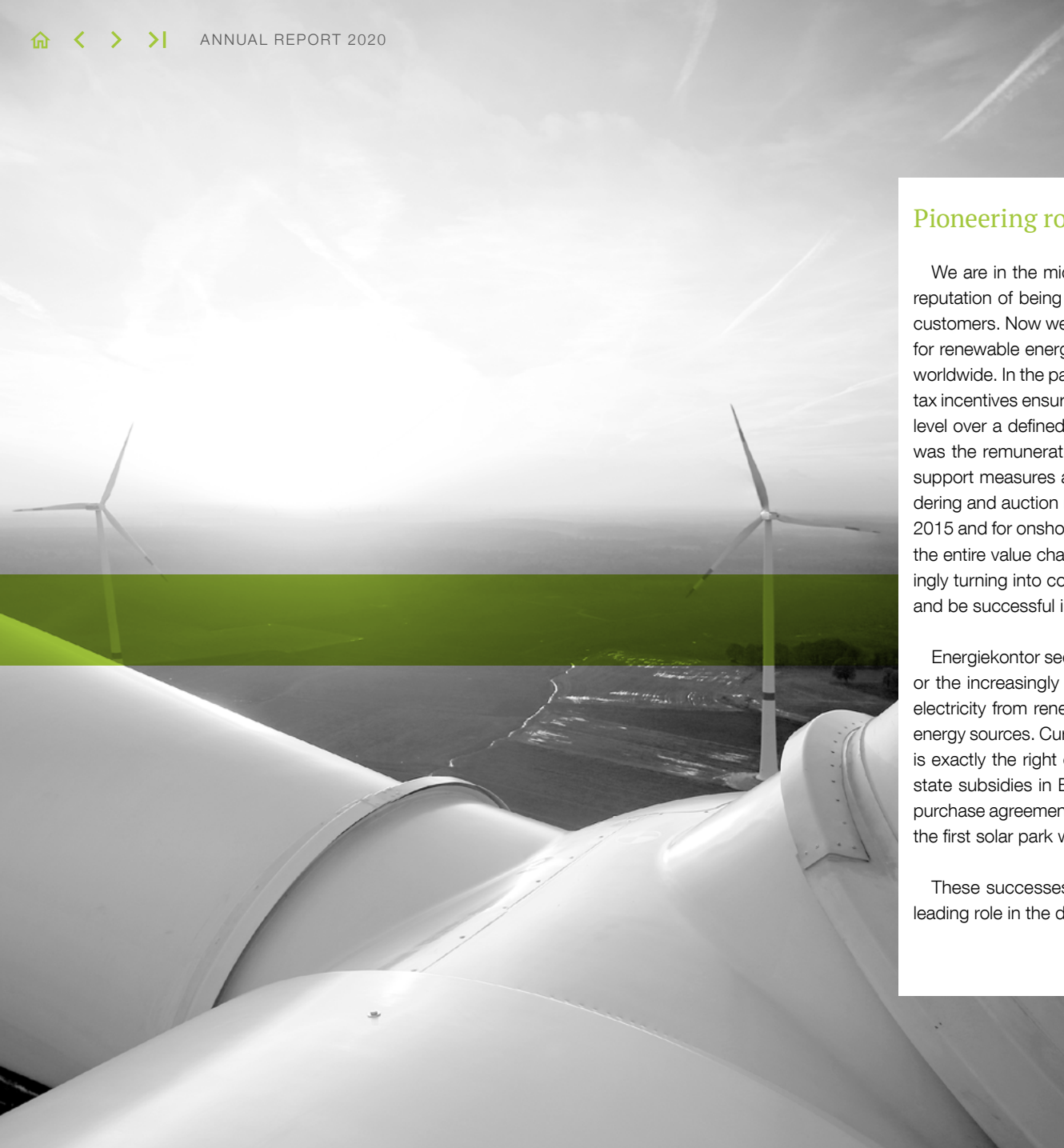
3. Project acquisition and refinancing via the stepped rate bonds

Energiekontor AG has developed the instrument of the stepped interest bond to finance wind farm acquisitions and to refinance wind farms already in its own portfolio.

The current step-up interest rate bond 2020 with a volume of EUR 15.1 million has a term of 18 years and an initial interest rate of 4 percent, which increases in stages to 5 percent.

Like its predecessors, the step-up interest rate bond 2020 was reviewed by ECOreporter.de AG (www.ecoreporter.de) and recognised as a sustainable financial product in its ECO investment check of 22 January 2021 due to the collateralisation concept backed by concrete wind farms.

Over the past ten years, Energiekontor has issued thirteen step-up bonds with a total volume of around EUR 160 million. A portion of the step-up bonds amounting to around EUR 58 million has already been repaid.



Pioneering role – what does it mean for Energiekontor?

We are in the middle of a paradigm shift. Up to now, renewable energies have had the reputation of being good for the environment but a disproportionate burden on electricity customers. Now we are experiencing a fundamental change: the entire market environment for renewable energies is currently changing from the ground up, not only in Germany but worldwide. In the past, legally regulated subsidies in the form of grants, levies, subsidies and tax incentives ensured that electricity from renewable energies was remunerated at a certain level over a defined period of time, thus creating investment security. One example of this was the remuneration under the old Renewable Energy Sources Act in Germany. These support measures are increasingly being dropped and replaced in many countries by tendering and auction models. In Germany, the tender model has been in place for solar since 2015 and for onshore wind since 2017, increasing the pressure on costs and margins along the entire value chain. Competition for suitable locations for renewable energies is increasingly turning into competition for the lowest electricity prices. Those who want to compete and be successful in the long term must have the lowest electricity production costs.

Energiekontor sees the tenders in Germany, just like the expiring tax incentives in the USA or the increasingly reduced subsidies in other countries, as an incentive to already offer electricity from renewable energies in direct competition with electricity from conventional energy sources. Current market developments show that the path Energiekontor has chosen is exactly the right one. Not only were we the first to realise the first wind project without state subsidies in England, but we were also able to conclude the first long-term power purchase agreement in Germany in February 2019. Furthermore, we have since also realised the first solar park whose electricity yield is remunerated on a PPA basis.

These successes are both an incentive and an obligation for us to continue to play a leading role in the development of renewable energies in our core markets.

THE ENERGIEKONTOR SHARE

The Energiekontor share at a glance

International Securities Identification Number (ISIN)	DE0005313506
Security identification number (WKN)	531350
Stock exchange symbol	EKT
Transparency level	General Standard
Designated Sponsor	ODDO BHF Corporates & Markets AG
Initial listing	25 May 2000
Share capital in EUR as at 31 December 2020	14,328,160.00
Number of shares as at 31 December 2020	14,328,160
Stock market price as at 31 December 2020*	EUR 58.00
Highest price in the period from 1 January to 31 December 2020*	EUR 59.60 (30 December 2020)
Lowest price in the period from 1 January to 31 December 2020*	EUR 14.05 (16 March 2020)
Market capitalisation as at 31 December 2020	EUR 831,033,280
Earnings per share – financial year 2020	EUR 1.43

* On Xetra

Authorised capital

The Management Board was authorised by the Annual General Meeting of 26 May 2016, with the consent of the Supervisory Board, to increase the share capital of the Company on one or more occasions until 23 May 2021 by up to a total of EUR 7,326,580.00 by issuing up to 7,326,580 new ordinary and/or preference bearer shares with or without voting rights against cash contributions and/or contributions in kind (Authorised Capital 2016).

The authorisation includes the power to issue further preference shares (with or without voting rights) in the event of multiple issues of preference shares, which take precedence over or rank pari passu with the previously issued preference shares in the distribution of profits or the Company's assets. In principle, the shareholders are to be granted a subscription right. However, the Management Board was authorised, with the consent of the Supervisory Board, to exclude shareholders' statutory subscription rights (for the exact conditions, see the resolution in the invitation to the Annual General Meeting of 26 May 2016 on the Company's website under the menu item Investor Relations > Annual General Meeting). No use has been made of this authorisation to date.

Conditional capital

The Annual General Meeting of Energiekontor AG on 23 May 2018 passed a resolution to conditionally increase the share capital of the Company by up to EUR 500,000.00 by issuing up to 500,000 new no-par value bearer shares with a notional share in the share capital of EUR 1.00 each as subscription shares. The conditional capital increase shall exclusively serve the purpose of granting subscription rights to members of the Management Board of the Company within the framework of a stock option plan (§ 192 para. 2 no. 3 AktG). Subscription rights to up to 500,000 shares of the Company may be issued to members of the Management Board of the Company until 30 April 2023 within the framework of the Stock Option Plan 2018.

In April 2020, 100,000 subscription rights were issued to a member of the Management Board from this programme.



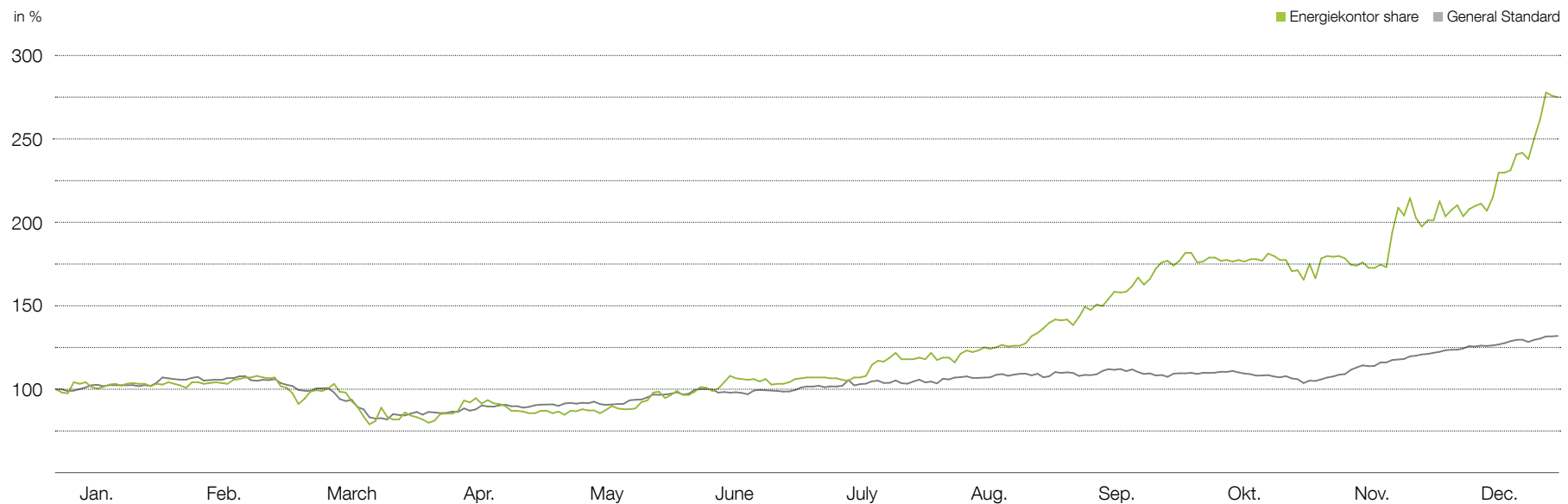
General market development

The global stock markets had a friendly start to 2020 and in February were able to record new record highs in some cases. The market situation changed abruptly with the Corona outbreak in Europe. The lockdown implemented by many countries brought the global economy to a virtual standstill. The stock markets fell by an average of 25-30 percent within one month, with very high fluctuations. The DAX with -35.5 percent and other German indices lost even more. The recovery movement took place almost as quickly as the crash, so that by the end of June a large part of the losses had already been recovered. In the further course of the year, the main indices continued to gain and were trading at record levels at the end of the year.

Performance of the Energiekontor share 2020

The Energiekontor share started the current financial year at a price of EUR 21.30. Despite the news from China about the outbreak of a virus infection, share prices in general and the Energiekontor AG share continued their upward trend in the first few weeks. With the outbreak of the Corona virus in northern Italy, the rise in share prices came to an abrupt halt. The Energiekontor share was also unable to escape the negative sentiment and fell to EUR 14.05 before recovering significantly. By the end of May, the losses since the beginning of the year had already been recovered and then an unprecedented price rally began, driven by the capital market's realisation that project pipelines have a very high value among project developers and have so far been insufficiently priced in. At the end of the year, the closing price was EUR 58.00, which corresponds to a price increase of almost 174 percent compared to the beginning of the year. The General Standard share price index recorded an increase of almost 32 percent in the same period.

Performance of the Energiekontor share* from 01.01.2020 to 31.12.2020 compared to the General Standard Price Index



* On Xetra

Energiekontor's project pipeline – the long-underestimated value driver

Energiekontor's project development pipeline has gained increasing attention on the capital market since mid-2020. The triggering event was the transaction between NORDEX & RWE that became known in July 2020. As part of this transaction, a project pipeline of 2.7 GW was sold by NORDEX to RWE for a purchase price of EUR 402.5 million. This transaction is considered a benchmark in the market. In December 2020, it was announced that various funds advised by Energy Infrastructure Partners (EIP), formerly Credit Suisse Energy Infrastructure Partners, had acquired a 49% stake in BayWa r.e. renewable energy GmbH. Considering the known information on the transaction, this transaction also confirms the valuations that the capital market has recently been granting project pipelines in the renewable energy sector.

It goes without saying that projects have a higher value as they mature. Although this may vary from project to project, analysts approximately approve the following value creation per stage in a five-phase model such as the one Energiekontor will use below:

Development stage	Subject of the development phase	Value creation in the phase	Cumulated
Sellable project rights	US Project Rights Solar		
Sellable project rights	US Project Rights Wind		
Phase 1	Secured areas (utilisation contracts exclusivity agreements, option)	1–2%	1–2%
Phase 2	Regional plan procedure/land-use plan procedure/project planning	6–8%	8–10%
Phase 3	Blmsch application submitted/building application submitted	35–40%	45–50%
Phase 4	Blmsch permit obtained/building permit obtained	45–50%	90–95%
Phase 5	Financing is available/under construction	5–10%	100%

In the opinion of the capital market, the published financial figures (balance sheet, P&L, cash flow statement, etc.) only paint an incomplete picture of the “real” performance” of a project developer in the respective reporting period. For a holistic assessment of the Company's success, changes in the project pipeline as well as in the own portfolio must therefore also be taken into account. We would like to facilitate this assessment through the following presentation. It is planned to update the overview, which ultimately depicts and documents the progress of value creation in the past financial year independently of the reportable annual result, at least semi-annually in the coming reports and to make this information available on the website under Investor Relations/Key Figures.

Development of the project pipeline from 31.12.2019 to 31.12.2020

The key date comparison (31. December 2020 vs. 31. December 2019) shows the development of the project pipeline in the past 2020 financial year:

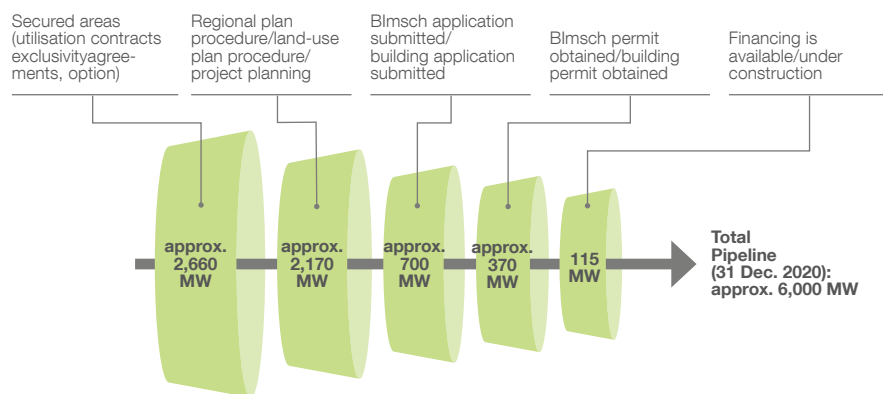
Phase	Subject of the development phase	31 Dec. 2020	Increase	31. Dec. 2019
		MW	MW	MW
Sellable project rights	US Project Rights Solar	500	0	500
Sellable project rights	US Project Rights Wind	344	141	203
Phase 1	Secured areas (utilisation contracts exclusivity agreements, option)	2,659	697	1,962
Phase 2	Regional plan procedure/land-use plan procedure/project planning	2,169	571	1,598
Phase 3	Blmsch application submitted/building application submitted	705	410	295
Phase 4	Blmsch permit obtained/building permit obtained	369	69	300
Phase 5	Financing is available/under construction	115	80	35
Total (without US Project Rights)		6,017	1,827	4,190
Total (with US Project Rights)		6,862	1,969	4,893

The pipeline shown above is key date-related and is based on the corresponding project plans. These project plans provide information on the status quo of the respective project >

> and are shown accumulated. For explanation and better understanding, we would like to point out that most of the value creation is generated in the lower 3 value creation stages (in the approval planning, approval procedure, approval granted and financial close), i.e. shifts in the pipeline to later value creation stages are an important indicator of value creation progress achieved, even if these are not yet fully reflected in the annual result figures. It should be noted that in principle all projects can be affected by delays, which can lead to significant shifts on the timeline. In addition, every project is subject to a risk of failure. While defaults are very unlikely for projects that are to be commissioned in the next two years, the situation is much different, especially for projects in the early phases. Here, considerable probabilities of default in the range of 40–60 percent, which is customary in the industry, are to be expected. Furthermore, the above presentation does not distinguish between wind and solar park projects, nor does it distinguish between countries (with the exception of the project rights in the USA, which are listed separately).

From the presentations of recent years, many investors are familiar with the following presentation, which also differentiates according to the technology used (wind/solar) and countries:

Project pipeline as of 31.12.2020 (without USA)



Regional distribution

Germany:.....	3,240 MW		
Great Britain:.....	2,280 MW		
France:.....	490 MW	Wind:.....	4,650 MW
(USA:.....)	800 MW	Solar:.....	1,350 MW
		Total:.....	4,200 MW

In comparison: 31 Dec. 2019

Overall, it can be said that Energiekontor was extraordinarily successful in developing its project pipeline by more than 40 percent, or 1,827 MW, in the 2020 financial year despite the restrictions triggered by Covid-19.

Share buyback programme

By resolution of the ordinary general meetings of Energiekontor AG on 21 May 2015, the Management Board was authorised pursuant to §71 para. 1 no. 8 of the German Stock Corporation Act (AktG) to acquire and redeem treasury shares of the Company of up to 10 percent of the share capital without the redemption or its implementation requiring a further resolution of the general meeting. On the basis of this authorisation, the Company had acquired 377,144 no-par value bearer shares of the Company with a proportionate amount of the share capital of EUR 1 per share via the stock exchange by 8 May 2020.

Utilising the authorisation reproduced above to cancel own shares acquired pursuant to section 71, paragraph 1, no. 8 of the German Stock Corporation Act (AktG), the Management Board resolved on 30 September 2020, with the consent of the Supervisory Board on the same day, to reduce the share capital of the Company from EUR 14,678,160 by EUR 350,000 to EUR 14,328,160.

By resolution of the ordinary general meetings of Energiekontor AG on 20 May 2020, the Management Board was authorised pursuant to Section 71 (1) No. 8 of the German Stock Corporation Act (AktG) to acquire treasury shares in the Company of up to 10 percent of the share capital. On the basis of this authorisation, the Company had acquired 103,679 no-par value bearer shares of the Company with a proportionate amount of the share capital of EUR 1 per share via the stock exchange in the period from 7 July to 31 December 2020.

In total, the Company repurchased 168,454 of its own shares in the 2020 financial year. The Company held 130,823 treasury shares as at 31 December 2020.

Annual General Meeting approved all items on the agenda

On 20 May 2020, the annual general meeting of Energiekontor AG took place for the first time as a virtual general meeting. The Chairman of the Management Board, Peter Szabo, informed the shareholders, who followed the Annual General Meeting via a live stream on the Internet, in a comprehensive presentation about the Company with its 30-year history, the market development, the strategy pursued, the course of business in 2019 as well as the outlook and targets. All items on the agenda were approved with clear majorities, including a new share buyback programme and the dividend of EUR 0.40 per share.

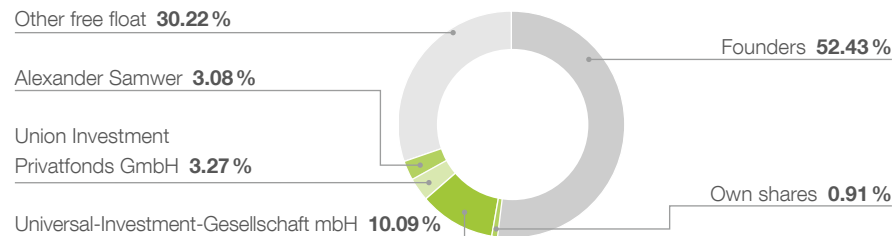
Due to the positive development of the 2020 financial year, the Supervisory Board and Management Board plan to submit a dividend proposal of EUR 0.80 per share to the Annual General Meeting on 20 May 2021.

Directors' Dealings

No share transactions were carried out by the Management bodies of Energiekontor AG in 2020.

The member of the Supervisory Board Darius Oliver Kianzad and the members of the Management Board Peter Szabo (Chairman), Günter Eschen and Carsten Schwarz did not hold any shares in the Company during the reporting period.

Shareholder structure as at 31 December 2020



The Company is aware of the following direct or indirect shareholdings in the capital greater than 3 percent as at 31 December 2020:

Shareholder structure as at 31.12.2020		14,328,160
Founders	52.43 %	7,512,309
Dr. Bodo Wilkens	26.24 %	3,759,835
Günter Lammers	26.19 %	3,752,474
Own shares	0.91 %	130,823
Universal-Investment-Gesellschaft mbH*	10.09 %	1,445,087
Union Investment Privatfonds GmbH	3.27 %	467,941
Alexander Samwer	3.08 %	441,512
Other free float	30.22 %	4,330,488

* Universal Investment Gesellschaft mbH last reported a shareholding that would have given it a shareholding of 10.09% as of 31 December 2020. Due to the lack of reporting, the shareholding is currently likely to be below 10 percent.

Share trading and market capitalisation in the 2020 financial year

The following table shows the monthly highs and lows, the monthly closing prices, the monthly sales on Xetra and the market capitalisation of the Energiekontor share at the end of each month in 2020.

2020 Month	High (EUR)	Low (EUR)	Month-end rate (EUR)*	Monthly sales (pieces)*	Market capitalisation at the end of the month (EUR)
January	20.50	22.20	21.40	132,863	314,112,624
February	23.00	17.90	20.00	312,193	293,563,200
March	22.00	14.10	17.25	363,624	253,198,260
April	20.40	17.25	18.20	157,727	267,142,512
May	21.30	17.75	20.50	211,958	300,902,280
June	23.00	20.30	22.50	255,638	330,258,600
July	26.10	21.90	25.80	224,866	378,696,528
August	31.00	24.70	30.00	116,488	440,344,800
September	39.30	28.20	38.40	282,970	550,201,344
October	38.90	34.10	35.20	316,647	504,351,232
November	45.10	37.00	44.90	550,209	643,334,384
December	59.60	42.50	58.00	338,487	831,033,280

* On Xetra
Source: Fact Set/Onvista

Research coverage

In the 2020 financial year, three renowned analyst firms (First Berlin, Bankhaus Metzler, Hauck & Aufhäuser, Warburg Research) published regular equity research reports on Energiekontor and the markets in which the Company operates. The current consensus as of the publication date of this report is a Buy rating and it results in an average target price of EUR 76.90.

Our investor relations activities

Transparency and openness in a continuous dialogue with our shareholders and capital market participants are our aspiration. Our investor relations work is aimed at strengthening confidence in our share in the long term and achieving a fair valuation on the capital market. To this end, we provide our shareholders and the capital market with accurate, timely and relevant information both about Energiekontor's business and about the market environment in which we operate. Furthermore, Energiekontor is committed to adhering to the principles of good corporate governance.

In individual or group meetings at investor roadshows, our management and Investor Relations answered investors' and financial analysts' questions about Energiekontor's business strategy and development as well as industry and market trends. Since the outbreak of Covid-19, the talks have taken place in video conferences and have even increased in number since then.

Investor Relations Contact

Peter Alex
Head of Investor Relations
+49 421 3304-126
IR@Energiekontor.com





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FUNDAMENTALS OF THE GROUP

Business model of Energiekontor AG

The Company is active in the country markets of Germany, Great Britain, Portugal, the USA and France.

In organisational terms, the Energiekontor Group is divided into three business divisions, according to which segment reporting is also carried out:

- a) Project development and sales (wind, solar)
- b) Power generation in the Group's own wind and solar parks
- c) Operational development, innovation and other

The generator and core element of the growth model is the expansion of electricity generation from the group's own wind and solar parks. The sale of the electricity generated in the wind and solar parks generates continuous income.

Together with the steady income from the operation of own and third-party parks, this income from the sale of electricity ensures financial stability and forms the basis for the sustainable growth of the Company. Energiekontor essentially covers the costs of project development, including Group-wide personnel and overhead costs, with the cash surpluses generated by its own parks and operational management. As a rule, half of the developed projects are allocated to the Company's own park portfolio and thus lead to higher electricity generation capacities and corresponding additional annual income. The other half is sold. The proceeds from the sale of the developed wind and solar parks have a decisive impact on the reported annual result and are used to pay taxes and dividends as well as to form liquidity reserves.

The Company's growth is taking place in different ways in the individual segments. In the project development segment, Energiekontor is driving growth by stepping up site acquisition and expanding into new markets. In contrast, the area of electricity generation in the Group's own wind farms is growing as a result of the Company taking over projects from project development into its own portfolio or

purchasing external operational wind farms. The more wind or solar parks are transferred to the Company's own portfolio, the greater the future cash surpluses from electricity sales and operating activities. This in turn makes more funds available for project development, which accelerates growth. This organic growth process is reinforced by accompanying innovation and efficiency measures, which lead to further increases in earnings and cost reductions and further increase the cash surplus from electricity generation.

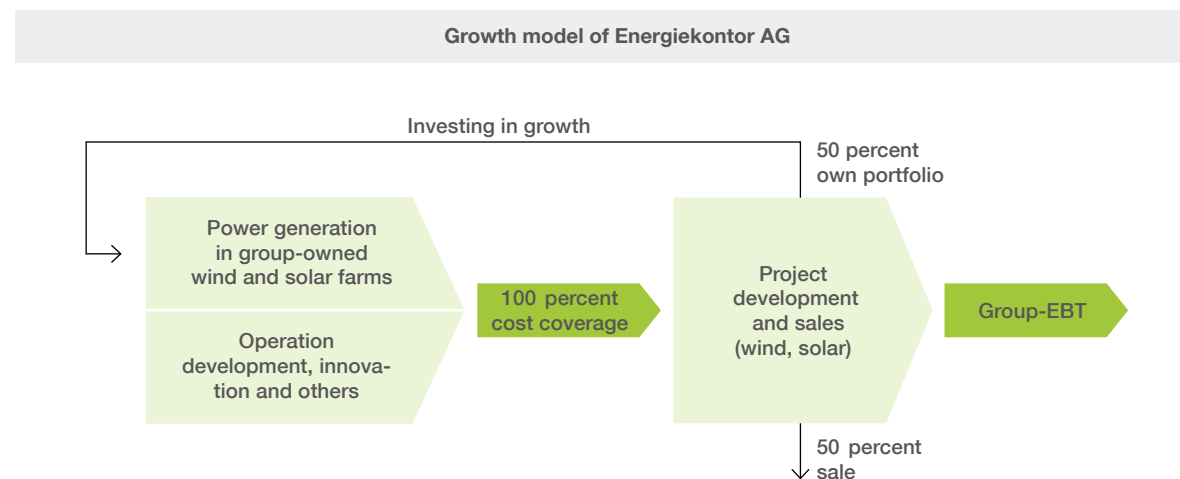
Energiekontor has three different customer groups in the three segments. In the case of electricity generation in the Group's own wind and solar parks, the customers are (large) electricity grid operators, electricity generating companies and electricity traders. In the case of PPAs (power purchase agreements), large companies with a correspondingly high level of their own electricity consumption can also act as contractual partners.

Operations Management is both an internal service provider for the Company's own parks and an external service provider for the buyers (investors) of the parks sold by Energiekontor.

If wind or solar parks are sold, the buyers are both companies from the power generation industry and financial investors. In addition, family offices, wealthy private investors or cooperatives, etc. are also involved.

By the end of the 2020 financial year, the Energiekontor Group had planned and constructed 636 wind turbines with a total output of around 996 MW in 126 wind farms in Germany, the UK and Portugal, as well as twelve ground-mounted PV systems of just under 55 MW in Germany. The total investment volume of these projects amounts to almost EUR 1.8 billion.

In addition to selling turnkey projects, the Energiekontor Group operates a portfolio of Group-owned wind farms as



an independent electricity producer. At the end of 2020, just under 280 MW were operationally in the Group's own portfolio.

a) Project planning and sales (wind, solar)

The project planning and sales segment (wind, solar) comprises the project planning of onshore wind and solar parks, which are either taken over into the Company's own portfolio or sold to third parties. This business segment covers the entire value chain from acquisition, planning, financing and construction or repowering to the sale of the plants. The wind and solar parks are sold at home and abroad to institutional investors, private full buyers or local citizens. An independent project Company is founded for each wind/solar park.

The repowering of sites, i.e. the replacement of old turbines with new, more powerful ones, has been an important part of the Energiekontor Group's business activities for many years. From 2021 onwards, a very large number of wind farms in Germany will run out of their 20-year guaranteed remuneration every year. It is therefore foreseeable that repowering projects will become enormously important in the future.

Energiekontor can now look back on more than 30 years of experience in project development. From site acquisition, planning and financing to the turnkey construction of wind and solar parks, project development is the Group's core business. In five countries Energiekontor is directly on site as an expert and contact partner with its own teams. In the meantime, the Company has realised wind and solar parks with a total output of more than one gigawatt.

In addition to the development of wind farms, the Company is significantly expanding the solar sector. Not only in Germany, but also in the USA and France, large-scale

photovoltaic parks are to be built over the next few years according to the plans of the Energiekontor Group.

Worldwide, the remuneration for electricity from wind and solar parks is falling due to the discontinuation of subsidy programmes and falling production costs. Energiekontor has been preparing for this for years and has developed a series of optimisation measures to reduce costs. Energiekontor wants to make an important contribution to the market penetration of renewable energies and is therefore striving to be one of the first companies to realise wind and solar parks in all addressed markets at electricity production costs that are below those of fossil or nuclear power plants.

Within project development, we distinguish between five levels of project maturity, as is customary in the industry

Phase 1: Secured areas (utilisation contracts, exclusivity agreements, options)

Phase 2: Regional plan procedure/urban land use plan procedure/in project planning

Phase 3: Blmsch application submitted/building application submitted

Phase 4: Blmsch permit obtained/building permit obtained

Phase 5: Financial close is available/under construction

Project development in Europe is the same in both the wind and solar sectors: all projects are developed in the green field. While in the European markets in which Energiekontor is active all projects should be developed until commissioning due to their similar framework conditions, the Company pursues a different risk-minimising approach in the USA due to the completely different framework conditions. The risks in the USA are greater and, as a "newcomer" to this market, much more difficult to assess. Therefore, when

entering this market, we follow a three-step plan, which should help us to identify the main challenges in project development there and to find solutions.

- I. In the first stage, the project rights of developed projects are first sold to investors, who then realise the projects on their own. The aim is to first identify the main risks and pitfalls of project development in the USA, to generate solutions to control the risks and not to take on incalculable (cluster) risks.
- II. In the next step, projects are to be fully developed and sold to investors at financial close, including project financing and PPA, who will then carry out the construction of the projects on their own.
- III. Only when this hurdle has also been successfully cleared will Energiekontor, in the third stage, map the entire value chain, assume the construction risk and also realise projects under its own management and, if necessary, operate them in the long term.

As a rule, a decision is made at the end of the construction phase as to whether a wind or solar farm is to be taken over into the company's own portfolio or sold to investors.

b) Power generation in the Group's own wind and solar parks

This segment includes electricity generation in the Group's own wind and solar parks. The expansion of the portfolio of group-owned wind and solar parks is the core component for the organic growth of the Company. In addition, operating its own wind and solar parks allows Energiekontor to cover ongoing corporate costs, e.g. in the event of delays in project realisation, as well as increased independence from political framework conditions and interest and commodity price developments. Moreover, the plants in the Company's own portfolio create hidden reserves. If necessary, these assets could be sold and the financial resources tied up in them plus the hidden reserves could be released.

Additional potential lies in the possibility of upgrading the Company's own wind farms, for example through repowering or efficiency-enhancing measures.

The Energiekontor Group acquired its first wind farm in 2002. Since then, the portfolio has been continuously expanded. This is currently being done mainly by taking over self-developed projects into the Company's own portfolio. Thus, about half of all projects developed by the Company itself each year are to be transferred to its own portfolio. In the past, economically interesting operational wind farms were also purchased. These were projects developed and sold by Energiekontor itself in earlier years as well as projects from other developers and operators. The total output of the wind farms operated by Energiekontor in Germany, the UK and Portugal amounted to 279.4 MW at the end of the 2020 financial year.

Group-owned wind & solar parks as of 31 December 2020

Name of wind or solar farm	Total output/MW
Altiüdersdorf	13.5
Balje-Hörne	3.9
Beckum	1.3
Breitendeich	6.0
Briest (Tandem II)	7.5
Briest II	1.5
Debstedt	3.0
Engelrod	5.2
Flögeln	9.0
Geldern	3.0
Giersleben	11.3
Halde Nierchen I	5.0
Halde Nierchen II	4.0
Hanstedt-Wriedel	16.5
Kajedeich	4.1
Krempel	14.3
Krempel II	6.5
Kreuzau-Steinkaul	5.5
Lengers	4.5
Mauritz-Wegberg (Energiekontor holds 88.52 Prozent)	7.5
Niederzier-Steinstraß	8.3
Nordleda (Energiekontor holds 51 Prozent)	6.0
Osterende	3.0
Prenzlau	1.5
Schwanewede	3.0
Sievern (Tandem II)	2.0
Thüle	14.0
Wind farms in Germany	170.9

Name of wind or solar farm	Total output/MW
Maformedes (Energiekontor holds 97 Prozent)	4.2
Marão	10.4
Montemuro	10.4
Penedo Ruivo	13.0
Wind farms in Portugal	38.0
Hyndburn	24.6
New Rides	9.0
Withernwick	26.9
Wind farms in Great Britain	60.5
Garzau-Garzin	10.0
Solar parks in Germany	10.0
Total	279.4

c) Operational development, innovation and other

All services aimed at optimising operational value creation after the commissioning of the wind and solar parks are combined in the Operational Development, Innovation and Other segment. This includes in particular the technical and commercial management of the parks, including the direct marketing of the electricity generated, as well as all measures to reduce costs, extend service life and increase yields in order to optimise the yields of wind and solar plants, e.g. through:

- Rotor blade extension and improvement of blade aerodynamics
- Updates in the system control or replacement of the old controls with new, modern controls

- More accurate wind tracking and increase in generator output
- Reduction of failure rates through preventive maintenance
- Reduction of downtimes by converting all wind farms to permanent live data monitoring with automated fault clearance workflow
- Consistent reduction of the power generation costs for existing parks
- Conclusion of short-term PPA contracts for post-EEG wind farms

Irrespective of whether the projected plants are sold or taken over into the Company's own portfolio, Energiekontor generally provides the commercial and technical operational management and thus generates an ongoing cash flow for the Company.

In the commercial area, the core tasks include, in particular, forward-looking liquidity management, billing with the energy supplier, the service and maintenance companies and the lessors, and the long-term optimisation of profitability. This also includes communication with banks, insurance companies, tax advisors and investors. Furthermore, billing for feed-in management is carried out variably, either via the flat-rate or peak-load procedure.

In the technical area, in addition to monitoring the wind turbines and evaluating and assessing data, the tasks mainly include the coordination of repair and maintenance operations as well as the planning and implementation of preventive maintenance measures. This process can decisively extend the service life of the individual turbine and the overall project. At the same time, the costs for repairing

the main components can be significantly reduced. The primary goal is to maximise the availability and yield of the plants and to guarantee safe operation over the entire service life. For this purpose, the plant data is monitored around the clock by means of live data and automated workflows. In addition, we guarantee the legally compliant operation of the parks by complying with all legal requirements and also assume operator responsibility.

Technical innovations, such as rotor blade extension, are also part of the measures to optimise performance, yield and costs. This is a process patented by Energiekontor to increase the rotor diameter, which has been successfully tested and used in practice for several years. The installation is carried out on the hanging blade, i.e. without dismantling the blade. This can significantly minimise crane costs and downtime. In the last three years, the improvement measures at the Company's own wind farms have already had a positive impact on the operating result.

Goals and strategy

In the good three decades since the Company was founded, the market for renewable energies has continuously changed and developed. In 1990, when the first electricity feed-in law was introduced, wind and solar farms were still virtually unknown and only hydropower made a modest contribution to the overall energy supply. It was not until the turn of the millennium that renewables very slowly began their ascent and slowly grew out of their small niche. Large electricity companies, which now play a very important role in the renewable energy sector, were initially extremely critical of the new technologies. Today, however, renewable energies have developed into a mature, established and recognised technology that contributes significantly to the energy supply in all industrial nations. In Germany alone, the share of renewable energies in total gross electricity

generation is currently around 45 percent. The higher the share of renewable energies in meeting demand, the more sustainable and environmentally friendly the entire energy supply becomes.

Energiekontor is a pioneer of sustainable and environmentally friendly energy supply.

Energiekontor's self-image: pioneer in renewable energies

Since its founding, Energiekontor has had a clear vision of the future: a world in which all energy needs are met 100 percent from renewable energy. The Company has placed this vision at the forefront of its mission statement. It is the overriding guiding principle of Energiekontor's entrepreneurial activities and the strongest motivation for the employees in their efforts to get a little closer to this goal every day with creative ideas and joy in shared success.

Sustainable penetration of the energy market with 100 percent renewable energies will only be possible when the generation costs for electricity from renewable energies are lower than those from fossil and nuclear energy sources. In order to drive forward the expansion of renewable energies, Energiekontor is striving for a pioneering role in the addressed markets and wants to be one of the first to realise wind and solar parks whose electricity production costs are lower than those of the conventional energy industry. Once this is achieved, a large number of barriers will fall away. Social support in politics and society will also increase significantly when wind and solar energy are no longer dependent on public subsidies. The spread of renewable energies will thus receive a strong boost.

As a pioneer in the realisation of wind and solar parks at pure market prices, Energiekontor is not only making an important contribution to helping renewable energies

achieve a breakthrough on the way to 100 percent full supply. At the same time, its pioneering role secures Energiekontor an edge over other competitors and thus a strong competitive position in the industry. The optimisation measures for cost reduction along the entire value chain, which have been prepared and developed for a long time, should provide Energiekontor with decisive competitive advantages in order to drive forward the expansion of renewable energies as an innovative pioneer and independent of government subsidies.

Sustainable growth on a solid foundation

Overall, Energiekontor AG's growth model is closely aligned with the Company's mission statement. By strengthening the regional approach and opening up new foreign markets, the organic growth of the Company is being consolidated in order to continue to actively accelerate the expansion of renewable energies, even in an intensified competitive environment. In doing so, the management relies heavily on the participation and development of the employees and creates the necessary organisational framework for this. The basis and foundation of the growth strategy is Energiekontor's financial stability, which is essentially based on the stable cash surpluses from electricity generation in the Group's own wind farms and from commercial and technical management activities.

Strengthening the regional approach

Energiekontor emphasised a regional approach at a very early stage. This allows close cooperation with the municipalities and regions as well as customised regional approaches with high local acceptance. This gives us competitive advantages in the respective region and accelerates project development. Organisationally, this approach is implemented with own teams on site and largely independent decision-making competences. This principle is to be further strengthened by expanding the number

of regions in which Energiekontor has a local presence, both in Germany and abroad.

Opening up new foreign markets – Strengthening solar activities

A key element of Energiekontor's growth strategy is increased internationalisation through the successive expansion of the existing country portfolio (Germany, Great Britain, Portugal), as well as the expansion of solar activities in order to tap additional growth potential for the coming years. In addition to Germany, the solar sector will be expanded primarily in the USA and France, as these countries have much more favourable irradiation conditions and corresponding electricity production costs.

The focus in France and the USA is initially primarily on the solar sector. Only native speakers with regional roots are employed, a principle that also contributes significantly to success in all other markets.

The solar sector in the USA is managed from the office in Austin (Texas), while the office in Rapid City (South Dakota) is responsible for the wind sector.

In France, an office was opened in Toulouse for the development of solar activities and an office in Rouen for the development of wind activities. As solar projects can usually be projected faster, we expect the first success stories from France to be from the solar sector as well.

Innovation and efficiency measures

In recent years, Energiekontor has developed a series of measures to increase economic efficiency in the planning, construction and operation of wind and solar farms and to optimise processes along the entire value chain.

There are three thrusts here:

- increasing the profitability of the projects planned by Energiekontor
- increase in earnings from the wind and solar parks in the Group's own portfolio
- the accelerated solution finding in project development

These measures are closely interlinked with the deepening of the decentralised organisation and an employee-led project organisation.

Room for initiative and organisational decentralisation

Innovation and efficiency are not necessarily limited to technical innovations. For Energiekontor, increasing the Company's efficiency includes deepening the decentralised organisation. Thus, the management consciously relies on a strong decentralisation of work and decision-making processes with flat hierarchies in order to thus avoid unnecessary bureaucratisation and to ensure flexibility and quick decisions even as the number of employees grows. At the same time, the Company creates scope for creative and flexible solutions and motivates each individual employee to act on his or her own responsibility.

Different growth dynamics

The Company is growing at different rates in the individual segments. In the project development segment, Energiekontor is driving growth by strengthening its site acquisition and regional approach, as well as expanding into new country markets and expanding its solar activities. The area of electricity generation in the Group's own wind farms is growing as the Company takes over projects from project development into its own portfolio. The more wind farms

are transferred to the Company's own portfolio, the more the cash surpluses from electricity sales and operational management activities increase. This in turn makes more funds available for project development in order to accelerate growth. Further growth is thus essentially determined by the further expansion of the own park portfolio and the increase in cash surpluses from the operation of own wind and solar parks and operational management. This organic growth process will be reinforced by accompanying innovation and efficiency measures, which will lead to further increases in earnings and/or cost reductions and further increase the cash surplus from electricity generation in the Group's own wind farms.

A positive side effect of this growth strategy is that it reduces the dependence on project sales and income from project sales. Even if no income could be generated from project sales, the liquidity of the Group as well as the financing of project development (including Group-wide personnel and overhead costs) is ensured by the cash surpluses generated from electricity generation in Group-owned wind farms and operational management. The risk of financial difficulties is thus minimised as far as possible. In this respect, the Energiekontor growth model also differs from the business models of many competitors in the industry who do not have a comparable portfolio of their own wind farms.

Economic objective

With this growth strategy, Energiekontor plans to sustainably increase EBT from project development to at least EUR 30 million p. a. by 2023. This already takes into account that in each year around half of the projects realised are to be taken over into the Company's own portfolio, whereby the construction profits of these own portfolio parks are eliminated within the framework of the group consolidation and therefore do not affect the group profit.

The expansion of the portfolio of the Group's own wind and solar parks is intended to establish Energiekontor as a medium-sized regenerative electricity producer and ensure a high degree of independence from general market developments. It is planned to further expand the own portfolio and to sustainably generate an EBT of at least EUR 25–30 million p. a. with the income from the own portfolio and the development of operations.

The expansion of the own park portfolio is to be achieved through own project development, the repowering of existing parks and, if necessary, the purchase of third-party parks. The financing of these new investments is planned through project financing loans, project-related bonds, own contributions and current liquidity surpluses from the operation of the own park portfolio.

Overall, the EBT generated by the Group is to be increased to at least EUR 55–60 million p.a. by 2023.

In recent years, Energiekontor has created the conditions for a stable and sustainable growth course and is ideally equipped for the challenges of the future in a competitive market environment.

Innovation (research and development)

The Company does not conduct research and development in the classical sense. However, the activities combined in the business area of operational development, innovation and other are aimed in particular at improving the performance and efficiency of the wind farms and solar parks. In addition to repowering the Group's own wind farms or preventive maintenance of the turbines, this also includes technological innovations. In addition, Energiekontor is developing adapted, more efficient maintenance and repair

concepts in order to be able to continue operating the Company's own parks economically even after the EEG compensation expires.

Control system

The management of the Energiekontor Group is based on regular exchange between the management and the individual Company units. For this purpose, weekly meetings and, if necessary, event-related special meetings take place. The internal control system covers all areas of the Company. This ensures short reaction times to changes in all areas and at all decision-making levels of the Energiekontor Group.

The starting point for the management of the Group or the individual business units are the sustainable targets developed within the management level, which are derived from the overall strategy. There are internal guidelines on processes, cost structures and risk assessment.

In weekly, monthly and quarterly cycles, the individual business units report on current developments and on any or potential deviations from targets. In addition to these operational indicators, the market situation as well as upcoming regulatory, legal and political changes in the individual country markets are continuously analysed and evaluated in order to be able to decide on suitable strategies and measures in the corresponding bodies at an early stage.

The overarching control parameter for Energiekontor AG and the Group is EBT (earnings before taxes), which is broken down into different gross margin and cash surplus targets for the individual operating units. EBT differs from EBIT (Earnings Before Interest and Taxes) in that the interest

result is already taken into account and is calculated as follows:

Revenues

+/-	Changes in inventories and own work capitalised	
=	total output	
+	Other operating income	
=	Operating performance	
-	Cost of materials] = Operating expenses
-	Personnel expenses	
-	Depreciation	
-	Other operating expenses	
=	EBIT (operating result)	
+/-	Financial result	
=	EBT (earnings before taxes)	

Overall, the planning, budgeting and control of the Energiekontor Group is based on a distinctly liquidity-oriented target and control system, by means of which the business success of individual divisions and of the Company as a whole can be determined and measured relatively easily.

The management of activities in the operating units is based on selected performance indicators. The most important operational performance indicators are the acquisition, gross margin and cash surplus targets in the individual segments and divisions. Specific targets exist for each division and segment against which the success of the business performance is measured.

Gross margins are defined as the difference between the expected sales revenues and the external production costs of the wind and solar parks at the time of the loan valuation. The loan value date corresponds to the date on which the equity is provided, the first call from the project financing is

paid out and the conditions precedent in the construction and delivery contracts are lifted. The expected sales proceeds are determined on the basis of the target returns of the investor market and the parameters from the project financing.

The usual target returns of the investor market act as a benchmark and are known from current price indications and past transactions. The sustainable gross margin targets form the central basis for budget planning and resource allocation. The acquisition targets for the individual project development areas (domestic, foreign, solar, repowering) also play an important role in the allocation of resources, as the acquisition of projects and sites lays the foundations for sustainable corporate growth in the future. Even in the early phase before site utilisation agreements are concluded, profitability and sensitivity analyses are carried out with defined profitability parameters in order to build up a resilient project pipeline through the acquisition activities, which can also withstand possible changes in the regulatory or other economic framework conditions (feed-in tariff, plant purchase prices, interest rate level, etc.).

Certain areas with regular income, such as operations management or the sales areas, are managed as profit centres. Cash surplus targets are defined for these areas, which are the planned cash surpluses from cash inflows and outflows within a planning period. The goal of the profit centres is to generate cash surpluses or at least to manage the profit centres with a balanced liquidity balance.

ECONOMIC REPORT

Macroeconomic and sector-specific framework conditions

The Corona pandemic has caused the global economy to slump dramatically. In the second quarter of 2020, overall economic activity in advanced economies was about 10 percent lower than at the end of 2019, a much sharper decline than during the financial crisis in the winter half of 2008/2009. However, much economic activity then resumed in the summer, greatly improving business and household sentiment.

The economic slump was largely synchronous worldwide. In Europe and the USA as well as in the major emerging economies, overall economic production began to decline in March as the number of Corona infections increased and as a result of sometimes drastic measures to contain the pandemic. The downturn intensified again in April, so that the decline in economic activity was mainly concentrated in the second quarter. Only in China, where the pandemic started at the beginning of the year and was already brought under control in February with the help of draconian infection control measures, did production slump in the first quarter, only to recover strongly in the second quarter.

The fiscal packages put together in the advanced economies to combat the economic downturn in the wake of the COVID 19 pandemic are unusually large in scope. The USA had a public budget deficit of more than 15 percent in relation to gross domestic product in 2020 and the deficit ratio in the Euro area was also well above the Maastricht criteria at more than 8 percent. In addition, there are credit-financed programmes of the European Union, which, with its large-scale European Recovery Plan and the increase in the multi-year financial framework, has also embarked on the path of an active fiscal policy for the coming years.

Expansive fiscal measures of significant magnitude have also been taken in major emerging economies such as China, Brazil and India. Where key interest rates were significantly above 0 percent at the start of 2020, they have been lowered in response to the pandemic, and quite substantially in most emerging markets as well. Central banks in the major advanced economies are accommodating fiscal policy measures by making large-scale purchases of government securities and signalling that interest rates can be expected to remain close to zero for an extended period of time.

Expansionary fiscal and monetary policies worldwide have contributed significantly to the recovery of share prices since their collapse in March.

According to calculations by the leading economic institutes in Germany (cf. Autumn Report), global production fell by an annual average of 4.0 percent in 2020, the strongest decline since the Second World War. For 2021, the institutes expect a strong increase of 5.9 percent due to the ongoing recovery process. In 2022, world production is expected to expand by 3.7 percent, which means that the rates of change will gradually normalise. For the advanced economies, economic expansion is expected to reach 4.8 percent in 2021 and 3.1 percent in 2022.

Against the backdrop of the Covid 19 pandemic, the Brexit that has since taken place has almost disappeared from media observation. Not surprisingly, there were considerable barriers to trade, which have not yet been overcome. Above all, the desire not to divide the island of Ireland by a fixed border has led to a de facto trade border in the Irish Sea. At present, it is not clear that Brexit will have negative consequences for the expansion of wind energy in the United Kingdom.

Wind and solar energy worldwide

The expansion of wind and solar energy is progressing inexorably. Energy markets worldwide are in a state of flux, and conventional energy sources and fossil fuels are increasingly being replaced by the expansion and use of renewable energy sources.

Many factors play a role here, such as:

- Negative impacts of climate change require increasingly ambitious goals for climate protection and combating global warming. One example of this is the Paris Climate Agreement of 2015/2016, which the USA recently rejoined. Not least due to worldwide protest movements (keyword "Fridays for Future"), the topic of climate protection is high on the political agenda of many industrialised countries.
- Not only electricity demand but also energy demand continues to rise, even if this development has been temporarily dampened in 2020 due to the economic slump. It is to be expected that the demand for renewable energies from air conditioning/heating and transport (ships, trucks and cars) will also increase strongly in the coming years. In addition, there are topics such as "e-mobility" and the "hydrogen initiative", which only make sense if the energy is provided by renewables.
- More and more companies are committing to sustainable production and replacing their current energy mix with renewable energies. Initiatives such as "RE100" show that companies are very interested in sourcing a large part of their energy needs from renewable sources. In addition to aspects of sustainability, the increasing economic viability of renewable energies and the long-term predictability of energy costs through the conclusion of long-term power purchase agreements also play a significant role.

- The decline in the price of electricity in photovoltaics and wind power has significantly increased the competitiveness and economic viability of electricity generation from renewable energies. In many regions, wind and solar parks can already be operated economically without state subsidies.
- Global investment in renewable energies continues to grow. Investment funds are also increasingly being invested according to ESG criteria; renewable energies are virtually predestined for these investments.

Globally, renewable energy sector growth for both wind and solar power continues to be led by China, followed by the US. Together, the two countries each account for well over half of the annual addition of wind and solar power.

The international goals for climate protection and sustainable energy supply remain the main driving force for further growth in the sector. The countries within the EU have committed themselves to binding expansion targets. Not only the international agreement of the UN Climate Change Conference in Paris at the end of 2015 showed that there is now an almost global consensus on climate protection and the necessary containment of carbon dioxide emissions. One of President Biden's first acts in office was to rejoin the US in the Paris climate agreement and to turn away from anti-climate projects such as the so-called Keystone XL pipeline, which would transport more than 130 million litres of oil per day from the tar sands mining areas in the Canadian province of Alberta to refineries in the south of the USA.

Global wind power generation grew by 11 percent in 2020 compared to the previous year, and solar by 18 percent, according to IEA (International Energy Agency) calculations.

The outlook for wind power over the long term has improved slightly since the pandemic began, further emphasizing the need to design sustainable economic models, in which

renewable energy takes pride of place. Lately, governments and supranational bodies have made sustainability a core component of economic recovery plans. They have also announced plans to step up their emission reduction targets. The European Parliament voted to raise the 2030 emission reduction target from 40 percent to 60 percent. China has announced a goal of zero emissions by 2060, with emissions set to peak in 2030.

As indicated in the latest World Energy Outlook from the International Energy Agency (IEA), the current stated policies will lead to a considerable increase in wind and solar energy output in 2030, which will account for up to one-third of total power generation in the advanced economies and 25 percent in the emerging economies, but it will still be far from achieving the stated goal of zero emissions. With this scenario of stated policies, accumulated wind capacity at the end of the period (2040) will amount to 1,914 GW, equivalent to a sustained average of 60 GW of new installations each year, nearly 16 percent more than the average of recent years (2012–2019: 52 GW according to the Global Wind Energy Council – GWEC).

Investment in clean energy needs to increase substantially more in order to achieve net zero emissions worldwide. This increase, reflected in the sustainable development scenario, would lead to an accumulated global wind fleet of 3,000 GW by 2040, i.e. over 1,000 GW more than in the previous scenario, entailing 145 GW of installations per year in 2030 and 160 GW in 2040.

Achieving the goal of net zero emissions worldwide by 2050 would require even more ambitious and broader ranging measures, which must be implemented in the next 10 years. In this NZE2050 scenario, average annual wind installations must rise from 60 GW in 2019 to 160 GW in 2025 and 280 GW in 2030.

Regardless of which scenario will occur, one thing is for sure: The global potential for wind and solar energy is very large.

In the last two decades, photovoltaics has evolved from an expensive space technology to the cheapest and most popular form of energy with the highest growth rates and growth potential worldwide.

At the end of 2020, more than 710 GW of PV capacity was installed worldwide; almost 110 GW more than in the previous year. This is the first time that installed PV capacity has exceeded installed wind capacity. China has been the global leader in PV additions for many years; the total newly installed capacity there was around 41 GW in 2020. The total accumulated photovoltaic capacity in China thus amounted to almost 246 GW at the end of 2020, i.e. 35 percent of global capacity.

A look at wind energy paints a similar picture. At the end of 2020, approx. 690 GW of wind capacity was installed worldwide, almost 70 GW more than in the previous year. As in the case of solar, China also dominates the global market for the addition of wind plants. In 2020, the total newly installed capacity there rose to almost 242 GW; an increase of around 32 GW, or 46 percent of global installed capacity.

In Energiekontor's core markets, the south of Portugal offers geographically very good conditions for the use of solar energy, but the restrictions described in the "Wind" section currently apply in Portugal. In the UK, the development of PV projects for Energiekontor is essentially limited to the consideration of being able to use the grid connections of a wind farm at the same location for a solar farm at the same time. Otherwise, the Energiekontor Group's solar activities are currently concentrated on the German, US and French markets.

The national markets of Energiekontor AG for the wind and solar sectors are examined below:

Wind and solar energy in Germany

The electricity supply in Germany is becoming more sustainable year by year. The share of renewable energies in electricity consumption is growing steadily: from around six percent in 2000 to around 46 percent in 2020. This means that the target of 35 percent for 2020 has been clearly exceeded ahead of schedule. By 2025, 40 to 45 percent of the electricity consumed in Germany is to come from renewable energies. This is what the Renewable Energy Sources Act – EEG for short – stipulates.

Since the introduction of the Electricity Feed Act (Stromeinspeisegesetz) and the subsequent Renewable Energy Sources Act (EEG), Germany has been considered a pioneer in the expansion of renewable energies in Europe. The nuclear reactor disaster in Fukushima in March 2011 and the subsequent renewed decision by the federal government to phase out nuclear energy and most recently the so-called coal compromise have highlighted the need to accelerate the expansion of renewable energies in Germany.

With the introduction of the tendering system in Germany for solar (2015) and onshore wind (2017), the prices for the remuneration of electricity from wind and solar parks had fallen sharply. However, thanks to forward-looking development, a large number of efficiency measures and cost savings, Energiekontor is still able to realise economically profitable projects.

Wind and solar energy are the most important renewable energy sources among the renewables. In 2020, onshore wind energy accounted for 105.3 TWh or 18.7 percent of gross electricity generation in Germany and solar energy accounted for 50.4 TWh or 8.9 percent. On sunny days, PV electricity can at times cover more than two-thirds of Germany's current electricity consumption. At the end of 2020, PV modules with a nominal capacity of 54 GW were installed in Germany, distributed over 2 million systems.

Wind energy currently plays the leading role in the expansion of renewable energies in Germany. In 2020, the installed capacity of onshore wind turbines was just under 55 gigawatts and offshore just under 10 GW.

The Energiekontor Group's consistent acquisition activities in the key regions of Lower Saxony, North Rhine-Westphalia and Brandenburg have enabled the Company to build up a sustainable project pipeline for the coming years. In the Solar segment, acquisition activities are also being carried out in Schleswig-Holstein, Bavaria and Baden-Württemberg in addition to the focus regions of Brandenburg and Mecklenburg-Western Pomerania. With a large number of awards for wind and PV projects, Energiekontor has shown that it can also operate successfully under the current remuneration regime.

Wind energy in Germany

With the introduction of the EEG 2017, it was determined that the promotion of renewable energies for new permits for wind, as previously for solar, will be regulated via a tender model.

The tender procedure is based on a single-stage reference yield model. Accordingly, a single subsidy rate applies over a period of 20 years. Bids are submitted uniformly for a 100 percent reference site, which is defined by the average expected wind speed. Depending on the quality of the location of the specific project (wind accessibility) for which the bid is submitted, the actual remuneration level is determined by correction factors along the reference yield curve (a low-wind site is remunerated more than a high-wind site). This shifts the economic efficiency significantly in favour of low-wind sites, which is in line with the desire to expand wind energy as far as southern Germany.

The 2020 amendment to the EEG introduced a new expansion corridor. Since then, this has determined the degression of the remuneration rate fixed at the time of commissioning, which was already included in the previous EEG. The target was set at 4,500 MW per year. The more this target is exceeded by the actual installed capacity of wind turbines, the more drastic the degression of the remuneration rate becomes (so-called "breathing cap"). In the case of repowering projects, only the part that exceeds the original capacity at the respective site is counted towards this expansion target of 4,500 MW.

In 2020, a total volume of 3,860 MW was put out to tender in seven rounds for onshore wind energy. Contracts for 2,672 MW were awarded. Around 32 percent of the

tendered volume thus remained unawarded. Compared to the previous year, when only half of the tendered volume (1,847 MW) was awarded, this represents a significant increase in participation.

In addition to the undersubscription of the first six bidding rounds, some plants could not be awarded subsidies due to the exclusion of the bid from the tender (e.g. due to formal errors) or the already exhausted volume of the grid expansion area. 237 MW could not yet secure a subsidy entitlement due to oversubscription in the last 2020 tender round in December (WIN20-7).

As in the previous year, the maximum permissible value was 6.2 ct/kWh in all bidding rounds in 2020. Weighted by volume across all rounds, an average surcharge value of 6.11 ct/kWh was achieved in 2020. In the December 2020 tender, an average volume-weighted surcharge value of less than 6 ct/kWh was achieved for the first time since the beginning of 2018.

In the two cross-technology tenders in 2020, only PV projects were awarded.

In the course of 2020, 420 onshore wind turbines (WTGs) with a total capacity of 1,431 MW were added in Germany. Compared to the record low in the previous year, an increase of around 46 percent was achieved. At the same time, the dismantling of 203 wind turbines with a total capacity of 222 MW had to be recorded. In net terms, the increase in output in 2020 amounts to 1,208 MW.

The cumulative installed base thus rose to 29,608 WT as of 31 December 2020. The total installed capacity grew by around 2 percent to 54,938 MW. The EEG 2021 adopted at the end of 2020 provides for an expansion target of 71 GW by 2030. To achieve this target, the cumulative capacity stock (net new build) must increase by just under 30 percent in the next 10 years. With reference to the increased EU greenhouse gas reduction target, the Federal Environment Ministry is aiming to increase the expansion target to 95 GW. Apart from the fact that even this expansion target is far from sufficient to achieve the climate policy goals, should there be an increase in electricity demand as forecast by most experts, it must be taken into account that by 2030 approx. 27 GW of capacity will expire from the 20-year EEG tariff and will have to be repowered.

Status of onshore wind energy expansion:

Development year 2020	Power	Quantity
Gross additions	1,431 MW	420 WT
thereof repowering	339 MW	102 WT
Dismantling (incl. late registrations) (non-binding)	222 MW	203 WT
Net additions	1,208 MW	217 WT
Accumulated 31 Dec. 2020		
Cumulative WT (non-binding)	54,938 MW	29,608 WT

Source: Deutsche WindGuard GmbH

There are still no signs of a significant improvement in the situation for 2021. In the onshore wind tender on 1 February, 1,500 MW were put out to tender. However, market participants expect that the bid volume was below the tendered quantity once again. From the project developer's point of view, the current situation must be viewed in two different ways. On the one hand, we would be pleased if the approval backlog were to be cleared and projects could be realised more quickly, thus increasing the overall number of projects realised. This is especially true in view of our claim to make

a significant contribution to the full supply of electricity through renewable energies. On the other hand, due to the low number of projects awarded contracts, the remuneration rates had settled near the maximum price of 6.20 ct/kWh in 2020 and should be near the maximum price of 6.00 ct/kWh in 2021.

At the end of 2021, a further four gigawatts (GW) of currently installed wind energy capacity will no longer be eligible for EEG subsidies. It would be desirable if repowering were possible under easier conditions on the existing sites concerned. The area required by the new turbines, which are usually much taller and have larger rotor diameters, is greater than that of the old turbines. As a result, repowering projects often replace a large number of small and low-performance turbines with a smaller number of modern, state-of-the-art turbines. Nevertheless, the repowering turbines can usually achieve significantly higher energy yields than the old, dismantled wind turbines.

Existing plants are usually located at the most cost-effective and accepted sites. There, the areas have already been shaped by existing plants with regard to spatial planning as well as nature and landscape. Particularly for existing plants that are no longer located on suitable wind areas in the updated regional planning, further measures for continued operation and thus CO₂ avoidance should be considered. The extent to which this is implemented by politicians will have a significant influence on the number of projects that can be repowered in the future.

For 2021, the German Wind Energy Association (BWE) forecasts an expansion of 2,000–2,500 MW on the basis of the projects awarded contracts – the prerequisite for achieving the upper forecast value is trouble-free processes in the supply chains and on the construction sites. Open borders in particular are elementary for the industry. With the expansion, transport permits and infrastructures must also be ready.

The demand for renewable energy is increasing more and more and onshore wind plays a central role here, emphasises the BWE. The commitments of major technology companies to climate-neutral production show that the provision of electricity from renewable sources is increasingly becoming a location factor. The demand for wind power is also driven by additional needs for electrification and sector coupling. In addition, the German government's decision to phase out coal-fired power generation reinforces the need to accelerate the expansion of renewable energies.

The average turbine configuration of wind turbines is described by the turbine power, the rotor diameter and the hub height. Further indicators are the total height and the specific area output of the turbines, which in turn result from the main parameters.

The turbines installed in 2020 largely correspond to the technology used in the previous year. The average turbine output of 3.4 MW remains unchanged compared to 2019. The rotor diameter, averaging 122 m, and the hub height, averaging 135 m, are also at the previous year's level. The WTGs installed in 2020 also have an average total height of 196 m and an average specific area output of 298 W/m².

Average plant configuration	Additions Year 2020	Change from previous year
System performance	3,407 kW	+3 percent
Rotor diameter	122 m	+3 percent
Hub height	135 m	+1 percent
Total amount	196 m	+1 percent
Specific area output	298 W/m ²	0 percent

Source: Deutsche WindGuard GmbH

Solar energy in Germany

In Germany, 184,000 photovoltaic (PV) systems with a capacity of around 4.9 GW were connected to the grid last year. This corresponds to a 27.6 percent increase in capacity compared to 2019, according to the Federal Network Agency.

According to the report, demand from homeowners was particularly strong. Here, the industry association BSW registered a plus of 99 percent compared to 2019 – and thus almost a doubling of demand. According to BSW, the reason for the high demand was a significant increase in environmental awareness, the striving of many consumers for more independence, significantly lower solar technology prices and an increasing switch to electric mobility.

At the end of 2020, the Federal Network Agency (BNetzA) registered a total cumulative photovoltaic capacity of 54 GW. According to Fraunhofer ISE, the approximately two million solar power systems provided around 10.4 percent of net electricity generation in Germany. According to the published BNetzA data, the market development in the three most important PV market segments for the entire year 2020 was as follows:

- In the photovoltaic market segment below a capacity limit of ten-kilowatt peak (kWp), 151,700 PV systems with a total PV capacity of 1,131 MW were newly installed last year. In the previous year 2019, there were only 77,100 systems with a capacity of 570 MW and in 2011, the strongest year to date, 120,000 solar power systems with a capacity of 700 MW. This year-on-year increase in output of 99 percent within the PV market segment, which is predominantly attributed to the owner-occupier segment, resulted in its share of the total market increasing from 15 to 23 percent.

- Under the impact of the Corona pandemic and due to significantly reduced market premiums, the commercial PV system segment in the power class from 10 to 750 kWp recorded less strong growth in 2020. At 2,887 MW, the newly installed PV capacity here grew by six percent compared to the previous year 2019.
- In the PV power class above 750 kWp, newly installed solar power capacity increased by 61 percent or 867 MW, almost all of which was accounted for by ground-mounted solar parks. This growth resulted from the special tenders, which led to a significant increase in the auction volume from 2019, according to the BSW.

The photovoltaic capacity installed in Germany is made up of approximately three quarters roof systems and one quarter ground-mounted systems. The area required for one megawatt of ground-mounted photovoltaics is steadily decreasing. Whereas 4.1 hectares/megawatt were needed in 2006, in 2019 it was only 1.2 hectares/megawatt. Among other things, this is due to the continuous increase in module performance. As a result, significantly more solar power can now be harvested on a given area. Especially compared to bioenergy, the area-related electricity yield of photovoltaics is many times higher.

At the end of 2019, open-space photovoltaic systems in Germany occupied a total of just over 30,000 hectares, of which just under 26 percent were arable land and 14 percent were verges along transport routes, some of which are also classified as arable land. The installed photovoltaic capacity on these two categories of land corresponds to 0.07 percent of Germany's total agricultural area. According

to the EEG, photovoltaic systems are only eligible on a limited range of land. The potential sites are essentially limited to conversion areas and peripheral areas (110-metre strips) along motorways and railway lines. Further prerequisites for an award are a development decision and the provision of initial collateral

The legally defined remuneration rates per kilowatt hour (kWh) fed into the grid distinguish between small PV systems on single-family homes and larger PV systems up to 750 kW. The background to this is the higher costs per kilowatt for smaller systems. PV systems on roofs and open spaces above 750 kW must participate in tenders organised by the Federal Network Agency. The remuneration rate is determined competitively. The average award value in the past tenders has fluctuated around 5 cents/kWh since the beginning of 2018.

In 2019, Energiekontor was able to announce that a PPA had been concluded with EnBW for an 85 MW solar park near Rostock. The conclusion of this PPA was not only an important milestone for Energiekontor, but for the entire industry. Much larger solar parks can be realised on the basis of a PPA. As a pioneer in the renewable energy sector, Energiekontor has dedicated itself to being one of the first to realise wind and solar farms with lower electricity production costs than those of the conventional energy industry. The first PPA has since been followed by a number of other PPAs. These PPAs show that Energiekontor has come significantly closer to achieving the goal described above by increasing efficiency and reducing prices along the entire value chain.

Great Britain

Since the first Contracts for Difference (CfD) allocation round to support renewable energy in the UK in 2015, onshore wind has not been able to participate in the two subsequent rounds in 2017 and 2019. However, the UK government has announced that a fourth allocation round including onshore wind will take place in 2021.

Due to the current framework conditions, all wind farms realised in the UK were realised on the basis of market prices, often with long-term power purchase agreements. Recently, there have been increasing signs that investment funds are willing to take market prices, so that long-term PPAs are no longer the only realisation route. PPAs are usually concluded between the operating Company and the energy supplier. In the case of Energiekontor projects, however, PPAs are negotiated directly between the operating Company and an end user, usually large international companies (so-called end-user PPAs). In a PPA, the basic remuneration for the electricity produced is agreed for a fixed term. As a rule, inflation of the agreed tariff is provided for over the term of the PPA.

Since the removal of subsidies in the UK, the onshore wind industry has sought to maintain project profitability by improving turbine parameters (e.g. more powerful turbines with greater hub heights and larger blades) while reducing costs. While the Scottish authorities are generally supportive of larger wind turbines, there are fewer examples of taller turbines being approved in England. Overall, Scotland, which has its own planning laws, is rather positive about the expansion of onshore wind energy. This is one of the reasons why Energiekontor has been concentrating for some years on securing suitable sites in Scotland on which large wind farms are to be built if wind conditions are good.

As mentioned above, the UK plans to bring onshore wind back into the Contracts for Difference (CfD) system. This system is the government's main mechanism for supporting low-carbon electricity generation. CfDs incentivise renewable energy investment by providing direct protection from volatile wholesale prices to developers of projects with high upfront costs and long lifetimes, while protecting consumers from paying higher support costs when electricity prices are high.

UK-based renewable energy generators that meet the eligibility requirements can apply for a CfD by submitting a type of "sealed bid" in competition with a range of different renewable energy technologies.

Successful renewable energy project developers enter into a private law contract with the Low Carbon Contracts Company (LCCC), a government Company. Developers receive a flat (indexed) tariff for the electricity they generate over a 15-year period; the difference between the 'base price' (an electricity price reflecting the cost of investing in a particular low-carbon technology) and the 'reference price' (a measure of the average market price for electricity in the UK market).

While participation in the CfD auction is of interest, Energiekontor is experienced in negotiating retail PPAs and will use the most advantageous route to market and plan projects so that they are economically viable without the CfD system.

The UK's decision to leave the EU at the end of 2020 (Brexit) will have an impact on Energiekontor AG's business, as the possible reintroduction of customs duties and interest rate fluctuations could increase the costs of building and financing wind farms. No additional customs duties are currently being levied, but such effects have already been priced into the profitability calculations of Energiekontor's development projects as a precaution.

Currency fluctuations would have an impact on the earnings of the British wind farms in the own portfolio. However, as the majority of running costs in the UK are also incurred in British pounds, the expected overall effect on the parent Company is low. In summary, there is still some uncertainty in the short term about the impact of Brexit on the European single market and investments in the UK by other EU states. As is well known, the UK is one of the countries most affected by Covid 19, both economically and in terms of deaths. Nevertheless, the UK has started earlier than other countries to tackle the pandemic with an aggressive vaccination strategy. At the time of publication of this report, the main concern is the Covid virus mutations and it will certainly take some time for the consequences of the pandemic to be digested economically. While in the short term Energiekontor projects may be affected by delays, Energiekontor does not foresee any negative impact of the pandemic in the medium to long term.

In the medium term, however, Energiekontor still does not expect any lasting effects on the project business in the field of renewable energies.

The UK is and remains one of the main markets for the Energiekontor Group's project development. Following the abolition of subsidies for onshore wind in 2015, Energiekontor has concentrated on large-scale sites with very good wind conditions, such as those found primarily in Scotland. There, the Company has built up a very well-filled project pipeline through its intensive acquisition activities with the office in Glasgow and the office in Edinburgh, which will open in 2019.

The plans unveiled by the UK government at the beginning of March 2020 to reintroduce Contracts for Difference (CfD) for established technologies such as onshore wind and solar could pave the way for additional impetus for stronger growth in the industry. The UK government has also set a target for the UK to emit zero greenhouse gases by 2050.

Currently, all projects pursued by Energiekontor in Scotland are to be realised on the basis of long-term power purchase agreements with large industrial customers. Energiekontor is thus planning these projects without any subsidies, underlining the pioneering role that the Company is also playing in the UK in the realisation of wind farms at pure market prices.

Wind energy in Portugal

At the end of 2018, the Portuguese government published the PNEC (National Energy and Climate Plan) to achieve the European target of a 32 percent share of renewable energy by 2030, which was jointly agreed in 2018. This PNEC is Portugal's renewable energy and climate strategy for the period 2021 to 2030 and replaces the previous plan. In recent years, the expansion of renewable energy has stalled. For example, there are still no new tendering procedures for the award of grid licences as a prerequisite for the development of new projects. Although grid connections for wind and solar parks can be applied for, the electricity is paid for at the general electricity market prices. Project promoters therefore only have the option of applying for licences at market price conditions (MIBEL). Just as in Germany, energy suppliers in Portugal are legally obliged to purchase wind power.

One hurdle is the increased environmental and nature conservation requirements in many places. For grid access, the project developer therefore needs two essential prerequisites: sufficient capacity to accommodate another wind or solar farm at the grid connection point and a positive environmental impact assessment.

Portugal has a large number of windy locations. In the south of the country, there are also good irradiation conditions for the implementation of solar projects. However, there has been no new tender for grid connections for many years. New projects can only be applied for under general market

conditions. Energiekontor's activities in Portugal therefore continue to be limited to the management of existing wind farms.

Currently, possible scenarios for the development and realisation of solar projects in Portugal are being analysed.

Wind and solar energy in the USA

In the USA, Energiekontor has identified the states of South Dakota and Texas for the development of onshore wind and solar projects following in-depth analyses. In the north of the country, conditions prevail with wind speeds of 8 to 10 m/s at a height of 80 metres, which in Europe can almost only be found on the open sea. In contrast, the southwest of the USA – and thus also Texas – is one of the sunniest regions on earth, with average global radiation values of over 2,000 kWh/m² per year, twice as high as in Germany.

Because it can be realised more quickly, Energiekontor is initially concentrating on developing the solar projects. A separate Company was founded locally for this purpose. Project development will be moved from Austin to Houston and driven forward from there with its own, locally well-connected employees, as the new projects are located in the triangle between Houston, The Dalles and San Antonio. Land use rights for several hundred megawatts for the development of photovoltaic projects have already been secured. Energiekontor is currently in the process of selling project rights for two solar projects to investors in order to gain initial experience in the US market and generate first revenues. The next step will be the realisation of solar parks by Energiekontor in Texas. A similar approach is being pursued with the wind activities in South Dakota, where the first areas for large-scale power plants have already been secured.

Wind energy in the USA

In recent years, the USA has become the second largest producer of renewable energies after China. Wind energy in particular is playing an increasingly important role. In 2019, wind power generation in the USA overtook hydro-power generation for the first time, according to data from the U.S. Energy Information Administration (EIA). The figures from the EIA's Electric Power Monthly Report, published at the end of February 2021, show that annual wind power generation reached just over 338 million megawatt hours (MWh) in 2020.

Overall, total renewable electricity generation, which includes sources such as solar PV, geothermal and landfill gas, reached more than 790 million MWh in 2020, up from 720 million MWh in 2019. In 2020, total renewable electricity generation in the US surpassed coal-fired electricity generation (774 million MWh) for the first time, by 16 million MWh.

At the same time, the expansion of US wind generation capacity reached an all-time high of 16 GW in 2020. This is partly due to the extension of the Production Tax Credit, or PTC. The PTC is a system that grants operators a tax credit per kilowatt hour of renewable electricity generation. It applies for the first 10 years of a plant's operation.

At the end of 2020, the US had 122 GW of wind power capacity, of which 81 percent was installed in the last ten years. According to the EIA, the US has 80 GW of hydro-power capacity.

Wind power capacity is expected to be massively expanded in the following years. In 2030, according to the plan, 20 percent of the national electricity mix will be covered by wind power. This should make wind power the largest renewable energy producer in the USA for the foreseeable future.

In the development of wind energy projects, Energiekontor has initially concentrated on the very windy and still relatively undeveloped region in western South Dakota following in-depth studies. Project development is being driven from Rapid City, with its own locally well-connected staff.

Through the Southwest Power Pool (SPP), an umbrella organisation of several power suppliers and grid operators, electricity from the region can be distributed to several states in the Midwest and West, as well as to Texas. On 1 February 2021, the SPP was further expanded by adding two more western states as potential offtake markets. As in Europe, permits are required for the construction of wind farms in South Dakota. Land use rights for several hundred megawatts for wind project development have already been secured, and additional projects are in the acquisition pipeline in areas where high wind resources and transmission capacity are compatible.

Apart from import duties on foreign steel, which could have a temporary impact on the prices of wind turbines, the Energiekontor Group does not currently expect any further political restrictions to have a negative impact on the market for renewable energies in the USA.

Solar energy in the USA

According to the Solar Energy Industries Association (SEIA), the year 2020 was a record-setting year for the solar industry, and it won't be the last. The fourth quarter exceeded the prior quarterly record set in Q4 2016 by 22 percent, with just over 8 gigawatts-direct current (GW) of solar photovoltaic (PV) capacity installed. The year ended with a total of 19.2 GW installed, an astonishing 43 percent more than capacity added in 2019 – all in the midst of a global pandemic. The year-end extension of the ITC came as welcome news, allowing the industry to continue the momentum from a record-breaking second half of 2020. But growth in the

U.S. solar market is only partially driven by the ITC extension. Utility solar pipelines continue to grow, driven by a proliferation of decarbonization targets from a variety of offtakers. And while non-residential solar growth is expected to moderate after an initial surge in 2021, long-term growth will accelerate as costs decline and financing options become more widely available. In total, the operating solar fleet is expected to quadruple from nearly 100 GW of capacity installed today to more than 400 GW installed by 2030.

As with wind turbines, a PPA between the project Company and a large industrial customer (end-customer PPA) or an electricity supplier forms the basis for the economic viability of a project for solar parks in the USA. Energiekontor sees considerable potential for end-customer PPAs, especially for large companies based in the country, large data centre operators or local energy suppliers.

Unlike other states, Texas does not require a separate regulatory permit for the construction of a solar farm. However, in order to build on a plot of land, the rights to use the surface (Surface Rights) and, through agreements with the owners, the rights to the subsoil (Mineral Rights) must be secured and a series of investigations and studies (environmental, nature conservation, grid, etc.) must be carried out to ensure that the project complies with the legal requirements. In addition, so-called “tax abatements” – exemptions from local taxes – have to be agreed with the authorities to improve the financial return of the projects. Unlike, for example, the planned development of wind projects in South Dakota, the marketing of electricity from the solar parks is only limited to the area of the dominant Texas grid operator ERCOT.

In siting solar project development in Texas, Energiekontor is shifting its development focus to the central and eastern areas of the state, closer to the populous areas and load zones where irradiance levels are still among the strongest in the US and well above those in Germany. Locating projects closer to these load zones and commercial hubs reduces the risk of curtailment and negative pricing impacts associated with congestion. The inability of transmission infrastructure within ERCOT to transport this excess power across the state to the load zones results in lower energy prices for generators further west.

Wind energy in France

With the “Loi relative à la transition énergétique pour la croissance verte”, the French energy transition law, or LTE for short, passed in August 2015, France set ambitious targets for the expansion of renewable energies. By the year 2050, the country is to be largely CO₂-neutral. The implementation of this target in concrete milestones, for example for the expansion of renewable energies in the electricity and heat sector, the increase of energy efficiency or the reduction of the consumption of fossil energy sources, is carried out in a five-year rhythm via two complementary planning and monitoring instruments: the national decarbonisation strategy (Stratégie nationale bas-carbone, SNBC) and the multi-year programme planning for energy (Programmation pluriannuelle de l'énergie, PPE). The SNBC sets an individual CO₂ budget for each of the greenhouse gas emitting sectors. The PPE summarises the adjustments to the French energy supply necessary to meet these targets in a uniform strategy and defines the concrete energy mix for the respective planning period.

With the Energy and Climate Change Act, which was passed in November 2019, a new 2035 target was enshrined in law. To achieve the updated target, the closure of 12–14 of the total of 58 currently operating nuclear reactors is planned in the next few years. The goal is to reduce the share of nuclear power in the electricity mix to 50 percent by 2035.

New presidential elections are due in France in 2022. New reactor construction is still being considered, but commissioning before 2035 is not envisaged, apart from the third reactor of the Flamanville power plant (European Pressurised Water Reactor), which is already under construction. EDF is mandated to clearly quantify the possible need for new reactors and the associated costs by 2021 in order to enable an open-ended and transparent debate. Since the energy transition law passed in 2015 basically limits the nuclear power plant fleet in France to the total installed capacity of 63.2 GW in 2015, new capacity can in any case only be commissioned to the extent that existing capacity is shut down.

At the same time, however, the aim is to continue to double the installed capacity of renewable energy plants from 20 percent (in 2018) to 40 percent in 2028.

The market research institute Harris Interactive conducted a new survey on the acceptance of wind energy in France on behalf of the French wind association FEE in 2020. The study states that 76 percent of the respondents have a positive perception of wind farms. The same percentage is found among residents who live near a wind farm. Only 6 percent of the respondents had a very bad image of wind farms.

Specifically, the installed capacity of onshore wind turbines is to be expanded to 24.1 GW in 2023 and to 33.2 to 34.7 GW in 2028. This would lead to an increase in wind farms from 8,000 wind turbines at the end of 2018 to around 14,500 wind turbines in 2028.

In February 2020, the statistical department of the Ministry of Ecological and Solidarity Change (MTES) published the figures for the fourth quarter of 2020 on the expansion of wind energy in France. According to this, the total installed capacity as of 31 December 2020 was 17.616 GW (+1105 MW) compared to the previous year.

Successful implementation of France's ambitious goals will largely depend on how the government and the authorities manage to simplify the current challenges within the administrative regulations. Furthermore, the associated decentralised implementation of the projects will largely depend on how the market actors succeed in communicating the opportunities and necessity of the centrally set targets in the PPE document at the local and regional level within the population and the municipalities and in ensuring that all political bodies and the population pull together.

In 2020, the central elections of all mayors and the restructuring of the "Communauté de Communes – CdCs" were successfully completed, delayed by Corona. In recent years, the ongoing restructuring of the regional administration has led to the municipalities becoming increasingly responsible for their own budget planning and recently being confronted with severe state budget cuts.

Our cross-sectoral strategy of electricity production efficiency through the application of the latest technological developments (high wind turbines of the latest generation/ the latest module technologies and higher area efficiency in terms of installed capacity per hectare) is perceived positively by the municipalities and "administrative municipalities" – Communauté de Communes- and regions, as this can result in higher tax revenues for all through our projects.

Energiekontor has also stepped up its activities in France. We are developing our solar activities around the Toulouse site in the south of the country. We are coordinating the development of onshore wind farms in the Normandy region from our office in Rouen on the northwest coast of France. While the coastal locations have excellent wind conditions of more than 8 m/s, the global radiation values of 1,300 to 1,700 kWh/m² annually in the south of the country are far above the average in Germany.

We have also made very good progress in the past financial year despite Corona in the acquisition of suitable land for both solar and wind projects and have expanded our promising pipeline in both areas. Grid studies have already been prepared, environmental studies have been started and the submission of the first building applications is planned for the end of 2021. Energiekontor expects to be able to realise solar projects first and wind projects at a later date; however, the solar and wind projects will not be "financially close" before 2023.

Solar energy in France

France has seen an increase of approx. 0.82 GW in 2020 to the current installed PV capacity of just under 10.387 GW. In the medium term, capacities are to be at least doubled. By 2023, the capacity for electricity from photovoltaics in France is to be expanded to 20.1 GW and to 35.1 to 44 GW in 2028.

The remuneration for electricity from ground-mounted systems with a size of 500 kWp to 30 MWp has been carried out via tenders in France since 2016. The decisive factor for the development of the French photovoltaic market will be how much nuclear power plant capacities are actually reduced in the following years.

Due to the lowest achievable electricity price, the expansion of ground-mounted installations in particular is to be stepped up. In order to support this expansion, the annual tender volume for ground-mounted projects was increased to 2 GW per year, with 2 tender cycles of 1 GW per year planned. In order to achieve these very ambitious goals, the government has announced the following measures to accelerate the expansion of renewable energy in addition to increasing the tendering volume:

- Simplification of administrative processes to shorten the long project development time.
- Continue to support the “investissement participatif”/ “crowd-funding” platform to involve citizens and communities in the value creation of renewable projects.
- Compared to today, increasingly larger ground-mounted systems are to be developed more strongly in the future

However, the aforementioned low addition rate in 2020 as well as the results of the ninth tender period PV 4.9 of 2 February 2021 for the category “Family 1” – ground-mounted projects 5 MWp to 30 MWp, acceptance rate 59 percent – continue to underline the lack of speed in the expansion of renewable energies.

In order to achieve the anchored solar targets for 2023, the annual expansion rates would have to be tripled.

This will only be possible if the political acceptance of new land and the construction of larger photovoltaic projects grows. In our target region of Occitania, we noticed a change in mentality among the Chambers of Agriculture in the course of 2020, which now seem to have found the

measure and interest to develop projects on set-aside agricultural land in synergy and not in opposition with us. The future new regulations – expected decrease in European agricultural subsidies – of the Common Agricultural Policy (CAP) reform effective from 1. January 2023 may also have played a role in this.

Our pioneering approach, our vision of 100 percent renewable energy and our ambition to develop cost-effective, subsidy-free PPA projects based on larger projects (25 MWp on average) that are competitive with the price of gas have met with a high level of local acceptance and understanding, particularly in view of the announcement in 2020 by the Ministry for the Ecological Transition of a retroactive reduction in the 2006–2010 photovoltaic feed-in tariffs. As a regionally anchored developer on the ground and actively in harmony and close contact with our stakeholders (elected representatives of the municipalities, associations and regional influencers), Energiekontor France SAS has been able to continue to build trust in 2020. Grid studies have already been carried out, environmental studies are planned for the end of 2021, including in the solar sector.

PPA in France

Renewable energy PPAs are admittedly a very recent phenomenon in France. The first green PPAs were concluded here in 2019. In May 2020, the wind association FEE spoke of projects with a total volume of around 500 MW that are currently financed via PPAs. According to FEE, this volume could grow to 1 GW by mid-2021. The association, alongside other players, has been working on the development of standardised contractual frameworks for the implementation of corporate PPAs. According to an analysis by Enervis, wind turbines with an installed capacity of 79 MW, and PV plants with an installed capacity of 158 MW were

financed via PPAs in France in 2019. France represented the sixth largest market for PPAs in Europe this year, with Spain and Italy leading the way. Enervis' updated study indicates that 392 MW of PV capacity was financed through PPAs in 2020 (France is the third largest market in 2020).

In January 2019, the average monthly spot price on the wholesale market in France was EUR 60/MWh. In January 2020, it was just below EUR 40/MWh. Usually, the price fluctuates in a range between EUR 30 and 45/MWh. In the course of the year, the price level showed a recovery, and in December 2020 the wholesale price then rose again to just under EUR 50/MWh.

It is expected that open space with project sizes (> 50 MW) will gradually develop subsidy-free projects on a PPA/CPPA basis, which will change the average size of the parks upwards.

Financing large PV parks could become attractive again in the future – at the end of 2020, it was announced that Engie and Neoen want to build one on an area of 1,000 ha in the sunny region of New Aquitaine in south-western France. The park would thus be the largest in the country. The fact that such large-scale ground-mounted PV projects exceed the maximum size specified in the current specifications for PV tenders many times over could also increase the attractiveness of PPAs in this area.

Energiekontor recognised this trend at an early stage and has secured corresponding larger project areas on an ongoing basis since 2019, developing them from the outset in compliance with high quality requirements to ensure cost efficiency.

Business performance by segment

a) Project planning and sales (wind, solar)

The development in project planning and the sale of wind and solar parks essentially went according to plan in 2020, even though there were some delays and the Beckum wind farm could not be put into operation until the end of the year. While the ongoing projects were continuously developed and important milestones were reached in the process, sales activities were limited to a manageable number of projects.

In addition to the Waldfeucht wind farm (13.5 MW), whose commissioning was delayed from 2019 to 2020 due to weather conditions, the Beckum repowering project (9 MW) and the existing Heinsberg wind farm (7.2 MW) were also sold in the past financial year.

In addition, four solar parks with a cumulative output of around 21.5 MW were sold to investors. One of these is located in Brandenburg (Karstädt) and the other three in Bavaria (Absberg, Gefrees and Höttingen).

Overall, Energiekontor made great progress in the expansion and development of the project pipeline. Despite Corona and the associated contact restrictions, the pipeline was expanded more than ever before. This applies both to the established markets of Germany and the UK (with a focus on Scotland) and to the newer markets of France and the USA. Overall, the project pipeline has now been increased to approx. 6,000 MW.

Although it is difficult to highlight individual areas in particular, the development of the Scottish pipeline should receive special attention. With the sale of the first Scottish wind farm project in March 2021, Energiekontor has reached a

very important milestone. Further success stories are on the horizon. By the end of the 2020 financial year, the Scottish pipeline had grown to more than 2,000 MW and approvals had been received for eight wind projects with a combined total of more than 200 MW. In addition, there are also two planning permissions for projects in England and Wales. In 2021, the first projects will receive their financing. However, due to the sluggish grid expansion in Scotland, we do not expect the first wind farm to be realised until the 2022 financial year. In the following years, wind farm projects are then expected to be continuously built.

In Portugal, the activities of the Energiekontor Group are mainly limited to the management of existing plants.

Financial close was reached in the past year for seven wind farms and one solar park with a total capacity of around 90 MW. Most of these projects will be commissioned at the end of 2021 or in 2022.

Energiekontor was awarded a total of 117.5 MW (101.6 MW in the wind sector and 15.9 MW in the solar sector) in the tenders issued by the Federal Network Agency in 2020.

Energiekontor was able to announce another important success in May: We concluded a long-term PPA (power purchase agreement) with the French electricity supplier ENGIE for a 41.5 MW solar park planned by Energiekontor. We were able to conclude another PPA with Welsh Water for a 4.5 MW wind farm project. Due to the significant drop in electricity prices as a result of the economic downturn and the resulting low electricity consumption, we did not conclude further PPAs as originally planned for 2020. As soon as electricity prices start to rise again due to an economic recovery, we expect to conclude corresponding contracts in the near future. We concluded the most recent PPA with EnBW again in February 2021.

Energiekontor is currently in the process of selling project rights for two solar projects under development to investors in the USA, in order to gain initial experience in this market and generate first revenues. This is the first stage in our three-stage process of developing the US market, which we are applying here, as it is particularly important for us that all risks in the course of the project remain manageable and controllable. First, therefore, we want to gain initial experience in the USA in connection with the sale of these project rights. In the second stage, the projects will then be taken to financial close. Only then is it planned to construct projects as usual on a turnkey basis.

In the USA, moderate project progress was made in 2020. Initially, the focus is somewhat more on the development of solar projects, as these can be implemented more quickly. The first project sales are expected to take place here soon.

Project development in the US wind sector takes a longer time and we therefore do not expect any resulting earnings here until 2023/2024 at the earliest, while the solar sector is expected to contribute to earnings in the current financial year if the rights to one or two solar projects are sold to investors.

Due to its geography, France is an attractive location for both wind and solar projects, but at the same time it is also very challenging terrain. On the one hand, the supposedly cheap nuclear power continues to play a very dominant role and contributes to the partly still existing negative attitude towards renewable energies. Also, in France, landscape protection in particular is causing very strong resistance to wind power. Citizens' initiatives and lawyers and associations specialising in this regularly take action against planned projects, thus ensuring very long project durations. But the demand for electricity from renewable sources is enormous. Not only has France committed itself to the

expansion of renewable energies. The fact that most heating in France is done with electricity, and thus the demand is correspondingly high, also speaks for this market.

Therefore, negotiations with landowners about rights of use are being pursued with the support of freelancers. The region in the northwest of the country has been identified for the development of wind projects and the southwest for solar projects. Toulouse was chosen as the first office location for Energiekontor's solar activities in France, while an office in Rouen coordinates the wind activities. Both offices were very successful in acquiring suitable land in the past financial year. However, the first earnings contributions from the solar segment are not expected until 2023 or 2024 at the earliest in the wind segment.

b) Power generation in the Group's own wind farms

The own portfolio was moderately reduced by the sale of the Heinsberg wind farm in the 2020 financial year. Several projects suitable for the own portfolio will be completed and commissioned on schedule in 2021. In this respect, a significant expansion of the own portfolio is to be expected in the 2021 financial year. In accordance with the Company's growth strategy, 50 percent of the completed projects are to be sold and the other 50 percent are to be transferred to the Company's own portfolio, whereby the 50 percent mentioned in each case does not refer to the MW figures realised, but to the profit/margin contribution of the projects. The 50/50 ratio must also be considered over a multi-year period, as the wind and solar projects are not divided equally during realisation. Therefore, there may well be deviations from the 50/50 ratio in relation to a single financial year.

In addition, the focus continued to be on measures to optimise the own portfolio by reducing costs and increasing earnings, such as:

- Repowering: Energiekontor intends to successively replace the old turbines with new, more powerful wind turbines at all wind farms where there is a possibility of doing so, thus simultaneously extending the service life at these sites.
- Increasing yields through technical innovation: This includes measures such as optimising leaf aerodynamics or plant controls.
- Optimising operating costs: For this purpose, the plant management has introduced an efficiency improvement programme that aims to reduce the electricity production costs per kilowatt hour generated through a series of measures.
- Lifetime extension: The lifetimes of existing plants are to be economically and technically secured beyond the state-guaranteed funding period by means of suitable lease and loan agreements as well as the extension of stability assessments.
- Refinancing and loan repayment: By refinancing existing wind farms, liabilities are to be reduced and the interest burden in the electricity generation segment from Group-owned wind farms reduced.

While wind yields had developed favourably overall for Energiekontor in the first half of 2020, wind yields were unusually low in the third quarter and also slightly below average in the fourth quarter. Overall, wind yields in the Group in 2020 were slightly below their long-term averages with a

rate of 94 percent. While we were around 8 percent below the long-term average in Germany and just under 3 percent in the UK, the deviation in Portugal was even significantly lower at just under 12 percent. Due to the still low own capacities in the solar sector, the good solar radiation did not lead to any significant increases in earnings in the reporting period.

The total output of the Group's own portfolio is just under 280 MW.

c) Operational development, innovation and other

Due to the sale of wind and solar parks, income from ongoing operations management has risen continuously in recent years. Efficient market monitoring and the resulting conclusion of contracts for direct electricity marketing within the framework of the EEG remuneration have contributed to the further improvement of the revenue situation. Almost the entire German wind farm portfolio was placed with renowned direct electricity marketers. Energiekontor continued to achieve attractive marketing conditions here.

In the course of the tendering procedure and the resulting fall in prices for electricity from renewable energies, direct power purchase agreements (PPAs) between the producer and the end user are also becoming increasingly interesting in Germany. Energiekontor is holding talks with interested large-scale buyers on this topic and was able to report further PPAs in 2020 and early 2021.

In the area of optimising the operation of wind farms, further measures were developed and tested in the 2020 financial year. These include measures to improve turbine controls and wind tracking as well as the reduction of downtimes by converting all wind farms to permanent live data monitoring

with an automated fault clearance workflow. More efficient maintenance and repair concepts with the aim of being able to continue to operate wind farms economically even after the expiry of the EEG compensation are also part of these measures.

Overall statement

The operating business went largely according to plan in the past 2020 financial year, even though there were some delays and the Beckum wind farm could only be commissioned at the end of the year – and thus significantly later than originally planned.

The annual results (EBT) of Energiekontor AG and the Group were fully in line with the forecast made at the beginning of the financial year and repeated in the course of the year.

Due to the sales of the Waldfeucht, Heinsberg and Beckum wind farms, as well as the sales of the Karstädt, Absberg, Gefrees and Höttingen solar farms, project revenues increased significantly in the past financial year compared to the previous year.

Yields in the “electricity generation in Group-owned wind and solar parks” segment were below their long-term averages, with a rate of 94 percent of those expected, and varied quite considerably in the individual countries in which Energiekontor operates wind and solar parks. In Germany, wind yields were around 8 percent, in the UK just under 3 percent and in Portugal just under 12 percent below the long-term average. Due to the still low level of own capacity in the solar sector, the good solar radiation in the reporting period did not lead to any significant increases in earnings.

Overall, however, earnings in this segment only declined moderately if one excludes the repayment of a remuneration received in 2018 from the UK, which had come about due to an external billing error.

The segment EBT in the “Operational Development, Innovation and Other” segment was fully in line with expectations and the forecast.

The goals of Energiekontor AG and the Group as well as the operating divisions and profit centres were thus fully achieved.

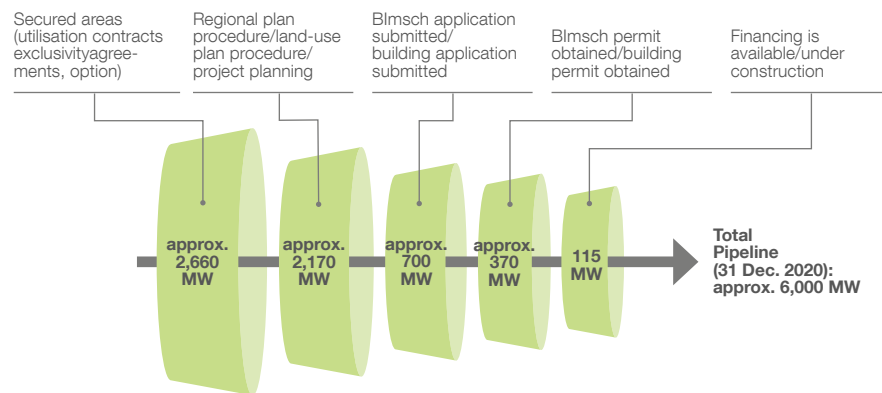
The total pipeline of projects in various stages of development continued to grow to a total of over 6,000 MW by the end of 2020 due to the very successful acquisition activities in Germany and the UK, but also in the new country markets of France and the USA. This forms the basis for the successful continuation of the Company’s positive development in the following years.

Staff

As of 31 December 2020, a total of 165 permanent employees (previous year 160) worked for the Energiekontor Group. In addition, there were 28 temporary staff, students and interns (previous year 18). The Company also employs 26 freelancers (previous year 31). The number of employees has thus increased slightly compared to the previous year. The employees are mainly engineers, economists and administrative specialists. The subsidiaries in Great Britain, Portugal, France and the USA employ only local staff who are familiar with the requirements of doing business locally and also have knowledge of German customs. In addition to a monthly fixed salary, the majority of employees receive a performance-related bonus. This is intended to support motivation and identification with the Company.

The Management Board and Supervisory Board would like to thank all employees for their extraordinary commitment and high motivation.

Development of the project pipeline 31.12.2020 (without USA)



Regional distribution

Germany:.....	3,240 MW
Great Britain:.....	2,280 MW
France:.....	490 MW
(USA:.....)	800 MW
Wind:.....	4,650 MW
Solar:.....	1,350 MW

In comparison: 31 Dec. 2019

Wind:.....	3,600 MW
Solar:.....	600 MW
Total:.....	4,200 MW

Earnings position, financial position and assets position of the Group

Earnings situation of the Group

The 2020 financial year was positive for the Energiekontor Group and essentially went according to plan. With the realisation of the Waldfeucht and Beckum Repowering wind farms, the sale of these wind farms plus the Heinsberg wind farm, as well as the realisation of financial close for seven wind projects and the granting of building permits for four wind projects, important milestones have been reached. The solar sector realised and sold four solar parks as planned and reached financial close and obtained planning permission for another solar project. No wind or solar parks were taken over into the Company's own portfolio in the reporting year, but significant additions are planned for the following year. In Germany and abroad, there is also a wide range of potential that was newly developed in the financial year, for the successful future development of results. The Group shows the following positive results:

in TEUR	2020	2019
Consolidated net earnings	20,425	244
plus tax expense	10,808	526
EBT	31,233	770
plus financial result	14,765	15,532
EBIT	45,998	16,302
plus depreciation and amortisation	19,384	22,551
EBITDA	65,382	38,853

For the pro forma figures shown above and used in this report (EBIT, EBITDA, etc.), see note on page 164.

As a result of the successful realisations already described, there is a clearly positive EBT for the financial year in the "Project Planning and Sales (Wind, Solar)" segment of TEUR 18,373 (previous year TEUR -9,925).

In the "Electricity generation in Group-owned wind/solar parks" segment, EBT for the financial year remains at the previous year's level. While the wind yields with a rate of 94 percent are slightly below their long-term average values, the segment result is negatively affected in the financial year in particular by the necessary crediting of one-off special remuneration reported in the United Kingdom in 2018. On the other hand, the extended depreciation period for technical property, plant and equipment had a positive effect. A corresponding adjustment was necessary here due to the regular review of the useful lives used. On balance, these influencing factors lead to a similar result as in the previous year, but remain below expectations.

The EBT in the segment "Operational Development, Innovation and Other" decreases to TEUR 2,425 (previous year TEUR 2,935).

Group sales increased to TEUR 146,614 (previous year TEUR 63,700) due to the successful project processes in the wind and solar sectors. The consolidated sales of the financial year is made up of sales of the segments "Project planning and sales (wind, solar)" amounting to TEUR 89,719 (previous year TEUR 5,642), "Electricity generation in Group-owned wind/solar parks" amounting to TEUR 53,210 (previous year TEUR 54,175) and "Operational development, innovation and other" amounting to TEUR 3,685 (previous year TEUR 3,884).

The "Project planning and sales (wind, solar)" segment includes revenues from the sale of wind and solar parks as well as revenues from services in connection with economic planning as well as contractual and legal processing, project management, management in the start-up phase, sales and advertising measures and the procurement of equity and external funds for the wind and solar park operating companies amounting to TEUR 89,719 (previous year TEUR 5,642).

In the segment "electricity generation in the Group's own wind/solar parks", sales decreased to TEUR 53,210 (previous year TEUR 54,175) compared to the previous year. Earnings from the operation of the Group's own wind farms in Great Britain are only moderately below expectations, while a below-average wind year was recorded in Germany and Portugal.

Revenue in the "Operational Development, Innovation and Other" segment, especially from operational management services, amounted to TEUR 3,685 (previous year TEUR 3,884).

The item changes in inventories and other own work capitalised totalling TEUR 18,451 (previous year TEUR 32,708) results from the balance of the increase in inventories of wind farm projects under construction with the reversal of expenses capitalised in the previous year as a result of the realisation of wind farms and the increased inventories as a result of the further intensified acquisition and planning activities.

Other operating income, determined by the reversal of provisions, particularly in connection with the construction of wind farms, is lower than in the previous year.

in TEUR	2020	2019
Dissolution of provisions	1,760	2,966
Income from currency conversions (balance)	807	0
Miscellaneous other operating income	595	868
Subsidies	95	104
Damages/Insurance reimbursements	25	48
Other operating income	3,283	3,986

At TEUR 67,504, the cost of materials and purchased services increased due to the increased construction activities in the reporting year (previous year TEUR 30,501).

Personnel expenses increased to TEUR 17,494 (previous year TEUR 14,679) due to the increased number of employees as well as higher salaries and performance-related profit-sharing.

in TEUR	2020	2019
Salaries	15,285	12,526
Social security contributions and expenses	2,208	2,152
Personnel expenses	17,494	14,679

The reported depreciation and amortisation of property, plant and equipment and intangible assets of TEUR 19,384 (previous year TEUR 22,551) relates on the one hand to the scheduled depreciation and amortisation of the Group's own wind farms and solar parks, but also includes the depreciation and amortisation of the rights of use to be capitalised in accordance with IFRS 16 since the 2019 financial year.

in TEUR	2020	2019
Depreciation on wind/solar parks and technical equipment	16,663	19,680
Depreciation on land and buildings	2,184	2,535
Depreciation on operating and office equipment	225	240
Amortisation of intangible assets	311	96
Depreciation	19,384	22,551

The reduced depreciation on property, plant and equipment compared to the previous year is mainly the result of extended depreciation periods for technical equipment, which had to be adjusted accordingly due to the regular inspection. Depreciation for rights of use to land and buildings amounted to TEUR 2,184 for rights of use to other equipment, operating and office equipment TEUR 164 and to intangible assets TEUR 277.

Repair and maintenance costs for the Group's own wind and solar parks, sales costs in connection with the bond issue, expenses from currency translation as well as legal and consulting costs mainly lead to other operating expenses of TEUR 17,968 (previous year TEUR 16,362).

Due to the application of IFRS 16, only variable lease payments are reported under other operating expenses.

in TEUR	2020	2019
Repairs and maintenance of wind/solar parks	9,070	7,085
Legal, tax, audit and other consultancy fees, litigation costs	1,947	1,536
Administrative costs	1,923	1,667
Fees, charges, contributions	1,400	1,348
Project-related expenses (incl. planning, travel expenses, etc.)	891	1,080
Advertising costs and distribution expenses	744	650
Lease payments for wind/solar parks	644	600
Insurances	641	648
Electricity purchase Wind power plants/solar plants	530	560
Miscellaneous other operating expenses	131	80
Occupancy costs	49	57
Expenses from currency translation (balance)	0	1,052
Other operating expenses	17,968	16,362

Interest income fell in the reporting year to a total of TEUR 34 (previous year TEUR 61). Due to the interest expenses for the long-term financing of the Group's own wind and solar parks, the construction period interest for the wind and solar parks erected in the financial year, the costs for the utilisation of working capital loans and the bond capital as well as the interest to be recognised due to the application of IFRS 16, interest expenses amount to a total of TEUR 14,799 (previous year TEUR 15,593). The other interest expenses also include the accrued interest

to be recognised in accordance with IFRS for the liabilities from rights of use in the amount of TEUR –784 (previous year TEUR –1,286).

in TEUR	2020	2019
Total interest and other income	34	61
Interest expenses to banks for capes loans	4,386	5,523
Interest expense for bond capital	5,339	4,808
Finance expenses for other borrowed capital (non-Group limited partner shareholders)	109	278
Other interest expenses	4,964	4,985
Interest expenses	14,799	15,593
Interest result	–14,765	–15,532
Financial result	–14,765	–15,532

Financial position of the Group

Building on the guiding principle of financial stability and sustainable growth, the Energiekontor Group's financial management continues to be based on the efficient and sustainable use of available financial resources, taking into account expected developments in the industry.

The financial policy of the Energiekontor Group will thus continue to follow the proven strategy of the past financial years. The permanently successful acquisition of corporate bonds has succeeded in creating an important basis for the further growth of the group of companies, irrespective of the credit policy of the banks.

In the reporting year, Energiekontor AG successfully issued the corporate bond 2020 in the amount of TEUR 15,000. Scheduled repayments of EUR 8,957 thousand were made to bondholders in the financial year. All scheduled repayments due in the reporting year were repaid in full.

Credit lines with banks exist in the amount of TEUR 23,000 (previous year TEUR 23,000) as part of the short-term use of working capital for interim financing of wind farm and solar park projects.

As at the balance sheet date, the Group had credit lines, including long-term commitments, totalling TEUR 220,589 (previous year TEUR 193,182) at its disposal, of which a total of TEUR 153,542 (previous year TEUR 155,638) had been utilised.

Long-term bank financing, which mainly relates to the financing of investments in the Group's own wind and solar parks, amounted to TEUR 80,848 (previous year TEUR 106,924) at the end of the financial year.

Cash and cash equivalents increased to TEUR 79,457 (previous year TEUR 66,989) as of the balance sheet date. Other securities are marginal and total TEUR 36 (previous year TEUR 36).

Liabilities to banks decreased slightly to TEUR 136,090 as of the balance sheet date (previous year TEUR 137,783). In the reporting year, as in previous years, the loan liabilities of project companies were repaid as scheduled.

in TEUR	2020	2019
Non-current liabilities to banks	80,848	106,924
Current liabilities to banks	55,241	30,858
Liabilities to banks	136,090	137,783

The long-term loan liabilities basically relate to the financing of the investments of the Group's own wind and solar park operating companies from the construction and purchase of wind and solar parks.

The short-term loan liabilities mainly include the financing of wind and solar park operating companies under construction and intended for sale in the short term, working capital loan utilisation for interim financing loans to wind and solar park operating companies as well as accrued interest from the financing of the Group's own wind and solar parks and the repayments on long-term loans due within one year.

Total financial liabilities amount to TEUR 315,276 (previous year TEUR 279,654) and are composed as follows:

in TEUR	2020	2019
Non-current financial liabilities		
Bond capital	101,524	92,267
Non-current liabilities to banks	80,848	106,924
Liabilities from finance leases	20,361	32,578
Other financial liabilities	8,565	7,525
Liabilities to limited partners outside the Group	1,123	1,123
Non-current financial liabilities	212,420	240,417
Current financial liabilities		
Liabilities to banks	55,241	30,858
Liabilities from finance leases	46,615	2,421
Liabilities to limited partners outside the Group	1,000	3,000
Bond capital	0	2,958
Current financial liabilities	102,856	39,237
Total financial liabilities	315,276	279,654

The increase in **total financial liabilities** mainly results from the additions of lease liabilities according to IFRS 16 for the projects that are still under construction.

The **liabilities to non-Group limited partners** shown above under **non-current financial liabilities** relate to the shares of non-Group limited partners (non-controlling interests) in wind farm operating companies which are intended to remain in the Group and which are to be shown as borrowed capital in accordance with IAS 32.

In the area of **current financial liabilities**, there are such **liabilities to limited partners outside the Group** insofar as shares in project companies have already been sold whose wind farms will only be completed and handed over after the balance sheet date.

Financial obligations from external contracts for the construction and solar parks that relate to property, plant and equipment. tangible assets did not exist as at the balance sheet date.

Analysis of the financial position

Other financial liabilities include the negative market values of the interest/currency swaps (cash flow hedges) concluded for long-term debt service hedging in the amount of TEUR –7,687 (previous year TEUR –6,514) as a result of the low capital market interest rates.

Due to the positive business development in the financial year, the **cash flow from operating activities** resulted in a total cash inflow of TEUR 17,880 (previous year TEUR 13,343).

In particular due to the sale of the Heinsberg wind farm, there was a positive **cash flow from investing activities** of TEUR 11,755 (previous year TEUR –4,070).

Cash flow from financing activities remained negative in the financial year at TEUR –17,974 (previous year TEUR –14,523), as in addition to the dividend, high payments were also made for the repurchase of own shares.

Without taking into account the changes in cash and cash equivalents due to exchange rates, the **cash flow** in the financial year was TEUR 11,661 (previous year TEUR –5,249).

Assets position of the Group

Equity increased EUR 65,551 (previous year TEUR 56,200) compared to the previous year due to the successful realisation of projects and thus the consolidated result netted with fair value measurements and expenses within the framework of the share buyback programme. Despite the increased balance sheet total of TEUR 448,988 (previous year TEUR 389,899), the equity ratio increased to 14.6 percent (previous year 14.4 percent).

The international IFRS accounting standards result in various special features compared to German commercial law, which have a negative impact on the Group's equity ratio.

IFRS 16, which is to be applied for the first time in 2019, came into effect with a significant impact, requiring that all discounted lease and rental expenses contractually payable in the future be capitalised as rights of use and recognised as liabilities. This special accounting standard leads to a significant increase in the balance sheet total and a decrease in the equity ratio for the group of companies, which leases numerous areas for the operation of wind and solar parks, without this being caused by economic changes in the group of companies. Please refer to the explanations in the notes to the consolidated financial statements.

For Energiekontor, the focus is on hedging interest rate and currency risks, particularly in relation to the interest and redemption payments of the Group's own wind and solar parks, for economic reasons and thus independently of any balance sheet reporting aspects. In the case of wind farm financing, loans with variable conditions are increasingly being taken out for the purpose of securing long-term conditions, which are already provided with interest rate swaps to secure fixed interest rates when the financing is concluded (cash flow hedges). The IFRS require the artificial separation of the derivative (interest rate swap with fixed interest) from the underlying transaction (financing loan with variable conditions) and the independent accounting of the separated derivative. The derivatives, which without exception are each concluded together with the financing in a closed contract, are each fully effective in the sense of interest rate hedging and thus fully connected, because economically they only serve to convert a variable-rate loan into a synthetic fixed-rate loan. The self-contained financing contracts therefore do not represent liabilities to be recognised under German commercial law, which is known to be very strongly committed to the principles of prudence in the valuation of liabilities, due to the existing valuation units (§ 254 HGB) and would therefore not have to be recognised in a consolidated financial statement according to HGB principles. The IFRS treatment therefore leads to the reporting of a liability that does not exist in real terms in the case of lower capital market interest rates and thus to a lower equity ratio (compared to the HGB). The determination of negative market values from interest rate and currency swaps is based on financial mathematical simulation models of forecast currency and interest rate developments. These negative market values are therefore purely theoretical values for the Energiekontor Group, especially since a sale or realisation of the market values before the scheduled expiry of the fixed

interest rate hedged with the derivatives is out of the question. Insofar as refinancing of loans linked with interest rate swaps takes place, this is always carried out in a fully effective and connected manner. The negative market values of such synthetic fixed-rate loans are comparable in economic terms to early repayment penalties for traditional fixed-rate loans, which are also not accounted for under IFRS. In segment reporting (segment liabilities), these market values are therefore not shown as debt values (management approach), but their balance sheet values are neutralised in the context of deriving the segment net assets.

In addition, the implementation of the likewise controversial IAS 32, according to which limited partnership capital is generally not qualified as equity but as debt capital, has the consequence for the Group that non-controlling interests in both wind farm operating companies intended to remain in the Group in the long term and project companies intended for sale must be accounted for as outside liabilities.

Neutralising these IFRS peculiarities would result in a (notional) equity ratio of 19.5 percent as of the balance sheet date (previous year 18.6 percent).

When considering the equity ratio, in addition to the IFRS peculiarities, an even more significant circumstance must be taken into account, which distorts the ratios compared to the real equity capitalisation of the group. This circumstance consists in the fact that the asset values of the group's own self-produced wind and solar parks, which are considerable in terms of amount, are not accounted for at their fair values, but only at external production costs. In addition to the numerous acquired and not yet realised wind and solar park projects, which are also only accounted for at the costs incurred in the inventories, the tangible assets in the consolidated balance sheet thus contain considerable hidden reserves.

Non-current assets decreased to TEUR 201,337 (previous year TEUR 235,615) mainly as a result of the sale of a German wind farm from the company's own portfolio and scheduled depreciation on property, plant and equipment. They are composed of the listed balance sheet items and are explained below.

in TEUR	2020	2019
Property, plant and equipment	188,806	226,541
Deferred taxes	11,535	8,187
Other intangible assets	887	766
Receivables and other financial assets	83	94
Investments	26	26
Non-current assets	201,337	235,615

The **other intangible assets** relate to software licences for ongoing business operations as well as rights to use software to be capitalised in accordance with IFRS 16.

Property, plant and equipment are recognised at acquisition or production cost less depreciation and, in addition to the complete technical equipment of the wind and solar park operating companies to be consolidated in the reporting year and the operating and office equipment of the office locations in Germany and abroad, also include wind park and compensation land. Furthermore, the rights of use to be capitalised in accordance with IFRS 16 are also included in the **tangible assets**.

No new wind farms or solar parks were capitalised as property, plant and equipment in the reporting year. Disposals of property, plant and equipment amounting to TEUR 11,048 (previous year TEUR 140) resulted in the reporting year in particular from the sale of a German wind farm from the company's own portfolio.

Taking into account the scheduled depreciation in the reporting period of TEUR 16,663 (previous year TEUR 19,680), the balance sheet item "Technical equipment" of the wind and solar park operating companies thus amounts to TEUR 166,908 (previous year TEUR 192,407). The provisions for dismantling and renaturation included in the balance sheet item increase as planned due to compounding and expected cost increases in the reporting year and are included in the aforementioned additions.

Within non-current **receivables and financial assets**, non-controlling interests in third parties are reported under **receivables from associated companies**. **Other non-current assets** as at the balance sheet date mainly consist of security deposits and prepaid expenses in the amount of TEUR 54 (previous year TEUR 65).

Deferred tax assets in the group amount to TEUR 11,535 (previous year TEUR 8,187) and are explained in detail in the notes to the consolidated financial statements. Deferred tax liabilities of TEUR 4,782 (previous year TEUR 5,646), which can be offset in accordance with IAS 12, were offset.

Current assets less cash and cash equivalents and other securities already explained in the financial position section amount to TEUR 168,158 (previous year TEUR 87,259).

The **inventories** of TEUR 144,642 (previous year TEUR 71,189) shown here are capitalised services of construction projects in progress, in accordance with IFRS 16, as well as planning services for projects to be realised, in particular also advance costs for the planning activities in Germany, Great Britain, the USA and France.

Current receivables and other financial assets increased from TEUR 15,377 to TEUR 23,283 in the reporting year.

Income tax receivables (current) in the amount of TEUR 233 (previous year TEUR 693) relate to trade tax and corporate income tax refunds.

Non-current liabilities amount to TEUR 244,935 (previous year TEUR 270,083). In addition to the total non-current financial liabilities already explained in the financial situation report and the deferred tax liabilities, provisions for the dismantling and renaturation of the Group's own wind farm operating companies are included here.

in TEUR	2020	2019
Financial liabilities	212,420	240,417
Other accrued liabilities	18,305	16,100
Deferred taxes	11,422	10,554
Other liabilities	2,787	3,012
Non-current liabilities	244,935	270,083

The provisions for the costs of dismantling the Group's own wind farms and solar parks and the renaturation of the wind farm areas, which are reported at present values, developed as follows:

in TEUR	2020	2019
Provisions for dismantling and renaturation 1 Jan.	16,100	14,859
Additions in the current year due to accrued interest	449	436
Additions present value (change in production costs, interest rate)	577	559
Additions related to completion/acquisition	0	255
Additions/disposals of present value (change in production costs, dismantling costs)	1,180	-9
Provisions for restoration and renaturation 31 Dec.	18,305	16,100

Provisions and trade payables, especially in connection with the construction of the wind and solar parks 16, other liabilities and tax liabilities plus the financial liabilities already presented in the financial position result in current liabilities totalling TEUR 138,502 (previous year TEUR 63,616).

The **tax provisions** are formed for expected trade and corporation tax back payments for past taxation periods.

The **other provisions** are composed as follows:

in TEUR	2020	2019
Project-related provisions	7,638	5,281
Personnel-related provisions	3,734	2,136
Provisions litigation	135	135
Legal, tax and other advice	725	670
Other provisions	1,247	953
Other provisions	13,478	9,175

Current **trade payables** decreased from TEUR 9,785 in the previous year to TEUR 5,323 in the current year.

Other liabilities relate to current tax liabilities for sales, payroll and church taxes as well as other liabilities.

Earnings position, financial position and assets position of Energiekontor AG

The following explanations refer to the asset, financial and earnings situation of Energiekontor AG. Otherwise, the statements on the situation of the Group apply analogously.

Key figures for Energiekontor AG:

in TEUR	2020	2019
Sales in TEUR	35,788	20,050
EBT (Earnings before taxes) in TEUR	31,064	9,072
EBIT (EBT plus financial result) in TEUR	32,632	3,569
EBITDA (EBIT plus depreciation of fixed assets) in TEUR	32,670	3,603
Net profit for the year in TEUR	21,566	6,703
Equity in TEUR	109,442	98,331
Balance sheet total in TEUR	217,599	181,467
Equity ratio in %	50.3	54.2

* For the pro forma figures (EBIT, EBITDA, etc.) shown above and used in this report, see notes on page 164.

Earnings position of Energiekontor AG

In the past financial year Energiekontor AG generated positive earnings before taxes (EBT) of TEUR 31,064 (previous year TEUR 9,072)

Earnings before interest and taxes (EBIT) and earnings before interest, taxes, depreciation and amortisation (EBITDA) developed as follows:

in TEUR	2020	2019
Net profit for the year	21,566	6,703
plus income taxes	9,498	2,369
EBT	31,064	9,072
less/plus financial result	1,568	-5,503
EBIT	32,632	3,569
plus depreciation on fixed assets	38	34
EBITDA	32,670	3,603

The total output of TEUR 35,834 (previous year TEUR 22,575) and operating output of TEUR 42,418 (previous year TEUR 23,331) result primarily from the successful realisation of two and the sale of three wind projects and the realisation and sale of four solar projects in Germany, from the granting of building permits for four wind projects and one solar project in Germany, as well as the realisation of the financial close for seven wind projects and one solar project in Germany. The operating performance includes sales, changes in inventories and other operating income.

in TEUR	2020	2019
Sales	35,788	20,050
Changes in inventories	46	2,525
Total output	35,834	22,575
Other operating income	6,584	756
Total operating output	42,418	23,331

As a result of the increased project realisation, sales increased to EUR35,788, compared to the previous year (TEUR 20,050).

Acquisition and planning activities, netted with inventory releases as a result of project realisations, increase inventories on balance by TEUR 46 (previous year TEUR 2,525).

Other operating income increased to TEUR6,584 (previous year TEUR 756), in particular due to income from reversals of impairment losses on shares in subsidiaries. These reversals are due to the regular impairment tests.

in TEUR	2020	2019
Income from reversals of impairment losses on financial assets (write-ups)	5,924	0
Income from currency conversion	467	390
Other operating income	166	222
Insurance compensation	25	48
Reversal of provisions	1	96
Other operating income	6,584	756

The planning and acquisition activities for the predominantly domestic wind power projects as well as expenses in the reporting year from the sale of a wind project from the fixed assets and commissions within the framework of commission transactions lead to purchased services for planning activities and project preparation costs as well as other costs in the amount of TEUR 10,863 (previous year TEUR 5,190, which are to be reported under cost of materials).

Personnel expenses increased to TEUR 14,300 (previous year TEUR 11,747) due to the increased number of employees as well as higher salaries and performance-based profit-sharing in the financial year.

Other operating expenses mainly include general administrative costs, legal and consulting costs as well as distribution costs and increased to TEUR5,357 in the financial year (previous year TEUR 4,432).

in TEUR	2020	2019
Administration and other costs	1,790	1,365
Legal and consulting fees	1,679	1,230
Occupancy costs	551	583
Expenses from exchange rate differences	466	244
Distribution costs	346	573
Insurances, fees, contributions	307	183
Project-related expenses	199	118
Employee travel expenses	19	136
Other operating expenses	5,357	4,432

In the year under review, Energiekontor AG received income from profit and loss transfer agreements of affiliated companies from Energiekontor Infrastruktur- und Anlagen GmbH in the amount of TEUR 20,772 (previous year TEUR 1,641).

Depreciation in the year under review consists of depreciation tangible assets in the amount of TEUR 38 (previous year TEUR 34).

The interest result of TEUR -1,023 (previous year TEUR -559) is still negative and results primarily from interest expenses for the for the raising of the bond capital and the granting of loans from companies belonging to the group. The interest income results primarily from loans granted to group to operating companies belonging to the Group.

The financial result developed as follows:

in TEUR	2020	2019
Income from other securities and loans held as financial assets	1,406	1,486
of which from affiliated companies	1,406	1,471
Other interest and similar income	154	201
of which from affiliated companies	150	153
Interest and similar expenses	-2,583	-2,247
thereof to affiliated companies	-1,473	-1,308
Interest income	-1,023	-559
Income from participations	0	7,000
of which from affiliated companies	0	7,000
Depreciation on financial assets	-544	-938
Financial result	-1,568	5,503

No income from participations is reported in the financial result in the financial year (previous year TEUR 7,000), as no profit allocations were made by Group companies in the financial year.

In the reporting year, write-downs on financial assets amounting to TEUR 544 (previous year TEUR 938) were made as a result of value adjustments on shares in subsidiaries.

These value adjustments, like the write-ups, are due to the regular impairment tests.

Financial position of Energiekontor AG

In accordance with the comments on the Energiekontor Group the financial management of Energiekontor AG continues to be based on the efficient and sustainable use of existing financial resources and liquidity reserves, particularly in view of the expected developments in the industry. For the bank-independent financing of wind farm projects, there are corporate bonds totalling TEUR 24,000 (previous year TEUR 15,000), the composition of which can be seen in the notes to the Company's financial statements.

Cash and cash equivalents and securities amount to TEUR 43,959 as of the balance sheet date (previous year TEUR 31,750). Only a minor amount is shown under the item securities as of the balance sheet date. In the reporting year as in the previous year, no bank balances are netted with short-term bank liabilities that are collateralised with these balances.

in TEUR	2020	2019
Bank balances, cash on hand	43,955	31,747
Securities	3	3
Liquid assets and securities	43,959	31,750

Asset position of Energiekontor AG

In the year under review, the positive net income, netted with the dividend payment and the payments for share buybacks, resulted in equity of TEUR 109,442 (previous year TEUR 98,331).

Equity developed as follows during the reporting period:

in TEUR	2020	2019
Equity on 1 Jan	98,331	101,275
Net profit for the year	21,566	6,703
Dividend for previous year	-5,720	-5,784
Payments for share buybacks	-4,734	-4,965
Payments through share option programmes into the capital reserve	0	1,002
Increase in share capital	0	100
Equity as at 12/31	109,442	98,331

Equity is made up of the following components as at the balance sheet date:

in TEUR	2020	2019
Issued capital nominal	14,197	14,366
Capital reserve	42,240	42,240
Statutory revenue reserve	15	15
Other retained earnings	31,273	34,960
Balance sheet profit	21,716	6,750
Equity as at 31 Dec	109,442	98,331

With an increased balance sheet total in the business year, the equity ratio of 50.3 percent is slightly below the previous year's level (previous year 54.2 percent).

Fixed assets mainly include financial assets and increased in the reporting year to TEUR 108,658 (previous year TEUR 100,461), in particular as a result of write-ups on shares in subsidiaries and increased loans to affiliated companies.

in TEUR	31 Dec. 2020	31 Dec. 2019
Intangible assets	1	1
Property, plant and equipment	116	121
Financial assets		
Shares in affiliated companies	72,051	66,988
Loans to affiliated companies	36,435	33,296
Investments	55	55
Fixed assets	108,658	100,461

Shares in affiliated companies increased, as already explained, because of reversals of impairment losses in domestic and foreign wind and solar park operating and planning companies. Loans to affiliated companies relate to financial and capital receivables from domestic wind and solar park operating companies, from the foreign planning and construction companies and from German investment companies. They are mainly interest-bearing; the non-interest-bearing portion is recognised at present value.

Current assets increased to TEUR 108,941 (previous year TEUR 81,006) with unchanged inventories due to increased cash and cash equivalents as well as increased receivables from affiliated companies.

in TEUR	31 Dec. 2020	31 Dec. 2019
Inventories	19,517	19,471
Receivables and other assets		
Accounts receivable trade	1,213	334
Receivables from affiliated companies	43,751	28,712
Other assets	445	713
Securities	3	3
Liquid funds (bank balances)	43,955	31,747
Accruals and deferrals	56	25
Current assets	108,941	81,006

Inventories include capitalised planning services for projects to be realised. projects to be realised, in particular the project-related project-related pre-production costs for the wind power and solar activities.

The trade receivables listed under receivables and other assets include and other assets include receivables from the sale of and other assets include receivables from the sale of from the sale of wind and solar park operating companies, from services in connection with the foundation and the sale of wind and solar parks as well as receivables from planning services from planning services, for accounting and intragroup receivables for the provision of receivables for the provision of personnel.

The other assets in the amount of of TEUR 445 (previous year TEUR 713) are mainly tax and loan receivables. tax and loan receivables.

Other project-related provisions, provisions for legal, consulting and personnel costs, especially for holidays, overtime and performance-related profit-sharing, tax provisions and provisions for minor business transactions result in total provisions of TEUR 16,214 (previous year TEUR 4,188).

Liabilities increased compared to the previous year to TEUR 76,852 (previous year TEUR 62,443).

in TEUR	31 Dec. 2020	31 Dec. 2019
Bonds	24,000	15,000
Liabilities to banks	250	0
Trade payables	756	1,192
Liabilities to affiliated companies	49,458	45,630
Other liabilities	2,387	620
Liabilities	76,852	62,443

Liabilities from bonds increased to TEUR 24,000 (previous year TEUR 15,000) while trade payables decreased slightly to TEUR 756 (previous year TEUR 1,192). Liabilities to affiliated companies, which consist in particular of trade payables as well as loan and clearing accounts, increase to TEUR 49,458 (previous year TEUR 45,630). Other liabilities amounting to TEUR 2,387 (previous year TEUR 620) mainly include liabilities from sales and payroll taxes as well as liabilities from bond interest, which are not yet due. interest on bonds, which are only payable in the following year. only be paid in the following year.

OPPORTUNITY AND RISK REPORT

Opportunities for Energiekontor AG

Entrepreneurial activity is always associated with risks. Consciously taking risks for the benefit of entrepreneurial success is unavoidable and sensible. Energiekontor AG deals systematically with all risks and opportunities, pursuing the goal of identifying and managing risks in a controlled and conscious manner on the one hand, and exploiting opportunities as they arise on the other. Energiekontor AG's opportunity management system is thus closely aligned with the risk management system. In opportunity management, those opportunities are considered that are relevant and realisable but have not yet been incorporated into a plan.

The following are examples of opportunities for Energiekontor AG that arise on the one hand from the sector-specific markets and on the other hand from the Company's strategic positioning.

Market environment

Energiekontor AG operates in markets that are essentially determined by natural limits (scarcity of resources, environmental pollution) and political decisions (conservation of resources and the environment). Due to the increasing international consensus regarding necessary climate targets, a growth market has developed that is increasingly moving from a regulated market to a free competitive market.

Energiekontor entered these markets earlier than most of its competitors and is now an established player in the industry. The Company has established itself in politically stable countries such as Germany, the UK and Portugal and has gained many years of experience with specialised

local teams. With the recently added markets of France and the USA, Energiekontor is tapping into attractive growth potential.

In almost all countries, the prices for the remuneration of electricity from wind and solar parks are now determined via auctions and tendering procedures, which ensures more competition and demands flexibility. Competition for land for the construction of wind farms and photovoltaic plants is thus increasingly overlaid by competition for the lowest electricity production costs.

This presents an opportunity for Energiekontor in several respects. On the one hand, the Company has always pursued the goal of reducing the costs of generating electricity from wind and solar farms, including through efficiency measures, to such an extent that they are lower than those of conventional energy sources, in order to help renewable energies achieve a breakthrough on their way to 100 percent full supply. At the same time, this means a considerable competitive advantage in a market environment that continues to be challenging. On the other hand, Energiekontor has years of experience in countries such as Portugal and the UK in successfully participating in tenders and concluding power purchase agreements, which will play an increasingly important role in the future. Finally, it is to be expected that smaller project developers will increasingly cooperate with larger companies such as Energiekontor AG.

Strategic orientation

In addition to successful project development, Energiekontor AG's strategy of expanding its own portfolio of wind farms and solar parks while permanently optimising value creation offers the opportunity to maintain personnel and infrastructural capacities even in times of a more difficult market environment for project development thanks to the stable cash flow from its own portfolio and thus to achieve a high degree of independence from economic influences and changes in the regulatory market environment.

The geographical distribution of the wind farms and, in the future, also the solar farms in the Company's own portfolio across several different countries also means a natural diversification in terms of yields. This reduces the cluster risk in the event of a bad wind or solar year at a geographically limited location.

With the expansion of activities in France and the USA, Energiekontor has the opportunity to further expand this diversification and to enter attractive markets that still offer considerable scope for development due to their potential.

The expansion of the long-standing activities in Great Britain to Scotland means a special potential insofar as the wind conditions there are extraordinarily good and the projects are relatively large. As Energiekontor has already secured more than 2 GW of land in Scotland, there is an opportunity to grow disproportionately in this region and to generate high and sustainable returns in the coming years.

With the increasing expansion of solar activities at home and abroad, the diversification of the Company will be further advanced and promising opportunities will also arise from this.

Contractual partner/financing

In the UK in particular, Energiekontor has been concluding power purchase agreements (PPAs) directly with industrial electricity consumers for years. In the USA, PPAs with energy suppliers are also the usual way to sell electricity from renewable energies. Talks about this type of electricity marketing are also increasing in Germany. It can be assumed that PPAs will become increasingly widespread and will also be used more and more in the photovoltaic sector. Energiekontor's experience in drawing up and negotiating these PPAs represents a clear competitive advantage.

Since it was founded over 30 years ago, Energiekontor has not only firmly established itself in the country markets and focus regions, but has also built up trusting relationships with suppliers, banks and investors. As financing plays a central role in the project business before, during and after the construction of wind and solar parks, Energiekontor has acquired a certain flexibility in this respect and thus an edge over other competitors. The various financing options for projects include the opportunity to be able to implement projects successfully even under greater competitive pressure.

Risks of Energiekontor AG

Energiekontor AG has drawn up a detailed risk management system which provides detailed procedures for internal reporting and controlling. Risk management serves to secure the Company's goals, its success and to reduce risk costs. In order to achieve optimal corporate management and to meet legal and regulatory requirements, the Management Board has a risk management system that is appropriate for the size of the Company. Systematically addressing potential opportunities and risks and dealing with them in a risk-conscious manner is a central expression of our efforts to secure and shape the future in a dynamic market environment. The risk management system is adapted to the changing framework conditions and is subject to continuous further development to ensure that external factors, such as changes in the law, are considered in addition to internal changes.

Risks and impacts of the Corona pandemic

After the first cases of illness due to the coronavirus (SARS-CoV-2) became known in China in December 2019, the virus spread worldwide from March 2020. In Germany, protective measures were adopted by the governments at federal and state level to slow down the spread, which had a massive impact on public life and thus also on economic activities. In the summer half-year of 2020, the spread in Germany and Europe could be pushed back so far that many people believed that the pandemic was essentially over. In autumn 2020, the number of infected people and the death toll rose again worldwide, so that in many countries more "lockdown" regulations came into force again, which massively affected economic life.

Despite a number of vaccines that have been developed in the meantime and are now being vaccinated, it is not possible at present to forecast how long the Corona pandemic will affect public and economic life.

Governments and central banks have adopted a series of economic stimulus measures that have mitigated the recession. Nevertheless, there are individual industries that are suffering and have suffered massively from the restrictions. Renewable energies, however, are not one of them.

The Corona pandemic has changed the assessment of some risks somewhat. There could be not insignificant delays in project development. This could be the case in approval procedures and lending, as well as due to interrupted international supply chains and restrictions on travel for central suppliers and construction companies. The effects are likely to be smaller in the Own Parks and Operations Management segments, but even here effects cannot be ruled out if existing plants could not be repaired and restored promptly by maintenance companies in the event of shutdowns.

Function and tasks of risk management

The risk management system with regard to material risks and risks to the Company as a going concern is embedded in the Energiekontor Group's value-oriented management and planning system. It is an integral part of the entire planning, control and reporting process in the legal units, business segments and Group-wide functions. The risk management system is designed to systematically and continuously identify, assess, control, monitor and document significant risks and risks to the Company as a going concern in order to ensure that the Company's goals are achieved and to increase risk awareness within the Company.

Within the framework of operational planning, risks and opportunities are identified and assessed for a planning period of typically two years, considering the respective current legal situation. In addition, risks and opportunities related to a longer-term period are also identified and assessed in the discussions on the derivation of medium-term and strategic goals within the framework of strategic planning. In addition to reporting at specific points in time and in relation to the periods described, risk and opportunity management is established as a continuous task in the Group. As described in the chapter "Organisation of risk management at Energiekontor AG", the identified risks are regularly reported to the Management Board and Supervisory Board in a systematic cascade of information

Risks are assessed on the basis of the probability of occurrence and the possible extent of the risk according to the levels low, medium or high. The probability of occurrence is not taken into account. When assessing the extent, the effect is always considered in relation to the EBT.

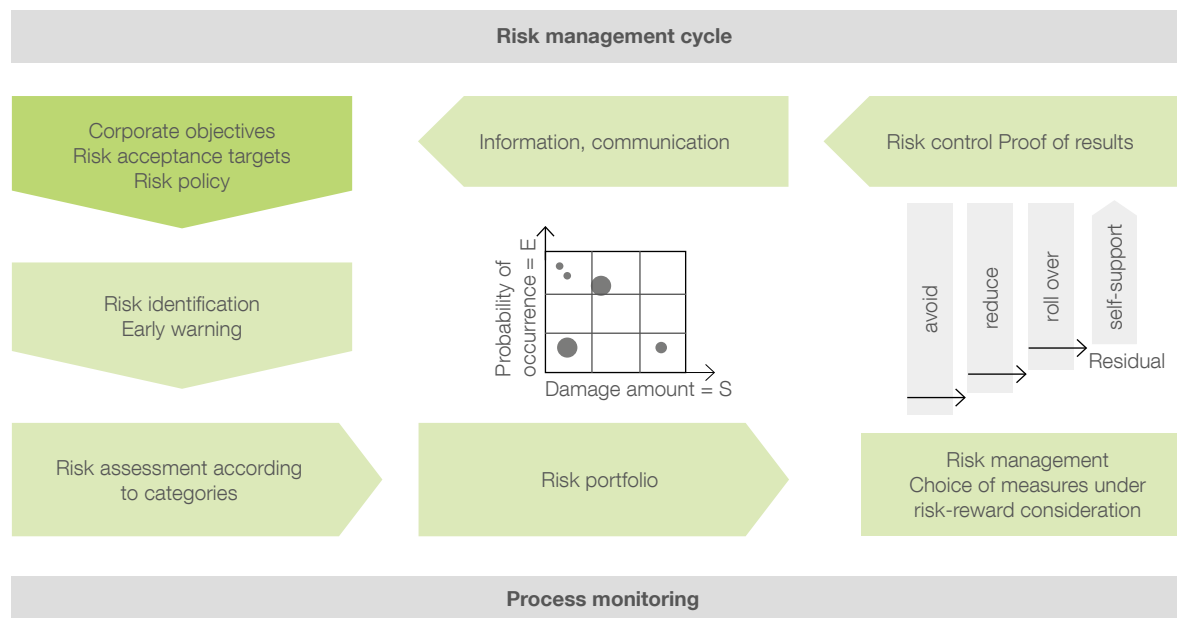
Risk management process

Basically, the four phases of risk identification, risk assessment, risk management and risk control can be distinguished, accompanied by a risk policy and process monitoring. Ideally, this process can be depicted according to the following diagram.

The starting point of risk management is the formulation of a Company-specific risk policy. This risk policy takes into account the idea of security in the Company by defining the principles for dealing with risks – but also with opportunities – and specifies, both at the divisional level and at the level of the Company as a whole, the ratio of opportunities and risks that may be entered into and the maximum risk levels that should be accepted.

In order to ensure a uniform understanding of risk within the framework of its operating activities, the Energiekontor Group has defined the following principles for dealing with risks as part of its risk policy:

- opportunities and risks are openly communicated,
- Risks are regularly analysed and assessed
- Risks are reduced as far as economically feasible through appropriate measures
- Transactions that pose an immediate threat to the Company's existence must be avoided at all costs.



The risk identification phase includes the collection of current and future (potential and latent) risks. It is thus the most important step in risk management, because its result is decisive for the activities that take place in all subsequent process steps. Instruments that can be used to identify risks include analyses (Company analysis, environment analysis) and forecasts, as well as early warning. In addition to early detection of hidden risks, the latter also involves locating latent opportunities and ensuring that appropriate measures are taken to manage risks and opportunities. It can be operational – on the basis of key figures, projections and indicators – as well as strategic – on the basis of “weak signals”.

Risk identification at Energiekontor takes place at various organisational levels as part of an interlocking process. Risks are identified and assessed in regular or ad hoc meetings and workshops, primarily on the basis of regular analyses of the environment, market and competition. At least once a year, a risk portfolio is created as part of the risk analysis and risk assessment, in which the identified risks are evaluated and visualised according to probability of

occurrence and (potential) amount of damage. The aim is to filter out the central risks that could threaten the existence of the Company and to take appropriate measures to avoid them or reduce the probability of their occurrence.

Within the framework of risk management, possibilities must then be found that allow a reaction to the identified and evaluated risk spectrum and at the same time are in line with the defined risk policy. Through different strategies and measures, active attempts should be made to improve the relationship between opportunities and risks and to adapt the risk strategy to the overall corporate strategy. In principle, a Company can choose from four different control options: Avoidance with simultaneous renunciation of business, reduction, passing on the risk, e.g. to an insurance Company, or bearing the risk oneself.

At Energiekontor, the focus of risk management is primarily on:

- risk reduction and compensation measures (e.g. development of Plan B measures or specific programmes of measures),
- (EEG/CfD measures) to reduce regulatory risks),
- Measures to pass on risk to third parties (e.g. by taking out insurance or involving external liability partners).
- and the avoidance of risks that could jeopardise the Company's existence.

Particularly with regard to the latter point, internal risk guidelines play a central role in order to primarily exclude or largely minimise potential financial and liability risks resulting from the Company's own actions from the outset.

The purpose of risk control is to ensure that the actual risk situation of the enterprise corresponds to the planned risk profile situation. To support the control, it is necessary to have a reporting system in the Company that shows the risk situation, depicts the risks over time and enables an overall view. In order to avoid redundancies in this respect and not to establish parallel processes and structures in the Company, risk reporting and risk control at Energiekontor have been integrated as far as possible into the existing controlling and reporting system.

The process is accompanied by risk communication within the Company, which ensures the timely forwarding of relevant information to those responsible and strengthens risk awareness within the Company.

Accounting and risk management

Risk management also plays a certain role in the area of accounting, even though accounting processes are not an explicit part of the risk management system. With regard to the accounting process, the internal control system (ICS) should ensure complete, correct and timely transmission and processing of information. The aim is to avoid material misstatements in accounting and external reporting when preparing the financial statements of Energiekontor AG, the management report, the consolidated financial statements and the Group management report. A key feature of the ICS within the Energiekontor Group is the decentralised organisation of the accounting system. Efficient structures have been set up for business-critical procedures and core processes in all legally independent units that are relevant in terms of size. Taking into account available resources and aspects of efficiency and effectiveness, the Management Board ensures the greatest possible separation of execution, approval and control functions.

Group accounting supports all domestic and foreign companies in the entire group accounting process. In cooperation with the accounting department and the auditor, it is ensured that – especially in the case of changes – the requirements for external reporting are fully met with regard to the type and scope of disclosure requirements. Relevant accounting and valuation regulations as well as the presentation of specific circumstances are used as a basis for the preparation of annual and half-year financial statements.

The individual financial statements of Energiekontor AG and its subsidiaries are prepared locally in compliance with the respective national regulations and reconciled to IFRS-compliant financial statements. For control and management purposes, the reporting data from the financial statements are analysed centrally at Energiekontor AG and compared with the information from corporate planning and internal reporting during the year to determine the extent to which forecast key figures and ratios have been achieved.

The opportunity and risk assessment as well as the risk development, the investment budget, the development of the number of employees, the progress of major development projects, the extent of assets pledged as collateral and the compliance with key figures are also monitored. Consolidation, including documentation and analysis of the reporting data, is carried out using standard commercial software. In the case of unusual or complex circumstances, there are also specially developed spreadsheet solutions.

In order to meet the strict requirements, the management pays attention to compliance with necessary documentation obligations. Changes from underlying transactions resulting from ordinary business dealings are monitored on an ongoing basis. Various control mechanisms are used, such as observance of the dual control principle, the use of checklists, a dual signature rule for obligatory correspondence, a staggered approval system for ordering transactions, the

obligation to obtain comparative offers before placing orders with suppliers, an authorisation concept that regulates access rights to individual IT systems and system transactions as well as electronic storage media.

Process-independent monitoring measures are carried out by the Supervisory Board.

The development of individual risks that have a significant influence on the financial statements is regularly reported in writing and in discussions. These include, among others, the valuation of provisions and contingent liabilities, the recoverability of fixed assets and inventories, the assessment of doubtful debts, capital management and the cost development of current orders. Reports on the current financial planning, the utilisation of credit and guarantee lines and open positions are submitted to the Management Board on a monthly basis. Deviations are commented on and followed up.

The knowledge gained from financial reporting is incorporated into the annually prepared planning, considering the risk strategy of the Management Board and other significant influencing factors. The employees involved in the accounting process receive targeted training, e.g. in the form of regular training courses and workshops. This ensures that they meet the growing professional demands on a permanent basis. This includes, for example, the support and processing of special issues in tax matters, credit assessments and the determination of fair values of derivative financial instruments.

The entirety of all measures initiated by the Management Board is aimed at ensuring coordinated, proper and timely preparation and auditing of the financial statements, as well as reducing the opportunities for dishonest actions. Despite continuous further development of the accounting-related internal control and risk management system, it cannot be ruled out that material misstatements are made in the financial reporting.

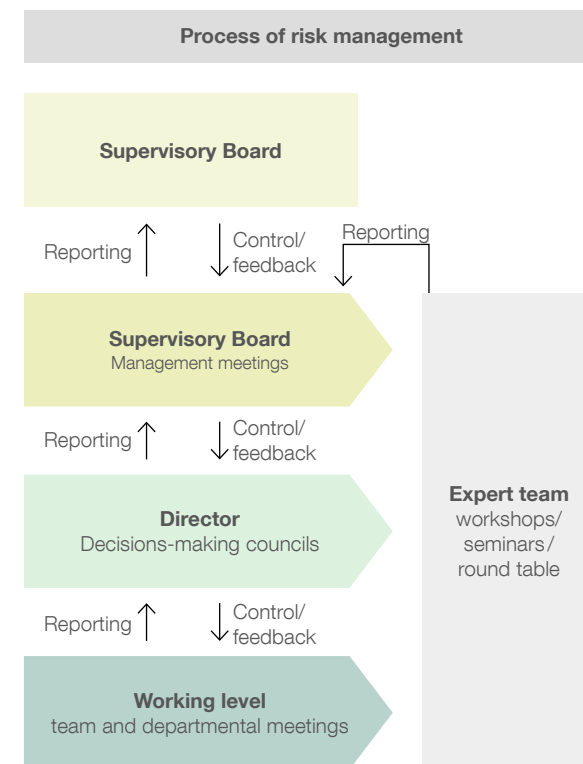
Organisation of risk management at Energiekontor AG

Risk management at Energiekontor AG is integrated as far as possible into the existing operational and organisational structure in order to avoid redundancies and parallel organisational, decision-making and reporting structures and to ensure that the central business risks are regularly dealt with by the management bodies. In this respect, the implementation of a separate risk organisation consisting of risk officers, risk coordinators and separate risk committees was dispensed with. In addition, a large proportion of the risks are project- and/or region-specific risks that are mainly dealt with on a decentralised basis in the individual departments and divisions, which is why the implicit risk management organisation in place at Energiekontor has proven to be an efficient organisational model in the past.

Overall, risk management is integrated into the Company's routine work processes. Reporting runs as a bottom-up structure from the staff level to the highest decision-making bodies.

Possible risks are already identified at the working level of the individual project groups and discussed in the weekly meetings, the team and department meetings and the

decision-making council meetings. If necessary, measures for dealing with the respective risks, which may already be regulated in internal guidelines and directives, are decided upon there. If necessary, questions regarding risk handling are submitted to the Management Board or the Supervisory Board. In the case of fundamental and cross-divisional issues, working groups of internal experts are also formed to work out solutions to specific questions in regular meetings or workshops as required.



Category	Probability	Extent
Regulatory framework	high	high
Market position	medium	high
Return of funds	medium/low	high
Distribution	very low	high
Suppliers	high/medium	high
Organisation	high/medium	high/medium
Acquisition	high/medium	high/medium
Wind generation/sunshine	medium	high/medium
Interest/currency	medium	high/medium
Funding	medium	medium
Complaints	medium	medium
Contracts	very low	medium
Project planning	high/medium	medium/low
Reporting	low	medium/low
Growth	medium	low
Technology	medium/low	low
Buyback	low	low

The risks from all groups can be equally high, but their economic effects and their ability to be influenced differ. There are opportunities to deal constructively with drastic changes, especially if they are recognised at an early stage and appropriate measures are taken to control the risks. For this reason, corresponding indicators are recorded and evaluated in the Energiekontor Group’s reporting. By maintaining intensive contact with associations, banks, manufacturers and customers, risks can be identified at an early stage and market-oriented alternatives developed.

The risks are subsequently divided into strategic and operational risks and within these categories into different groups.

Strategic risks

Risks of regulatory framework conditions

The economic viability of a project continues to depend decisively on the remuneration of the electricity fed into the grid. Across Europe, there is a clear tendency to bring renewable energies closer to the competitive conditions of the electricity market by changing the framework conditions accordingly. In Germany, remuneration is regulated by the Act on the Priority of Renewable Energies or Renewable Energy Sources Act (EEG), which has been fundamentally revised in recent years. The current EEG (2021) was last updated in August/December 2020. A central aspect of the current EEG was the reformulation of the targets: For example, the share of electricity generated from renewable energies in gross electricity consumption is to increase to 65 percent in 2030 and, in addition, all electricity generated or consumed in the territory of the Federal Republic of Germany, including the German exclusive economic zone (federal territory), is to be generated in a greenhouse gas-neutral manner before the year 2050.

While the tender system for onshore wind was introduced in Germany in 2017, the first tender for photovoltaic plants in Germany already took place at the beginning of 2015. The prices for electricity from wind and solar parks fell very significantly with the introduction of the tendering systems for both technologies. Since August 2018, prices have recovered significantly, especially for onshore wind, and have remained at a relatively high level since then. This is due to the fact that market participants have adjusted to the fact that too few projects were registered for the respective auction dates and that project developers could expect to receive awards close to the maximum remuneration rate applicable in each case (in 2020 6.20 ct/kWh; in 2021 6.00 ct/kWh).

In 2021, projects with a total capacity of 1.85 GW can be awarded in the tenders for solar energy; for onshore wind energy, the tendered volume is 4.5 GW. In addition, a total of 500 MW will be put out to tender in two cross-technology tenders.

In Portugal, Great Britain and France, there are legal regulations regarding the remuneration of wind and solar power. In the UK, there has been no tendering model since 2015. The Energiekontor Group had therefore prepared to base its calculations for wind energy projects in the UK on market prices and to concentrate on particularly windy locations. The economic viability of the projects is guaranteed by direct power purchase agreements with major industrial partners (PPAs). Should the UK re-establish a tendering model, as announced by the British government, it could be that projects in Scotland will become even more economical.

In the USA, too, PPAs form the basis for the economic viability of wind and solar parks. If such a PPA is not concluded or not concluded in time, delays and also defaults in project realisation can occur.

When choosing the new country markets, Energiekontor looked for political stability and a good credit rating. In principle, however, the laws in these countries can also be changed retroactively or overruled. A further risk that cannot be ruled out is that project approvals are delayed by authorities for political reasons. The earnings and result risk is reduced by the international diversification of the Energiekontor Group and cooperation with experts. In the future, the significance of government influence through regulatory decisions will also decrease significantly. After Energiekontor has already built the first subsidy-free wind farm in

England, the planned first subsidy-free solar farm in Germany is proof that such large projects can also be realised in Germany without EEG subsidies. Energiekontor will also grow in all other country markets with the help of PPAs and thus make itself independent of state regulatory decisions.

Market position risks

Energiekontor AG is confronted with strong competitors in its core markets of Germany and the UK, as well as in the new markets of the USA and France, some of which have competitive advantages in certain business areas due to their size and resources. As no new wind or solar projects are currently being pursued in Portugal, the market position here only plays a subordinate role.

There is particularly strong competition with regard to the acquisition of attractive locations and in the procurement of wind turbines. This competitive situation can cause unreasonable price increases, severely shortage existing resources or lead to wrong decisions in the Company due to high time pressure. In addition, the market environment can deteriorate fundamentally due to suboptimal communication or, in extreme cases, the bankruptcy of competitors and an associated loss of reputation for the industry. Investors could decide against planned investments in the renewable energy sector due to individual problem cases. By creating various unique selling points, such as the sustainable Energiekontor business model or the development of cost efficiency measures, as well as diversifying its business to wind and solar and to several country markets, the Energiekontor Group has established a good competitive position. Nevertheless, there is a risk that Energiekontor AG may not correctly assess the market situation in new markets such as the USA or France and that the planned market entry may not take place at the pace or to the extent planned by the management.

Growth risk

The growth risk is related to the two risks mentioned above. Energiekontor has set itself clear goals for the medium-term growth of the Company as a whole. Due to delays in the approval process or changes in the regulatory environment and any protectionist measures, such as import duties in the UK (keyword Brexit) or the USA, it may not be possible to realise the targeted growth.

Risks from the repayment of bond financings

In total, the Energiekontor Group has raised around EUR 102 million from private investors through the issue of bonds or bearer bonds in recent years after deducting the shares already repaid. The most recent repayment related to the 2015 corporate bond with a volume of EUR 6 million, which was made on 31 December 2020. In February 2021, the full placement of the step-up bond 2020 with a volume of EUR 15.1 million took place.

There is a risk that the repayment of tranches will fall due at times when the liquidity situation of the Group does not permit repayment and further debt financing is not possible. In addition, there is also the risk that the market interest rate level at the repayment dates makes any necessary follow-up financing considerably more difficult and delays it. It may only be possible to implement such refinancing with considerable risk premiums. Delays could also result, for example, from delays in the approval procedures for planned technical optimisation and repowering measures for the wind farms financed with bond funds, which in turn could have temporal and economic repercussions on the ability to refinance these wind farms. If bond funds cannot be repaid on time, this could lead to lawsuits and legal disputes with investors and, in the most extreme case, to a blockage of the flow of funds in the Company. Under certain circumstances, this could make it necessary to use existing liquidity reserves of Energiekontor AG and/or to sell

wind farms in the portfolio in order to make the necessary funds available for bond repayments on time. However, early terminations by the bondholders before the contractual expiry of the bond terms are not possible under the Articles of Association, which is why unscheduled repayments, emergency sales required for this and similar scenarios are ruled out. All internal programmes of measures as well as short- and long-term liquidity planning are geared towards ensuring the full and timely repayment of the bonds on the basis of the contractually fixed maturity dates in a timely and regulated environment.

To date, all bonds issued by the Energiekontor Group have been serviced in full and on time with interest and repayment. Likewise, all due bonds and profit participation certificates have always been repaid to the creditors in full and as agreed.

Sales risks

In principle, the sale of wind energy or solar projects or the placement of bonds may be delayed or prove impossible altogether. The market prices and production costs for approved projects may diverge, so that the sale of wind farms may no longer make economic sense for the Company. As a result of more difficult refinancing by investors, delays in the project processes can occur which impair the cash flow of the Energiekontor Group and thus jeopardise the implementation of new projects. Against this background, various sales channels have been established in recent years.

Organisational risks

The lack of staff availability or qualification can be a bottleneck to business performance. There is a risk that staff cannot be recruited in a timely manner due to existing market shortages. This could result in cost risks because additional external experts and consultants have to be commissioned to provide services. To minimise wrong decisions

or time delays, highly qualified staff is an essential prerequisite. At the same time, the personnel structure should help to ensure that there is sufficient potential for innovation and creativity within the Company. The personnel structure of the Energiekontor Group is therefore based on a balanced mix of long-standing and new employees.

The current Corona epidemic shows that there is also a fundamental risk that the ability to work of (some of) the employees could be impaired over a longer period of time. Energiekontor reduces this risk on the one hand through its decentralised organisational structure and on the other hand through (hygienic precautionary) measures that greatly reduce the risk of infection for individual employees. In addition, the technical prerequisites have been created so that employees can also work on the move, e.g. from home (home office workplaces), which is currently also used by the vast majority of employees. In addition, face-to-face meetings were replaced by video conferences at a very early stage.

Risks from reporting

Due to incorrect calculations, reports or forecasts, assessments may have been made that cannot be fulfilled in the future. Expectations could be raised that cannot be achieved. This could lead to disappointment among shareholders and a resulting decline in share prices. The Energiekontor Group's many years of experience put this risk into perspective.

Repurchase risks

In principle, Energiekontor AG's investment offers are designed for a term of 20 years. In deviation from this, the Company has already offered the limited partners of various wind farm operating companies the repurchase of their shareholding after a term of five or ten years when they join the Company. The repurchase prices, which were carefully calculated when the offer was made, guarantee the

repurchase of the shares or the entire business operations at economic conditions for Energiekontor AG. Since the end of 2007, these optional repurchase obligations can be exercised successively and effectively. If limited partners decide to sell, individual or all limited partner shares are to be taken over in their entirety or in tranches or the entire business operations of the respective wind farm operating companies are to be taken over at a defined purchase price.

One risk is that the calculated repurchase price at the time of redemption does not correspond to the actual market value at that time and that value adjustments must therefore be made. Another risk could result from unfavourable capital market developments, which could have a negative impact on the conditions (interest rate, term) of the repurchase financing. Furthermore, if buybacks have to be carried out at a time when the banks are restrictive in granting the necessary borrowed funds, this could lead to legal risks as well as financial bottlenecks for the Energiekontor Group.

To minimise these risks, all buybacks are systematically planned, and alternative financing solutions are developed at an early stage. In addition, the projects are matched by corresponding values that secure financing in the future.

Operational risks

Environmental risks

Acquisition risks

The planned development of the Company depends decisively on the acquisition of new potential wind and solar park areas, but also on the development/acquisition of new projects for the Group's own portfolio. Due to the strong competition for land and the associated possible above-average lease demands, the economic framework conditions for future projects could deteriorate significantly. This could have a negative impact on the planned development of the Company.

Interest rate and currency risks

Interest rate and currency movements on the international markets affect the credit conditions for new projects and could impair profitability. In order to counter the interest rate risk, Energiekontor AG sometimes uses appropriate interest rate hedging instruments within the project financing, particularly for the foreign projects, which enable reliable planning in the long term and compensate for fluctuations. Currency risks exist exclusively in connection with project development and realisation in Great Britain and, in the future, the USA. To minimise currency risks, project-related contracts in the UK are usually concluded in pounds. In addition, hedging against currency risks is usually carried out when loans are granted.

Financing risks

Due to the situation on the financial markets in particular, the financing of wind and solar park projects can generally be delayed or refused altogether. Increasing risk margins of the banks and the associated high financing costs can jeopardise the economic viability of approved projects and thus their implementation. Delays or threats to project financing may result from possible increased security requirements by banks, trends towards syndicated financing, bank demands for shorter credit periods and higher equity ratios, or other as yet unforeseeable changes in financing practice. Against the background of the economic contraction due to the Corona epidemic, an insolvency of a credit partner cannot be completely ruled out. If banks become insolvent or fundamentally change their business policy, this could have an impact on disbursements, loans (e.g. working capital loans) or their conditions and thus on liquidity.

In order to counter these risks, various banks have already been used for project financing in the past. In doing so, mainly smaller or medium-sized institutions were considered, which on the one hand have sufficient liquidity and on the other hand have a lower international exposure. In

addition, the Energiekontor Group tries to reduce its dependence on banks for short, medium and long-term project financing by issuing bonds and bearer bonds.

Litigation risks

Risks from wind and solar radiation

Whereas the site-specific wind yield is the decisive factor for the profit situation of a wind farm, the solar irradiation dominates the profit situation for solar farms. In addition to the well-known seasonal fluctuations, these can also occur over the years. Annual fluctuations of up to 30 percent have occurred in the past. It cannot be ruled out that the profitability of a project will deteriorate in the long term due to several years with little wind or sun or unexpectedly weak wind or sun at the start of operation. This risk is particularly relevant to the Group's own wind and solar parks segment. Lower yields due to weak wind and sunny years have a direct impact on the revenue and earnings situation in the Group. This in turn results in a specific risk for Energiekontor AG, as lower income from the Group's own wind and solar parks could have a negative impact on the ability of these affiliated companies to repay the long-term loans granted by Energiekontor AG and result in a corresponding need for value adjustments. In the case of new projects, the risk of low wind or solar radiation is countered by appropriate safety margins and worst-case scenarios, so that the repayment of the loans is not jeopardised even in years with less wind or sunshine.

Risks of lawsuits

In principle, there is a risk in all phases of project planning that lawsuits/appeals can lead to delays or the failure of approvals. This cannot be ruled out even if permits have already been granted or wind or solar parks have already

been built. It is conceivable that wind farms or solar parks would have to be dismantled in the event of faulty planning/ approvals or that downtimes and reductions in operation could subsequently result due to official regulations. In order to counter these risks, Energiekontor projects are planned with the appropriate care and with renowned, experienced partners. Lawsuits by bondholders cannot be ruled out in the context of the bond issues either. This risk is countered by a high level of internal control and cooperation with external experts.

Contract and planning risks

Contractual regulations are a central component in the project planning of wind and solar parks. Contracts are concluded both in the course of project planning, e.g. with plant manufacturers or land owners, and with investors or institutional investors. Risks lie on the one hand in faulty contracts, and on the other hand in the fundamental litigation risk, even with impeccable contractual regulations. To avoid mistakes, experienced experts are involved in all phases of project planning. In addition, significant risks are excluded or at least reduced through appropriate insurance policies.

Risks from project planning and time delays

In principle, there is an inherent risk of time delays in all planning projects, which can have a negative impact on the economic viability of the projects. Time delays can occur in all project phases. Most unforeseeable events take place in the approval process or in the construction phase. In addition, there is also the risk of projects being cancelled altogether, e.g. because permits are refused or revoked, or because economic implementation is not possible due to changes in parameters. These risks are countered by targeted land acquisition in suitable areas, a geographically diversified project pipeline, professional project management and optimised contract and claim management.

Supplier risks

The central input parameters for project planning and its profitability are the prices and delivery times for the wind power and solar plants. Both parameters have developed positively in recent years compared to previous years (shorter delivery times, falling system purchase prices). In the last two years, however, there has been a stabilisation of the price level and an extension of delivery times, especially for wind turbines. It cannot be ruled out that the conditions will deteriorate further in the future and that this will again increase the economic pressure on project profitability. Long delivery times, price increases and competition for scarce erection equipment could worsen the economic viability, which in turn could result in a postponement of project realisation. In order to ensure that the projects can be planned economically, these risks are countered by concluding contracts with all project partners involved at an early stage and by strict project management. The supplier structure is also changing in the course of the consolidating wind energy sector. The Energiekontor Group counters this risk by not committing itself to any single manufacturer, but instead draws on a broad base of different manufacturers depending on the specific project conditions. Delays caused by the loss of suppliers are countered by access to subcontractors. Nevertheless, it cannot be ruled out that longer construction phases could occur in the course of consolidation. Currently, it does not look like the Corona pandemic will have a massive impact on suppliers.

Technical risks

Despite testing and measurement of the wind turbines, their technical maturity and perfect functioning is not always guaranteed. There is a risk that wind turbines may not be able to comply with the contractually guaranteed characteristics such as performance curves, availabilities or sound

power levels. Efforts are made to counter this risk by selecting wind turbines from various renowned manufacturers and concluding corresponding warranty and maintenance contracts. Contractual penalties and liability clauses are also agreed. In addition, appropriate safety discounts are made in the planning to minimise these risks. In a weakened form, these risks can also occur in solar projects. These risks are also countered with the measures described above.

Overall risk

The overall assessment of the current risk and opportunity situation shows that there are no risks that could jeopardise the continued existence of the group and the Company. Furthermore, there are currently no discernible risks that could jeopardise the existence of the Company in the future. Overall, the risks are limited and manageable in the view of the Management Board.

OTHER DISCLOSURES

Corporate Governance Statement

The corporate governance statement can be found on the website www.energiekontor.de under the heading "Investor Relations".

Resolution on women's quota in management levels

The Management Board and Supervisory Board of Energiekontor AG have based their decision on the current quota of women in the Company. Accordingly, the target proportion of women on the Management Board and Supervisory Board is 0 percent. At the management level below the Management Board, a target share of 17 percent was resolved, which at 33 percent met the requirements as of the balance sheet date.

Requirements from § 315a HGB

The Board of Directors is

- no restrictions on voting rights or the transfer of shares (section 315a (1) no. 2 HGB),
- no holders of shares with special rights conferring powers of control (section 315a (1) no. 4 HGB), and
- No special rights of employees with regard to control of voting rights (section 315a (1) no. 5 HGB)

known.

With regard to the composition of the subscribed capital (§ 315a para. 1 no. 1 HGB), reference is made to the explanations in the notes to the financial statements of the AG under item III.3.

The Management Board is not aware of any direct or indirect shareholdings in the capital (§ 315a para. 1 no. 3 HGB) greater than 10 percent, with the exception of the shareholdings shown below:

Name, Function	Number of shares	in %
Dr. Bodo Wilkens, Chairman of the Supervisory Board	3,759,835	26.24
Günter Lammers, Deputy Chairman of the Supervisory Board	3,752,474	26.19
Universal-Investment-Gesellschaft mbH	1,445,087	10.09*

* Universal Investment Gesellschaft mbH last reported a shareholding that would have given it a shareholding of 10.09 percent as of 31 December 2020. Due to the lack of reporting, the shareholding is currently likely to be below 10 percent.

Pursuant to § 315a (1) no. 6 HGB, it is pointed out that according to § 6 (1) of the Articles of Association, the Supervisory Board appoints the members of the Management Board and determines their number. Further details of appointment and dismissal are governed by the statutory provisions of §§ 84 ff. AktG.

Amendments to the Articles of Association shall be made in accordance with the provisions of the AktG.

There are no significant agreements of the Company that are subject to the condition of a change of control as a result of a takeover bid (disclosure pursuant to § 315a para. 1 no. 8 HGB).

The Company has not entered into any compensation agreements with members of the Management Board or employees in the event of a takeover bid. The statutory regulations apply (disclosure pursuant to § 315a para. 1 no. 9 HGB).

Furthermore, there is no takeover offer (§ 315a para. 1 nos. 8 and 9 HGB).

Remuneration report

a) Board of Directors

In the 2020 financial year, the members of the Management Board received total remuneration for their work of TEUR 1,010 (previous year TEUR 1,437). The variable portion of this amounted to TEUR 249 (previous year TEUR 680).

At the Annual General Meeting on 26 May 2016, a resolution was passed to make use of the opt-out option provided for in §§ 286 para. 5, 314 para. 3 HGB. Based on this resolution, the disclosure of the remuneration of each individual member of the Management Board in the annual financial statements and consolidated financial statements of the Company for the financial years up to and including 2020, as stipulated in section 285 sentence 1 no. 9 letter a) sentences 5 to 8 HGB and section 314 para. 1 no. 6 letter a) sentences 5 to 8 HGB, is no longer necessary.

No benefits were promised to them by third parties with regard to their activities on the Management Board, nor were they granted to them in the financial year.

b) Supervisory Board

The annual remuneration of the members of the Supervisory Board is regulated in the Articles of Association and the amount is decided at the Annual General Meeting following the financial year. The remuneration of the Supervisory Board in the 2020 financial year totalled TEUR 135 and has no variable component. In addition, the members of the Supervisory Board receive reimbursement of their expenses.

In addition to their Supervisory Board mandate, the Supervisory Board members Dr Bodo Wilkens and Günter Lammer provided services for which separate consultancy agreements were concluded, each with an annual fee of TEUR 60.

FORECAST REPORT

The forecast for the current financial year is based on the growth plans of Energiekontor AG on the basis of a solid business model and against the background of the different systems for the remuneration of regeneratively generated electricity.

a) Project planning and sales (wind, solar)

The tendering system for onshore wind in Germany introduced in 2017 has since shaped the development of the industry and thus also Energiekontor's business development. Despite a large number of projects in the planning phase, the tender quantities were sometimes dramatically undercut on the individual dates. This meant that the wind farms awarded tenders were able to secure guaranteed remuneration in six out of seven tenders, which was close to the specified maximum of 6.20 ct/kWh. Only in the tender for 1 December 2020 was the tender volume exceeded, resulting in an average, volume-weighted award value of 5.91 ct/kWh. In the first bidding round in 2021, with a deadline of 1 February, it is to be expected that the bidding volume of 1,500 MW will also be missed by a wide margin.

A total of 4.5 GW of onshore wind capacity will be put out to tender in 2021. If the price mechanism envisaged by the Federal Network Agency will not take effect in the current year either due to too few projects being registered and surcharges close to the maximum value are again to be expected. However, this price development, which is

pleasing from a project developer's point of view, is based on the very unsatisfactory approval situation. Not least due to the uncertainty caused by politics, most approval procedures are proceeding rather slowly. Of course, the large number of lawsuits and appeals filed by opponents of wind power also contribute significantly to this. As long as politicians do not decide on guidelines that lead to more efficient approval procedures, the expansion of wind energy will remain slowed down.

In the solar sector, the pricing mechanism of the auction model is working as intended due to the oversupply of solar projects. The tendered volumes of 800 MW + 400 MW across technologies are so low that most recently the average, volume-weighted award value was 5.1 ct/kWh and fluctuated between 5.01 and 5.27 ct/kWh for all tenders in the 2020 financial year.

In 2021, the situation will not change fundamentally, as the tendered volumes of 1,850 MW + 500 MW across technologies and rooftop solar of 300 MW are only slightly above the 2020 tender volumes. Against this backdrop, it is not surprising that a PPA market is slowly developing for solar projects in Germany as well, where Energiekontor has taken the lead. The first two PPAs with renowned utilities were already concluded in 2019. More were added in 2020 and most recently in February 2021. It can be assumed that more and more solar projects in Germany will be planned on a PPA basis and that the prospects for the solar industry will thus continue to improve. Energiekontor will continue to expand its involvement in the solar sector in the future and has increased its staff in this area for this purpose.

Energiekontor has been developing promising projects in Great Britain for many years; in recent years, the focus has increasingly been on Scotland. In the meantime, Energiekontor has already been granted ten building permits for

wind farms, eight of which are in Scotland. Due to a lack of grid connections, however, the construction and commissioning of these projects has been delayed. In the meantime, however, it has been possible to significantly bring forward the grid connection dates for several approved projects. As things stand, the grid connections for two projects will be available in 2022 and for one further project in 2023. The goal is to reach financial close for several of these projects in 2021 in order to accelerate the grid expansion with the funds from the project financing and, if necessary, to shorten the grid connection dates again. However, the possibilities for this are limited, as the grid connections for the EC projects are also dependent on the speed of the general grid expansion in Scotland. Through the sale of the Longhill wind farm to the investor Capital Dynamics, the Scottish region will contribute significantly to the result of the project development for the first time. Overall, an increased contribution to earnings from the Project Development segment is expected compared to 2020.

In the individual divisions and country markets, the management expects the following developments in 2021:

In Germany, ten wind farms with a total capacity of 123.7 MW and one solar farm with 9.2 MW are under construction at the time of publication of this report. In addition, one wind farm in the UK with a total capacity of 50 MW. In the further course of the year, we expect to obtain loan validation for a number of projects, including the large solar PPA projects. Once this is achieved, a project can go into construction. However, the majority of these projects will not be commissioned until 2022.

In the 2020 financial year, the tenders for wind farm projects in Germany were all signed except for the December deadline. The February 2021 tender is also on the verge of being undersigned again.

It is difficult to estimate how long the situation of excess demand will last. In principle, there would be enough wind farm projects to meet the quantities put out to tender by the Federal Grid Agency. It is currently not foreseeable whether the duration of the very lengthy approval processes will be shortened by political measures. Therefore, the current situation, in which too few projects go out to tender, could continue for the entire year; especially because there are also only two tender dates in May and September.

In addition to its own project development activities, Energiekontor is in talks with a number of smaller project developers and citizens' energy companies that have been awarded a wind farm project or want to put wind farm projects out to tender and would like to receive support in the form of cooperation in the project planning and construction of the wind farms.

In the solar sector, the tendering system has been in place in Germany since 2015. In Germany, Energiekontor concentrates on the key regions of Brandenburg, Mecklenburg-Western Pomerania and Bavaria. In addition, areas are being acquired for potential solar sites in neighbouring federal states to the focus regions.

As part of the Company's overall strategy, the solar sector is being significantly expanded in Germany and abroad. In Germany, for example, Energiekontor continues to participate in tenders. However, solar projects on a PPA basis are likely to play a much greater role in the future. After the first PPAs were concluded in 2019, Energiekontor was able to announce another major deal in 2020. In February 2021, Energiekontor continued its string of successes with the conclusion of another PPA for a large solar park.

For many years now, we have been pursuing the goal of helping to ensure that one day the entire energy demand can be covered by 100 percent renewable energy. As a pioneer in our industry, Energiekontor wants to be one of the first to realise wind and solar parks whose electricity production costs are lower than those of the conventional energy industry. After Energiekontor built the first subsidy-free wind farm in England a few years ago, the planned solar farms are proof that such large projects can also be realised in Germany without EEG subsidies. These deals caused quite a stir in the industry. We expect to conclude further PPAs for solar projects in the current year. Energiekontor has worked hard to gain this competitive advantage through many measures and is now benefiting from this leading position.

In a few years' time, it is likely to become standard practice for renewable energy to be remunerated on a market basis and no longer on the basis of a fixed remuneration system. While this turnaround has already begun in the solar sector, the wind sector will follow this development in Germany in the short to medium term.

In the UK, Energiekontor has so far realised projects in England and Wales, most recently the Witherwick II wind farm, which was commissioned in 2019. This wind farm is the first subsidy-free project ever to be realised in the UK.

Energiekontor plans all wind farm projects in the UK without government subsidies and only on the basis of market prices or long-term power purchase agreements with industrial end users (so-called end-user PPAs). If subsidies are available, we will do so if it is economically feasible.

However, this will not be our focus; rather, it will be on projecting the largest possible wind-rich sites in Scotland, where the further expansion of renewable energies is expressly desired and supported politically. In recent years, the Energiekontor Group has secured sites for the realisation of wind farms with a capacity of more than 2 GW.

Energiekontor has currently received approvals for ten projects in the UK with a total capacity of more than 250 MW. In the 2021 financial year, we will be working hard to achieve financial close (FC) for the first projects. Financial close is when all project and financing agreements have been signed and all conditions contained therein have been fulfilled. However, due to the grid expansion, the first commissionings from this pipeline are not expected before 2022. In the following years, three to four projects are to be realised in Scotland each year. This means that business development in Scotland will play a significant role in the future development of Energiekontor AG.

Overall, the Energiekontor Group has projects with a total capacity of more than 5,500 MW in the pipeline in Germany and the UK, which are in various project phases. At least the utilisation contracts have been concluded for all these projects. Some of the projects are already in the building application and approval process, have already been approved or are even under construction. The successive realisation of the projects from this pipeline with, depending on progress, different probabilities of implementation secures the medium-term growth targets of the Company.

Energiekontor's activities in Portugal are currently limited mainly to managing the existing wind farm portfolio.

There is no doubt that the USA has great potential in the solar and wind sectors. This is the reason why the Management Board decided to enter the US market a few years ago. Due to the somewhat different risks in the USA in contrast to the European markets in which Energiekontor is active, the American market is being entered with great caution and in several stages. The teams in Austin (Texas) and Rapid City (South Dakota) are pushing ahead with solar and wind projects. The management plans to sell the first project rights for solar projects instead of building the solar parks themselves. One reason for this is to realise profits more quickly, another is to conserve available equity. Most important, however, is that along the way, the risks remain manageable and controllable. We want to gain initial experience in the USA with the sale of these project rights; later we will take projects to financial close. Only then are we planning to build projects as usual, turnkey.

The first profit contributions from the USA are expected in the current year.

France is a very attractive market due to its good wind conditions and high solar radiation, especially in the south of the country. We expect that the realisation of the first solar projects will take between four and five years and the realisation of wind projects even six to seven years. Accordingly, we expect earnings contributions from France in the solar sector in 2023 at the earliest and for the wind sector not before 2025.

The fundamental goal of the Energiekontor Group remains the stabilisation and sustainable increase of revenues from the project development sector. In the long term, around half of sales and half of profits are to be generated in Germany and abroad respectively.

b) Power generation in the Group's own wind and solar parks

The electricity generation segment in the Group's own wind and solar parks ensures continuous earnings and thus creates financial stability and the basis for sustainable corporate growth in accordance with the Energiekontor Group's growth model. For this reason, this segment is to be systematically strengthened and expanded. There is to be no departure from the long-term strategy, according to which, as a matter of principle, half of the self-developed projects are sold and the other half are taken over into the portfolio of the Group's own wind and solar parks, and therefore the recently stagnating development of the own park portfolio is to be compensated for in the coming years. Although this means that the profit margins of the projects, which would be revealed in the event of a sale, remain as hidden reserves in the asset portfolio, this approach pays off again through constant income from the sale of electricity over a long period of time. Energiekontor thus forgoes short-term profits in favour of long-term secure corporate growth.

c) Operational development, innovation and other

Despite fluctuating revenues due to different wind and solar years, a rising trend in revenue and earnings is expected in this segment in the coming years. A contribution to this is made by the increasing number of wind and solar parks that are under operational management. Even for wind and solar parks that have been sold, operational management has remained with the Energiekontor Group in most cases to date. An expansion is conceivable by taking over the operational management of third-party parks. This area is

to be systematically expanded into a separate service over the next few years. In this context, the many years of experience in the operational management of own and third-party parks and the know-how gained in recent years for innovation and optimisation at own plants are to be offered on the free market. It is planned to successively expand this service to all markets in which Energiekontor is represented.

One example of an innovation measure that is not exclusively technical is the optimisation of wind farms for operation beyond the legally regulated period of 20 years. Energiekontor has successfully obtained approval for 17 wind farms for a period of up to 35 years. The targeted application of innovation and efficiency measures is currently also ensuring the continued economic operation of these wind farms. In principle, Energiekontor is aiming for a total operating period of 30 to 35 years for the wind farms.

Entire Company

Energiekontor and its employees are driven by the vision of supplying 100 percent of energy needs with renewable energies. It is the declared goal to realise the first wind and solar parks whose electricity production costs are below those of the conventional energy industry, in order to help renewable energies as a whole achieve greater market penetration. Thus, the various departments of the Company have been supporting this vision for years with diverse efficiency measures along the entire value chain. At the same time, these cost-cutting measures represent a competitive advantage and help the Company to position itself well within the industry in a market environment that continues to be challenging.

In addition to participating in future tenders in the wind and solar sectors, Energiekontor is focusing primarily on concluding PPAs. The Company has already successfully gained experience with PPAs in the UK for many years and has gained trust among industry partners. Even if the British government decides to introduce subsidy measures

again, the focus for the development of further projects will be on Scotland, where large-scale wind farms are to be realised economically without subsidy measures due to excellent wind conditions.

At the time of publication of this report, it is not yet foreseeable when the Corona pandemic will finally be overcome and to what extent economic development at home and abroad will be affected until then. For Energiekontor, the business model is very robust and therefore the Company is less affected by the consequences than others. Even in the event that the Company's operations were to falter in the short to medium term, this would in the worst case lead to postponements in projects and delays in maintenance and repair work. The same applies, of course, to delays caused by bottlenecks with business partners, municipalities and authorities.

Based on the above, Energiekontor's Management Board anticipates an increase in profits in 2021 compared to the previous year.

The "electricity generation in the Group's own wind farms and solar parks" segment, together with operations management, is crucial for the further growth process of the Energiekontor Group. The revenues from these two segments are more calculable than those from project planning, despite wind- and solar-dependent fluctuations in earnings. These revenues provide a relatively stable basis for liquidity planning in the Group. Electricity generation in the Group's own wind and solar parks and operational management are the strategic core segments of Energiekontor AG. The liquidity surpluses generated from the operation of the Group's own wind and solar farms are to be steadily expanded over the next few years by extending the existing portfolio of own farms, primarily by taking over turnkey wind and solar farms from the Group's own project development. The decision to take over wind and solar parks into the own portfolio always depends on the situation and is project-related.

The solar energy industry has developed very dynamically in recent years. Module and component prices have fallen significantly. This is one of the reasons why Energiekontor is now able to realise solar projects in Germany despite the lower feed-in tariffs, which secure Energiekontor adequate margins. This applies not only to projects that Energiekontor realises within the framework of tenders, but also to projects that are realised on a PPA basis.

Due to the overall very well-filled project pipeline in our target markets, the Management Board of Energiekontor AG assumes that the Company will continue to grow dynamically. An average growth path of around 15-20 percent per year is targeted for the coming years.

The continuation of structures and working methods that are integrated and proven in the Company, such as flat hierarchies and cost-conscious management, as well as the use of different banks, financing instruments, equipment manufacturers, service providers and consultants, will also contribute to sustainable and long-term success in the future. The Company's liquidity situation, which remains good, also allows room for flexible action in order to be able to operate successfully in the market.

In addition to the regulatory imponderables, project-specific or situation-related problems – as has already happened in the past – can of course also lead to delays in obtaining approvals, in the financing of already approved projects and in commissioning in the future. The main risks and external factors influencing the success of the projects are possible delays in the approval process and in project implementation (e.g. due to weather, delivery delays, lack of availability

of installation equipment or grid access or force majeure, e.g. the Corona crisis and its effects).

The Management Board's goal is to further improve the conditions for sustainable corporate growth in order to successively and sustainably increase the overall performance and the Group EBT in the coming years. Key planned measures include strengthening the acquisition in all planning areas and increasing efficiency through economic and technical optimisation measures in all divisions. At the same time, the number of employees in the central growth areas is to be increased successively and in a targeted manner, as has already been done in the past.

For the individual segments, the expectations for 2021 can be summarised as follows:

In the "Project Planning and Sales (Wind, Solar)" segment, segment EBT is expected to be above the previous year's level.

In the segment "electricity generation in the Group's own wind and solar parks", assuming an almost normal wind year, a comparable segment EBT is expected compared to the previous year, as on the one hand the guaranteed 20-year remuneration under the EEG has expired for some older wind parks, which results in a reduction in earnings, and on the other hand the Group's own portfolio is to be replenished as planned in the current financial year through the acquisition of several projects currently under construction. The resulting effects should largely offset or more than compensate for the reductions in income from the old parks.

In the "Operational Development, Innovation and Other" segment, revenue and EBT are currently expected to be at the previous year's level. This is due to further efficiency measures, which should compensate for the negative revenue effect from the portfolio described above. However, should plants fail, there is a slight risk that the plants could not be serviced promptly due to Corona. This could lead to a not insignificant deterioration in earnings.

An availability of 98 percent is expected for the Company's own parks.

Personnel costs are expected to increase slightly in 2021 due to the expansion of the workforce, especially at the newer locations.

Overall, the Management Board expects earnings growth of 10–20 percent compared to the previous year. From today's perspective, further growth and continuous increases in earnings are also expected for 2022 onwards.

RESPONSIBILITY STATEMENT

by the legal representatives

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Bremen, March 2021

Bord of Directors



Peter Szabo
Chairman
of the Board



Günter Eschen
Management
Board



Carsten Schwarz
Management
Board



2020 CONSOLIDATED FINANCIAL STATEMENTS – IFRS

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CONSOLIDATED INCOME STATEMENT (IFRS)

1 January to 31 December 2020

TEUR	Item in the Notes Sec. V	2020	2019
1. Revenue	(1.)	146,614	63,700
Changes in inventories and other work performed and capitalised	(2.)	18,451	32,708
3. Total output		165,066	96,409
4. Other operating income	(3.)	3,283	3,986
5. Total operating output		168,348	100,395
6. Cost of raw materials and supplies and purchased services	(4.)	-67,504	-30,501
7. Personnel expenses	(5.)	-17,494	-14,679
8. Depreciation and amortisation	(6.)	-19,384	-22,551
9. Other operating expenses	(7.)	-17,968	-16,362
10. Operating expenses		-122,350	-84,093
11. Operating profit (EBIT)		45,998	16,302
12. Interest and similar income		34	61
13. Interest and similar expenses		-14,799	-15,593
14. Interest result	(8.)	-14,765	-15,532
15. Earnings before taxes (EBT)		31,233	770
16. Income taxes	(9.)	-10,808	-526
17. Consolidated net earnings		20,425	244
Disclosure of earnings per share (EPS), in accordance with IAS 33*	(10.)		
Undiluted number of shares (weighted)		14,286,065	14,443,917
Diluted number of shares (weighted)		14,353,383	14,443,917
Basic earnings per share in EUR		1.43	0.02
Diluted earnings per share in EUR		1.43	0.02

* A dilution of earnings per share results from potential shares such as option rights. However, these only have a dilutive effect on earnings if they result in the issue of shares at a value below the average market price of the share. In contrast to the previous year, there was a dilution effect in 2020.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1 January to 31 December 2020

TEUR	2020	2019
Consolidated net income	20,425	244
Unrealised results from derivative financial instruments in equity (fair value reserve (cash flow hedges))		
Unrealised results from derivative financial instruments (before taxes)	-1,543	-3,970
Reclassifications to the income statement (before taxes)	370	0
Deferred taxes on unrealised results and reclassifications	350	1,184
Unrealised profits/losses from derivative financial instruments (after taxes)	-823	-2,786
Unrealised gains and losses from available-for-sale financial assets in equity (fair value reserve (available for sale))		
Unrealised results (before taxes)	0	0
Reclassifications to the income statement (before taxes)	0	-16
Deferred taxes on unrealised results and reclassifications	0	5
Unrealised results from available-for-sale financial assets (after taxes)	0	-11
Items that may be reclassified subsequently to profit or loss	-823	-2,797
Total comprehensive income	19,603	-2,553
Shares attributable to Energiekontor AG's shareholders	19,603	-2,553

CONSOLIDATED BALANCE SHEET (IFRS)

as of 31 December 2020

ASSETS			
TEUR	Item in the Notes Sec. VI.	31.12.2020	31.12.2019
A. Non-current assets			
I. Other intangible assets	(1.2)	887	766
II. Property, plant and equipment			
1. Land, land improvements and buildings	(1.3)	21,095	33,474
2. Plant and equipment (wind and solar farms)	(1.4)	166,908	192,407
3. Other equipment, operational and office equipment	(1.5)	804	660
		188,806	226,541
III. Investments		26	26
IV. Receivables and other financial assets			
1. Receivables from affiliated companies	(3.)	29	29
2. Other receivables and financial assets	(4.)	54	65
		83	94
V. Deferred tax liabilities	(5. and V.9.2)	11,535	8,187
Total non-current assets		201,337	235,615
B. Current assets			
I. Inventory	(6.)		
Unfinished goods and work in progress		144,642	71,189
II. Receivables and other financial assets			
1. Accounts receivable	(7.)	20,035	13,765
2. Other receivables and financial assets	(8.)	3,248	1,612
		23,283	15,377
III. Income tax receivables	(9.)	233	693
IV. Securities		36	36
V. Cash and cash equivalents	(10.)	79,457	66,989
Total current assets		247,651	154,284
Total assets		448,988	389,899

EQUITY AND LIABILITIES

TEUR	Item in the Notes Sec. VI.	31.12.2020	31.12.2019
A. Equity	(11.-17.)		
I. Issued capital			
1. Subscribed capital (nominal capital)	(11.)	14,328	14,678
2. Treasury shares (to be retired)	(12.)	-131	-312
		14,197	14,366
II. Capital reserves	(13.)	41,664	41,460
III. Other reserves (not affecting earnings)	(15.)		
1. Foreign currency translation	(15.1)	-61	-61
2. Fair value measurement IFRS 9	(15.2)	-5,394	-4,571
		-5,455	-4,632
IV. Retained earnings	(16.)		
1. Legal reserves		15	15
2. Other retained earnings		31,755	35,442
		31,770	35,457
V. Accumulated income	(17.)	-16,625	-30,451
Total equity		65,551	56,200
B. Non-current liabilities			
I. Other provisions	(18.)		
Provisions for decommissioning and restoration		18,305	16,100
II. Financial liabilities			
1. Bond capital	(19.)	101,524	92,267
2. Liabilities to banks	(20.)	80,848	106,924
3. Liabilities to external limited partners	(21.)	1,123	1,123
4. Other financial liabilities	(22.)	8,565	7,525
5. Liabilities from leases		20,361	32,578
		212,420	240,417
III. Other liabilities	(23.)	2,787	3,012
IV. Deferred tax liabilities		11,422	10,554
Total non-current liabilities		244,935	270,083
C. Current liabilities			
I. Provisions for taxes	(24.)	11,648	1,629
II. Other provisions	(25.)	13,478	9,175
III. Financial liabilities			
1. Bond capital	(19.)	0	2,958
2. Liabilities to banks	(20.)	55,241	30,858
3. Liabilities to external limited partners		1,000	3,000
4. Liabilities from leases		46,615	2,421
		102,856	39,237
IV. Accounts payable		5,323	9,785
V. Other liabilities		5,162	3,788
VI. Income tax liabilities		35	3
Total current liabilities		138,502	63,616
Total equity and liabilities		448,988	389,899

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

2019–2020

TEUR	Share capital outstanding	Capital reserves	Foreign currency translation reserve	Fair value reserve (available for sale) ¹		Fair value reserve (cash flow hedges) ²	Retained earnings	Accumulated income	Total	Number of shares in 1,000
				Other income						
As of 31 December 2018	14,548	40,458	-61	11	-1,786		39,344	-24,115	68,400	14,548
Changes in 2019 financial year										
Allocations to retained earnings							796	-796	0	
Dividend distribution								-5,784	-5,784	
Repurchase of treasury shares/retirement	-282						-4,683		-4,965	-282
Stock option programme (conditional capital)	100	1,002							1,102	100
Differences from fair value measurement					-16	-3,970			-3,985	
Differences from deferred taxes on fair value measurement					5	1,184			1,189	
Consolidated net income								244	244	
As of 31 Dec. 2019	14,366	41,460	-61	0	-4,571		35,457	-30,451	56,200	14,366
Changes in 2020										
Transfers to retained earnings							879	-879	0	
Dividend distribution								-5,720	-5,720	
Repurchase of treasury shares/retirement	-168						-4,566		-4,734	-168
Differences from stock option plan measurement		204							204	
Differences from fair value measurement						-1,172			-1,172	
Differences from deferred taxes on fair value measurement						350			350	
Consolidated net income								20,425	20,425	
As of 31 Dec. 2020	14,197	41,664	-61	0	-5,394		31,770	-16,625	65,551	14,197

1) From measurement of securities at fair value
2) From unrealised gains/losses from cash flow hedges

CONSOLIDATED CASH FLOW STATEMENT

1 January to 31 December 2020 (IFRS)

TEUR	2020	2019
1. Cash flow from operating activities		
Net income before interest and taxes	45,998	16,302
Non-cash expenses and income		
Write-downs on intangible assets and property, plant and equipment	19,384	22,551
Adjustment of non-cash currency gains/losses	-807	1,052
Non-cash measurement (write-downs on inventories)	1,123	1,061
Non-cash adjustments due to effective interest method taken to profit or loss	352	168
Earnings from disposal	-4,207	0
Other non-cash expenses/income in equity	204	1,002
Profit before changes in net working capital	62,046	42,137
Changes in net working capital		
Accounts receivable and other assets	-7,896	4,925
Changes in income from project development and sales	-31,011	-33,769
Accounts payable	-4,461	4,295
Other current liabilities and provisions	1,256	-1,020
Other non-current liabilities and provisions	-63	-195
Income taxes	-1,990	-3,031
Cash flow from operating activities	17,880	13,343

TEUR	2020	2019
2. Cash flow from investing activities		
Payments for investments in intangible assets	-443	-19
Payments for investments in property, plant and equipment	-347	-7,463
Proceeds from the sale of property, plant and equipment	15,087	0
Proceeds from the sale of securities	0	5,025
Interest expense for the production of qualifying assets (IAS 23.8)	-2,576	-1,675
Interest received	34	61
Cash flow from investing activities	11,755	-4,070
3. Cash flow from financing activities		
Interest expenditure	-11,774	-13,483
Proceeds related to bonds	15,000	13,400
Payments to bondholders	-8,958	-2,868
Proceeds from taking out loans	47,606	29,938
Payments for redeeming loans	-49,394	-30,860
Dividends paid	-5,720	-5,784
Payments for repurchase of treasury shares	-4,734	-4,965
Proceeds from conditional capital increase (stock option plan)	0	100
Cash flow from financing activities	-17,974	-14,523
4. Total cash flow	11,661	-5,249
Currency-related changes to cash and cash equivalents (valuation)	807	-1,052
5. Net change in cash and cash equivalents	12,468	-6,302
Cash and cash equivalents at beginning of period	66,989	73,291
Cash and cash equivalents at end of period	79,457	66,989
6. Components of cash and cash equivalents		
Cash	79,457	66,989
Cash and cash equivalents at end of period	79,457	66,989

ANNEX

to the consolidated financial statements of Energiekontor AG according to IFRS principles for the financial year 2020

I. General information

Energiekontor AG (hereinafter also referred to as the “Company”) is a listed stock corporation under German law with its registered office at Mary-Somerville-Straße 5, 28359 Bremen, Germany. The Company is registered in the commercial register of the Local Court of Bremen under the number HRB 20449. The financial year corresponds to the calendar year.

The consolidated financial statements were prepared as of the same date as the company’s annual financial statements. The annual financial statements of all subsidiaries included in the consolidated financial statements are also dated the same date as the consolidated financial statements.

The business activities of Energiekontor AG and its subsidiaries (hereinafter also referred to as “Energiekontor”) comprise the sale of self-produced wind and solar farms to third parties and the operation of self-produced and acquired wind and solar farms for the generation and sale of electrical energy. The sale of the wind and solar parks is regularly carried out by means of self-established companies in the legal form of a GmbH & Co KG (limited partnership), which acquire the wind or solar park and whose limited partner shares are then sold to third parties (share deal). The wind and solar farms intended for own operation for electricity generation are either manufactured or acquired, whereby they are also regularly operated in companies with the legal form of a GmbH & Co KG.

Energiekontor AG, as the parent company, is subject to the obligation to prepare consolidated financial statements for the financial year ending 31 December 2020. As the shares of Energiekontor AG are traded on an organised market within the meaning of Section 2 of the German Securities Trading Act (WpHG), the consolidated financial statements as at 31 December 2020 have been prepared in accordance with Section 315e of the German Commercial Code (HGB) (as

amended by the CSR Directive Implementation Act of 11 April 2017) in conjunction with Article 4 of Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002 (consolidated financial statements according to international accounting standards) and comply with the International Financial Reporting Standards (IFRS) as applicable in the European Union (EU) and the supplementary provisions of Section 315e of the HGB. The consolidated financial statements were approved for publication by the Management Board on 25 March 2021.

The consolidated financial statements of the Company are submitted to and published in the Federal Gazette (Commercial Register of the Bremen Register Court under HRB No. 20449).

The annual financial statements of the parent company Energiekontor AG have been prepared in accordance with the provisions of the German Commercial Code (HGB) and the supplementary provisions of the German Stock Corporation Act (AktG). They are also submitted to the Federal Gazette and published.

II. General Accounting Principles

1. General information

Energiekontor prepares and publishes the consolidated financial statements in euros (EUR, EUR), comparing the values as at 31 December 2019. The information in the notes is provided in euros (EUR, EUR) and in thousands of euros (TEUR, TEUR).

The consolidated financial statements are prepared under the going concern assumption. Risks that could endanger the existence of the company are discussed in the combined management and group management report of the Company.

All companies of the Energiekontor Group initially prepare their accounts in accordance with German commercial law or the respective national regulations and the supplementary principles of proper accounting. These German accounting principles differ in significant aspects from the IFRS principles. For the purposes of the consolidated financial statements, all necessary adjustments are made that are

required for the presentation of the consolidated financial statements in accordance with IFRS.

The preparation of the consolidated financial statements in accordance with the standards of the International Accounting Standards Board (IASB) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of sales and expenses during the reporting period. In certain cases, it is necessary to apply accounting methods that are sensitive to estimates and assumptions. These include complex and subjective assessments as well as estimates that are based on uncertain facts and may be subject to change. For this reason, the accounting methods that are sensitive to estimates and assumptions can also change over time and thus significantly influence the presentation of the net assets, financial position and results of operations. Furthermore, they may contain assumptions that the management could have made differently in the same reporting period – for equally reasonable reasons.

Management therefore points out that actual valuations and future events can also frequently deviate from estimates and forecasts and that estimates require routine adjustments (cf. also explanations in the notes to the consolidated financial statements under point IV.21).

For the sake of clarity and transparency of the financial statements, the additional disclosures required for the individual items of the balance sheet and income statement are included in the notes.

2. Classification Methods

The Group’s profit and loss account is structured according to the principles applicable to the nature of expense method. Where, in individual cases, reclassifications of prior-year amounts have been made in the balance sheet or in the income statement, this is noted in the respective item.

The balance sheet is structured for the 2020 financial year according to the maturity aspects of the individual balance sheet items.

The cash flows from operating activities in the consolidated statement of cash flows are determined using the indirect method. The interest expenses paid in total are – depending on the purpose of use – allocated to the sector “Cash flow from investing activities” insofar as they relate to the financing of inventories and construction projects, and to the sector “Cash flow from financing activities” insofar as they result from other financing. Tax payments are reported in full in the operating activities sector, as an allocation to individual business areas is practically not feasible. Cash flows from foreign subsidiaries not reporting in euros are translated into the Group reporting currency at average exchange rates for the year.

Adjustments of financial instruments to the effective interest method that affect earnings but not cash are neutralised in the cash flow from operating activities, as are adjustments of non-cash exchange rate changes. The exchange rate-related changes of the British pound and the US dollar against the euro are taken into account in the valuation of cash and cash equivalents after the sum of the cash flows.

3. Application of IFRS standards and interpretations

Energiekontor implements all standards and interpretations issued by the IASB that are mandatory in the EU as of 31 December 2020.

3.1 Published IFRS adopted by the EU and applied for the first time in the financial year

In the second quarter of 2020, the International Accounting Standards Board published an amendment to IFRS16 (“Covid 19 Pandemic-related Lease Concessions”), which is intended to provide lessees with relief in accounting for lease concessions resulting from the Covid 19 Pandemic. Energiekontor waives the application of this granted relief.

3.2 Published IFRSs not yet adopted by the EU and not yet applied

The IASB published the standard IFRS 17 “Insurance Contracts” in May 2017. IFRS 17 replaces the currently applicable standard IFRS 4 and is intended to increase transparency and comparability with regard to recognition, measurement, disclosure and information for insurance contracts at the insurance provider. IFRS17 is mandatory for financial years beginning on or after 1 January 2023 at the latest. Earlier application is permitted. At present, Energiekontor does not expect the application of IFRS 17 to have any impact on its earnings, financial and assets position. Early application is not planned.

In August 2020, the IASB published amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 “Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16”. The amendments address financial reporting issues for leases, hedging relationships and other financial instruments as a result of the replacement of existing reference interest rates with alternative risk-free reference rates.

The amendments are mandatory for financial years beginning on or after 1 January 2021 at the latest. Energiekontor is not applying the amendments early and does not expect any material effects from these amendments.

In addition, further standards and interpretations were adopted which are not expected to have a significant impact on the profit, financial and asset situation.

III. Consolidation principles and scope of consolidation

1. Principles

The parent company is Energiekontor AG, Bremen (hereinafter also referred to as the “Company” or “AG”).

In addition to Energiekontor AG, the consolidated financial statements as at 31 December 2020 include both domestic and foreign companies in which Energiekontor AG has the direct or indirect power to govern the financial and operating policies in such a way that the companies of the Group obtain benefits from the activities of these companies.

Subsidiaries held for sale (project companies) are also included in the consolidated financial statements. Project companies in this sense are the wind and solar park operating companies typically established by the Energiekontor Group in the legal form of a limited partnership (GmbH & Co. KG). The project companies are not only fully consolidated until the time of the sale of the shares in the company, but also until the complete termination of the material benefits from the project company, i.e. until the material completion and handover of the operational wind or solar park. At this point, the project company is de-consolidated, especially since the operating sales regularly realised after completion no longer represent a significant benefit or risk factor in the sense of IFRS compared to the foundation, distribution and construction process.

One of the consequences of this in the income statement is that sales to project companies are not realised as sales and profit until completion.

In addition to the purchase prices for wind farms and solar parks, this also includes commissions and other fees in connection with sales, management in the start-up phase, project planning, legal and economic conception, and the development of the wind farm or solar park.

These sales only lead to a contribution to sales and earnings when the cumulative sale of the shares in the company and the completion and acceptance of the wind or solar park have taken place.

As a result of full consolidation, the sales and partial profits accruing to third parties up to completion are also not realised within the framework of realisation according to the progress of performance, but only insofar as the further prerequisites for deconsolidation are met, i.e. at the time of completion (completed contract).

Insofar as shares in limited partnerships have already been sold as of the balance sheet date, but the transfer of the wind or solar park by Energiekontor to the limited partnership has been agreed and has not yet taken place, deconsolidation and the realisation of sales and profits only take place at the time of the transfer of the wind or solar park. For those companies whose shares have already been sold and which, according to these principles, are nevertheless still to be consolidated until the wind or solar parks to be delivered by Energiekontor are accepted, the current external income and expenses are included in the income statement and the balance from these amounts is shown under liabilities, so that the current results of such project companies are neutralised in the result as long as no negative capital would result from any losses. Any losses in excess of this generally have an effect on the Group, but this was not the case in the reporting period or the previous year.

Deferred tax assets must be recognised on the intercompany profits eliminated within the Group.

Until the date of deconsolidation, the limited partnerships regularly incur external financing expenses in the construction phase from the date of loan disbursement by the banks, which are recognised in the Group as interest expenses for the projects sold in the financial year until the date of deconsolidation.

Investments in associates over which the parent company directly or indirectly exercises significant influence and which were not acquired for the purpose of resale in the near future are accounted for using the equity method (one-line consolidation) in accordance with IAS 28. Under the equity method, the shares in an associated company are recognised in the balance sheet at acquisition cost plus any changes in the Group's share of the net assets of the associated company occurring after the acquisition.

Goodwill associated with an associate is included in the carrying amount of the investment and is not amortised.

When applying the equity method, the Group determines whether the recognition of an additional impairment loss is required with respect to the Group's net investment in the associate.

Companies are also included in accordance with the principles of proportionate consolidation pursuant to IFRS 11 (joint operations). These are exclusively wind farm infrastructure companies which have no significant influence on the net assets, financial position and results of operations.

Shares in the equity of subsidiaries attributable to third parties are shown separately under equity ("non-controlling interests in equity") if the non-controlling interests in equity are held by corporations. Insofar as the non-controlling interests in the equity capital of partnerships, which also include limited partnerships, exist, these are to be reported as debt capital, since the requirements for reporting equity capital are generally not cumulatively fulfilled.

As at the balance sheet date of the reporting period, there were non-controlling interests in limited partnerships ("liabilities to non-Group limited partners"). To the extent that the partnerships in which these interests exist are intended to remain within the Group, they are reported under non-current liabilities.

The limited partner's shares of third parties in these project companies, which are to be shown under borrowed capital due to the full consolidation of the project companies until the completion of the wind or solar park, are generally shown under current liabilities due to the fact that they remain in the Group only temporarily (also there under the item "Liabilities to limited partners outside the Group"). As of the balance sheet date, a project company with plants under construction, whose shares had already been sold, had to be consolidated and the advance payment received for this project had to be recognised as a liability.

Depending on the legal form of the company in which the interest is held, minority interests in the profit or loss of subsidiaries are reported separately in the income statement as an allocation of profit or loss (in the case of a corporation) or in the financial result (in the case of a partnership). In the reporting period, as in the previous year, profit allocations were to be shown exclusively in the financial result.

The capital consolidation is carried out according to the purchase accounting or acquisition method. The acquisition costs of the acquired shares are offset against the parent company's share of the net assets of the subsidiary at the time of acquisition, which are revalued at fair value.

The cost of the acquisition corresponds to the fair value of the assets given up, the equity instruments issued, and the liabilities incurred or assumed at the time of the transaction. They also include the fair values of any recognised assets or liabilities resulting from a contingent consideration agreement. Acquisition-related costs are expensed as incurred.

Assets, liabilities and contingent liabilities identifiable within the scope of a business combination are measured at their fair values at the time of acquisition during initial consolidation.

For each acquisition, the Group decides on an individual basis whether to recognise the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's net assets. Goodwill is recognised as the excess of the cost of the acquisition, the amount of any non-controlling interest in the acquiree and the fair value of any previously held equity interest at the date of acquisition over the Group's share of the net assets measured at fair value. If the acquisition cost is less than the fair value of the net assets of the acquired subsidiary, the difference is recognised directly in the income statement.

Goodwill was already fully amortised in previous years and did not have to be recognised either on the balance sheet date or in the previous year's financial statements.

At the time of the sale of shares in consolidated companies or the loss of control over these companies, they are removed from the scope of consolidation. In the course of deconsolidation, the pro rata assets and liabilities attributable to the Group are eliminated at the amortised Group carrying amounts, including any existing goodwill.

The difference between the balance of assets and liabilities and the proceeds from the sale of the shares is recognised in the income statement of the Group. The income and expenses incurred from the beginning of the respective financial year until the date of deconsolidation are recognised in the consolidated income statement. In the event of the deconsolidation of project companies, all construction and service sales generated in connection with the construction and sale of the wind farm are recognised in revenue at the time of deconsolidation.

Intercompany expenses and income as well as receivables and liabilities between consolidated companies are eliminated, as are intercompany profits.

The income tax effects are taken into account and deferred taxes are recognised in the consolidation entries recognised in profit or loss.

2. Companies included

A separate list of the Group's shareholdings within the meaning of Section 313 (2) of the German Commercial Code (HGB) and the type of inclusion in the consolidated financial statements is provided in Note IX.

In addition to the parent company Energiekontor AG, the scope of consolidation includes the other companies listed there. All companies of the Group are consolidated. The separate list also includes any exemption resolutions pursuant to Sections 264 (3) and 264b HGB.

Shares in non-controlled companies exist only in wind farm infrastructure companies that are consolidated at equity or proportionately (joint operations) and do not account for a significant share of the Group's activities and cash flows.

3. Change in the scope of consolidation

3.1 Initial consolidation

The following companies had to be included in the scope of consolidation in 2020 as a result of being newly established (first-time consolidation).

- Energiekontor Solar 16 GmbH & Co. KG
- Energiekontor Solar 17 GmbH & Co. KG
- Energiekontor Solar 18 GmbH & Co. KG
- Energiekontor Infrastruktur Solar VI GmbH & Co. KG
- Energiekontor Infrastruktur Solar VII GmbH & Co. KG
- Energiekontor Infrastruktur Solar VIII GmbH & Co. KG

There were no differences from initial consolidation in the context of acquisitions, as the aforementioned transactions were exclusively new foundations in the current or previous year.

3.3 Deconsolidation

Due to the sale of subsidiaries in the reporting period, the following project companies owned by third parties had to be deconsolidated.

- Energiepark Waldenrath WP HE GmbH & Co. KG
- Energiepark Beckum-Repowering WP BE 1 GmbH & Co. KG
- Energiepark Beckum-Repowering WP BE 2 GmbH & Co. KG
- Infrastrukturgesellschaft Energiepark Beckum GbR
- Energiepark Waldfeucht WP SeBo GmbH & Co. KG
- Energiekontor Solar 2 GmbH & Co. KG
- Energiekontor Solar 3 GmbH & Co. KG
- Energiekontor Solar 4 GmbH & Co. KG
- Energiekontor Solar 8 GmbH & Co. KG

The sales and expenses generated in connection with the construction and sale of the wind and solar parks included in these companies are recognised in the income statement.

The following companies were liquidated and deconsolidated in the financial year:

- Energiekontor Finanzanlagen GmbH & Co. KG i.L.
- WP Booßen GmbH & Co. KG i.L.
- Energiekontor Ökofonds GmbH & Co. WP Nordergründe KG i.L.
- Energiekontor Anlagen GmbH & Co. Offshore KG i.L.
- Energiekontor Offshore Bau GmbH & Co. KG i.L.
- Energiekontor Ocean Wind GmbH & Co. Projektentwicklungs KG i.L.
- Energiekontor Windpark BRW 1 GmbH & Co. WP I KG i.L.
- Energiekontor Guardao GmbH & Co. WP GU KG i.L.
- Energiepark UK WP HY II GmbH & Co. KG i.L.
- Energiepark UK PE GmbH & Co. KG i.L.
- Energiepark UK WI EXT GmbH & Co. KG i.L.
- Energiepark UK CO GmbH & Co. KG i.L.
- Energiepark UK GL GmbH & Co. KG i.L.
- Dakota WP 1 LLC
- Energiekontor NL B.V.

The following companies were added to or merged with subsidiaries of Energiekontor AG included in the scope of consolidation:

- Energiekontor Infrastruktur VII GmbH & Co. KG
- Texas SP 2 LLC

4. Segment reporting

According to IFRS 8, operating segments are defined on the basis of internal reporting on Group divisions, which is regularly reviewed by the company's chief operating decision maker with regard to decisions on the allocation of resources to these segments and the assessment of their earnings power. Information reported to the chief operating decision maker for the purpose of allocating resources to the Group's operating segments and assessing their performance relates to the types of goods or services that are produced or provided.

The allocation of assets and liabilities as well as sales and expenses to the individual business segments is reported in tabular form.

IV. Accounting and valuation principles, currency translation

The financial statements of the company and the domestic and foreign subsidiaries are generally prepared according to uniform accounting and valuation principles. This also essentially applies to the annual financial statements of associated companies.

The 2020 consolidated financial statements of the Energiekontor Group prepared by Energiekontor AG as the parent company have been prepared in accordance with uniform accounting and valuation principles. The standards of the IASB applicable on the balance sheet date have been applied.

1. Profit and loss account

The consolidated income statement has been prepared using the nature of expense method.

2. Government grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to them. Government grants are recognised in profit or loss on a systematic basis, within other operating income in the income statement, particularly as the related expenses, which are intended to compensate for the grants, have generally been incurred in prior periods. Grants received for the acquisition of property, plant and equipment are recognised in other liabilities as deferred income.

Benefits from public loans (e.g. interest-subsidised loans from the KfW banking group) are to be assessed like government grants with regard to the reduction in conditions. Subsidised liabilities are measured at the present value of the payments to be made; the difference from the amount paid out represents the present value of the subsidy and is recognised as a deferred liability under non-current liabilities.

The reversal takes place over the term of the interest subsidy. In the financial year, subsidy amounts with a residual value of TEUR 532 (previous year TEUR 627) were recognised for KfW loans taken out.

There were no other government grants in the financial year.

3. Realisation of sales and other income

The types of sales and realisation principles are presented below.

Revenue is recognised net and is deemed to be realised when the goods and services owed have been provided or the material risks and rewards have been transferred. Furthermore, the payment must be sufficiently probable.

For all types of revenue, revenue from project companies (wind or solar park operating companies in the phase up to the completion of the park) is recognised at the earliest at the time of deconsolidation, i.e. at the time when (cumulatively) the shares in the company are sold and the wind/solar park is completed.

Payments are generally received within 90 days of invoicing, which in turn coincides with revenue recognition upon transfer of control of the goods sold and services rendered.

a. Project planning and sales segment (wind, solar)

Sales from long-term construction contracts for the construction of wind and solar parks for operating companies are not recognised according to the stage of completion due to the consolidation of these companies until the completion of the wind and solar park (cf. above explanations), but only upon completion and transfer of risks and rewards and thus at the time of deconsolidation or completion (CCM (combined contract method)). At the time of the transfer of economic ownership of the shares in the operating company (transfer of significant shareholder rights) on the one hand, and cumulatively of the wind/solar park (transfer of the risk of destruction due) on the other hand, the power of disposal over the delivered wind/solar park is transferred to the customer from the group's point of view.

The sales for the services in connection with the sale of wind and solar parks (management in the founding, sales and capital procurement, economic and legal planning) are also realised at the time of the sale of the wind and solar park according to the CCM method, because the power of disposal over these services is also inextricably linked to the power of disposal over the wind/solar park.

The sales from the sale of a wind and solar park as well as from the related services are determined according to the contractually agreed prices.

b. Power generation segment in Group-owned wind and solar parks

Revenue from the sale of energy generated by the company's own wind farms and solar parks is recognised at the time of delivery of the electricity in accordance with the CCM method, as the customer has direct control over this.

c. Operational Development, Innovation and Other segment

Revenue for operational management and other commercial and technical services is also recognised according to the CCM method at the time the service is fully provided, also in conjunction with the time of control over these services and on the basis of the contractually agreed prices.

Depending on the substance of the underlying contracts, royalties and licence fees are either recognised immediately or deferred and recognised pro rata temporis.

Dividend income is recognised when the right to receive payment is established. This is usually the resolution to distribute the dividend.

4. Leasing

With the application of the uniform accounting model for leases in accordance with IFRS 16 as of 1 January 2019, the lessee no longer has to distinguish between operating and finance leases, so that all assets and liabilities in connection with leasing agreements must now be recognised in the balance sheet. The new regulations do not result in any significant changes for the lessor.

At the beginning of each contract, an assessment is made as to whether the contract gives rise to a lease within the meaning of IFRS 16 or the economic substance of the contract. A lease is deemed to exist if the contract grants the Energiekontor Group the right to control the use of an identified asset for a certain period of time in return for payment of a fee.

In the case of a lease, a right of use in the amount of the acquisition costs must be capitalised on the provision date (i.e. when the asset is available for use by Energiekontor). These include:

- the amount of the lease liability recognised as a liability at initial measurement
- all initial costs incurred to obtain the right of use, insofar as directly attributable
- All lease payments already made before or on the date of provision, less incentive benefits received
- All estimated dismantling costs and expenses for comparable obligations

Subsequent measurement is at cost less any depreciation and impairment losses, adjusted where necessary for revaluations of the lease liability. The shorter of the useful life and the term of the lease is used as the depreciation period.

On the provision date, a lease liability is also recognised in the amount of the present value of all outstanding lease payments (minimum payments) over the term. The basis for discounting is the marginal

borrowing rate of the Energiekontor Group if the underlying implicit interest rate of the lease cannot be readily determined. The incremental borrowing rate is defined as the interest rate that a lessee would have to pay if it were to borrow the funds for a comparable term with comparable collateral in order to obtain a value for an asset comparable to the right of use in a comparable economic environment.

The estimation of the marginal borrowing rate is based on the market yields to be observed; effective interest rates are first derived from these, which are then adjusted in connection with creditworthiness and country-specific risks. The weighted marginal borrowing rate applied by Energiekontor is 3.50 percent and is applied uniformly to all asset classes.

The leasing liabilities are composed as follows:

- Fixed payments less lease incentives still to be granted
- Variable lease payments, insofar as these are linked to an index or interest rate
- Amounts expected to be payable under residual value guarantees
- Exercise prices of call options, insofar as there is a sufficient probability of exercise ("more-likely-than-not criterion")
- Penalty payments on the occasion of terminations of leases, insofar as these are taken into account in the term assessment

Insofar as (individual) lease payments were linked to the development of indices (e.g. consumer price index), the payment flows used to determine the lease liability only include adjustments that have already occurred. Estimates of future adjustments based on an expected index development are not reflected in the valuation.

Variable lease payments, which are not linked to an index or interest rate, continue to be recognised as part of the statement of comprehensive income as under the previous regulation in accordance with IAS 17. At Energiekontor, these include lease payments that are generated on the basis of income from electricity fed into the grid from individual plants.

The underlying term of the leases was calculated from the non-cancellable basic lease term plus any extension options with sufficient probability of being exercised, less periods for which a termination option exists, provided that it is sufficiently probable that it will be exercised. From the perspective of the Energiekontor Group, extension options within the framework of rental and lease agreements were of particular importance as an essential component. Energiekontor assesses the exercise of these options at its own discretion, taking into account all factors that appear relevant as well as economic incentives to exercise such options. In the event of significant subsequent events or a change in circumstances that affect the above assessment, the term is also reassessed, provided that Energiekontor has control over this.

Extension options over lease terms are only included in the calculation of the lease term if the economic parameters at the time of the possible exercise of the option can be reliably forecast and the exercise of the option is therefore probable.

Lease liabilities are initially compounded over the term and then reduced by the payments made. If there is a change in the individual lease, the lease is remeasured if the change affects the future lease payments. This is the case, for example, with changes in the probability of occurrence with regard to the exercise of renewal or termination options as well as with an adjustment of the amount of the leasing instalments.

Deferred taxes on different approaches in the consolidated and tax balance sheets are not recognised.

Effects of IFRS 16 on the consolidated balance sheet in TEUR	31 Dec. 2020	31 Dec. 2019
ASSETS		
A. Non-current assets		
I. Other intangible assets	+818	+737
II. Tangible assets		
1. Land and buildings	+20,292	+32,740
3. Other equipment, operating and office equipment	+591	+454
B. Current assets		
I. Supplies		
1. Work in progress and finished Products and services	+44,122	+0
Subtotal Rights of use	+65,822	+33,932
EQUITY AND LIABILITIES		
A. Equity		
V. Accumulated retained earnings	-1,345	-1,067
B. Non-current liabilities		
5. Liabilities from leases (long-term)	+20,553	+32,578
C. Current liabilities		
4. Liabilities from leases (current)	+46,615	+2,421
Subtotal leasing liabilities	+67,168	+34,999

Income statement items are affected by the application of IFRS 16 as follows:

Effects of IFRS 16 on the Consolidated Statement of Comprehensive Income in TEUR	31 Dec. 2020	31 Dec. 2019
8. depreciation of tangible and intangible assets (increase)	-2,625	-2,809
9. other operating expenses (reduction)	+3,130	+3,028
EBIT (increase)	+506	+219
15. interest and similar expenses (increase)	-784	-1,286
EBT (decrease)	-278	-1,067

5. Currency conversion

Financial statements of foreign subsidiaries and investments whose currency is not the euro are translated into euro using the functional method, and non-monetary items are regularly translated at the exchange rate prevailing at the date of initial recognition. The Equity items are carried at historical rates. Monetary items are translated at the closing rate and all expense and income items are translated at the corresponding average exchange rates for the period at the time of the respective transaction. The described translations are made into the reporting and functional currency of the Group (euro) in accordance with the treatment of own foreign currency transactions. The translations and translation differences are recognised in the income statement under other comprehensive income ("other operating income" or "other operating expenses").

6. Goodwill

Goodwill was already fully amortised in previous years.

7. Other intangible assets

Other intangible assets comprise software used in the Group. The company amortises intangible assets with a finite useful life on a straight-line basis over the expected useful life to the estimated residual value. The expected useful life for software is generally three to five years.

8. Property, plant and equipment

Property, plant and equipment are recognised at acquisition or production cost less accumulated depreciation and impairment losses. The Group-owned properties allocated to the segment “Electricity generation in Group-owned wind farms and solar parks” are not investment properties, but serve exclusively for the Group’s own operational purposes (operation of wind farms and solar parks).

The acquisition and production costs of property, plant and equipment also include, if applicable, the estimated future costs for dismantling and renaturation, whereby any sales proceeds expected in the future from dismantling are not netted out. In the event of changes in the current market-based.

If changes in the discount rate, including changes in the interest rate effect and risks specific to the liability, lead to an adjustment of the provisions to be recognised for dismantling, such changes must be added to or deducted from the acquisition costs of the wind farms and solar parks in the current period, but the maximum deduction is the carrying amount of the respective asset (any reductions in provisions in excess of this would have to be recognised in profit or loss).

At the time of any necessary increase in the values of property, plant and equipment as a result of the increase in provisions for restoration and renaturation costs, the carrying amounts of the property, plant and equipment are tested for impairment by determining the value in use. Any resulting impairment is recognised as an expense.

In the case of acquisitions in foreign currency, subsequent changes in the exchange rate do not affect the balance sheet valuation at original acquisition or production cost.

Subsequent costs are capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

In the case of self-constructed property, plant and equipment (wind farms and solar parks) that qualify as long-term assets, the production costs are determined on the basis of the directly attributable individual costs and appropriate overheads.

Since it is usually not yet foreseeable at the beginning of the planning and construction phase for wind and solar parks whether a park will remain in the Group or be sold, the total project-related production costs of all projects are initially recognised in the cost of goods sold and in the other expense items concerned (in particular personnel expenses, other operating expenses and interest expenses) and are capitalised uniformly at the end of the year as inventories (work in progress) if the necessary conditions are met.

As a rule, “assets under construction” are not capitalised before completion.

At the time of completion, in cases where it is finally determined that a wind/solar park is to be transferred to the Group’s own portfolio, the construction costs are transferred to the fixed assets – with no effect on net income.

Insofar as wind or solar parks held as fixed assets are to be sold, they are transferred to current assets with no effect on income. In the reporting year, this concerns the Heinsberg wind farm.

In the case of one-off public grants or subsidies for the acquisition or production of assets (investment grants), the acquisition or production costs are reduced by the amount of the grants. For current public subsidies in the form of loan subsidies, a separate accrual item is recognised as a liability, which is reversed over the term of the subsidy.

Income subsidies that are no longer offset by future expenses are recognised in profit or loss and reported under other operating income. The assets are depreciated over their estimated remaining useful life. The company uses the straight-line depreciation method.

The useful lives and depreciation methods used are reviewed in each period and adjusted if necessary.

In detail, the valuations for the current straight-line depreciation are based on the following assumed useful lives:

Technical equipment and machinery (wind and solar parks)	10 to 30 years
Operating and office equipment usually	3 to 13 years

Rights of use in accordance with IFRS 16 are amortised over the contractual terms of between 3 and 25 years.

9. Impairments on property, plant and equipment

All assets reported in the balance sheet are tested for impairment on the balance sheet date. A review is carried out during the year if events or circumstances (triggering events) occur that indicate a possible impairment. The impairment test is carried out at the level of cash-generating units (CGUs); with regard to the wind and solar parks in the portfolio, each wind/solar park represents a cash-generating unit. In addition to current depreciation, impairment losses are recognised on the carrying amount of property, plant and equipment if necessary and if a permanent reduction in value is expected as a result of changed circumstances. The recoverability is determined by comparing the book value of the respective assets with the recoverable amount.

The recoverable amount is the higher of the asset's value in use and its fair value less costs to sell. If a write-down for impairment is required for such assets, this corresponds to the difference between the carrying amount and the lower recoverable amount. If the fair value cannot be determined, the recoverable amount corresponds to the value in use of the asset. This value in use is the amount obtained by discounting its estimated future cash flows.

As soon as there are indications that the reasons for the write-downs made due to impairment no longer exist, the need for a full or partial reversal of the impairment loss is reviewed.

However, a reversal of an impairment loss recognised in profit or loss in the form of an increase or decrease in value is only recognised to the extent that the impairment loss is reversed.

The carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised in prior years.

Impairment losses on property, plant and equipment are recognised in the income statement under "Depreciation and amortisation".

10. Participations in affiliated companies

Shares in affiliated companies are generally included in the full consolidation. This inclusion in the consolidated financial statements is retroactive to the date of acquisition.

11. Receivables from associated companies

Receivables from associated companies are reported separately in the consolidated financial statements as financial instruments under non-current assets.

12. Joint Operations

Insofar as joint agreements exist with third parties for the joint use of infrastructure, cabling, etc. for wind and solar parks, the rights to the assets and obligations for liabilities are recognised proportionately in accordance with the principles of proportionate consolidation. The joint agreements existing with third parties in the reporting year and in the previous year and their proportional valuations have no significant influence on the asset, financial and earnings situation.

13. Financial instruments

13.1 Concept of financial instruments

Financial instruments are all contracts that result in the recognition of a financial asset and a financial liability of the company or an equity instrument in another company. The company's financial assets essentially include cash and cash equivalents, available-for-sale financial assets, trade receivables, receivables from associates and other receivables such as loans.

The company's financial liabilities primarily comprise bonds, liabilities to banks, other financial liabilities, trade payables and other miscellaneous liabilities, which also include the limited partner's shares of third parties that qualify as debt capital, as well as derivative financial instruments (cash flow hedges in the form of interest rate swaps and interest rate/currency swaps) with a negative market value that are also recognised in equity.

13.2 Accounting treatment of financial instruments

Financial instruments are recognised in the balance sheet as soon as the company becomes a contracting party to a financial instrument. Regular way purchases or sales of financial assets, i.e. purchases or sales that require delivery of the asset within the time frame established by regulation or convention in the marketplace where the asset is traded, are recognised on the trade date.

Financial assets are derecognised when the Group's rights to the cash flows from the financial instrument expire or when the financial instrument is transferred to another party with control or substantially all the risks and rewards of ownership.

Financial liabilities are derecognised when the Group's obligations specified in the contract expire or are discharged or cancelled.

Financial instruments are initially recognised at fair value, which corresponds to the fair value. Financial instruments that are not measured at fair value through profit or loss are measured including transaction costs.

Subsequent measurement of financial assets and liabilities is based on the category to which they are assigned (cash and cash equivalents, available-for-sale financial assets, financial assets held for trading and financial assets held for trading).

The following table shows the financial position of the Group: trade receivables, other receivables, liabilities from bonds, liabilities to banks, trade payables, other financial liabilities, other miscellaneous liabilities and derivative financial liabilities.)

If the **amortised cost is used for** financial assets that are not measured at fair value through profit or loss, the carrying amounts are reviewed at each reporting date to determine whether there is any indication of impairment. The amount recognised is the amount at which a financial asset or financial liability was measured at initial recognition, including transaction costs not recognised in profit or loss, less any principal repayments and impairment losses or uncollectability. In the case of current receivables and liabilities, the amortised cost is generally identical to the nominal amount or the repayment amount.

Individual value adjustments are made for expected default risks. These are used to reduce the gross receivable if concrete facts become known that indicate that a debtor will not be able to meet his financial obligations to a sufficient extent. This was not necessary either in the financial year or in the previous year.

The assessment of the appropriateness of the value adjustment on receivables is the responsibility of the decentralised collection management and is based, among other things, on the maturity structure of the receivable balances, on empirical values from receivables already written off, on the customer's creditworthiness as well as on conspicuities in the event of a change in payment behaviour, indications of financial difficulties on the part of the debtor that make it possible to measure a sustained or significant decline in the fair value of the financial asset below amortised cost, any concessions made to the borrower for economic or legal reasons in connection with the borrower's financial situation, and the risk of default.

The financial asset's fair value is determined based on the market value of the financial asset or, more generally, on the determination of the absence of an active market for the financial asset.

The amount of an impairment loss is determined as the difference between the asset's carrying amount and the estimated future cash flows discounted at the financial asset's original effective interest rate to arrive at its present value, and is recognised in profit or loss. If the amount of the impairment loss decreases in a subsequent period and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss.

Impairment losses on trade receivables and other assets are recognised and, if necessary, written down using allowance accounts. The expected loss model is taken into account.

There were no such impairments in previous years, nor are there any prospective credit default risks for the financial instruments capitalised as at the reporting date that would trigger a need for impairment, applying the principles of IFRS 9. For the ongoing assessment of default probabilities, the comparable maturities, the collateral, the ratings of the customers or debtors and the specific default risks are used.

Cash and cash equivalents include all near-cash assets that have a remaining term of less than three months at the time of acquisition or investment. Energiekontor measures cash and cash equivalents at amortised cost.

Energiekontor measures **trade receivables and other receivables** at amortised cost less any impairment losses. Non-interest-bearing or low-interest-bearing receivables with terms of more than one year are discounted.

Securities and receivables from associated companies (limited partnership interests) are classified as "available for sale" financial assets (**other primary financial assets in the "available for sale" category**). Energiekontor recognises them at fair value if this can be reliably determined. Energiekontor reports unrealised price gains under other components of equity (fair value measurement) after taking deferred taxes into account. This reserve is reversed upon disposal of the asset. If the fair values of available-for-sale financial assets fall below the acquisition costs and there is objective evidence that the asset is impaired, Energiekontor recognises the loss and includes it in the consolidated income statement.

In its assessment of potential impairment, the Company considers all available information, such as market conditions and market prices, asset-specific factors, and the duration and extent of any decline in value below cost.

Reversals of impairment losses are recognised in profit or loss if, after the impairment loss has been recognised in profit or loss, events occur at a later measurement date that lead to an objective increase in the fair value.

Energiekontor measures **liabilities from bonds and liabilities to banks, with the exception of derivative financial instruments**, at amortised cost. Costs in connection with the procurement of capital (bonds and bank loans) are distributed over the term of the contract using the effective interest method.

Financial liabilities generally give rise to a right to return cash or another financial asset to another party. Financial liabilities measured at amortised cost primarily include **other financial liabilities, trade payables** and parts of **other liabilities**.

Liabilities from finance leases in accordance with IFRS 16 are recognised under financial liabilities at the beginning of the lease at the present value of the future lease payments during the non-cancellable basic lease term.

The above financial liabilities are measured at amortised cost after initial recognition, bonds, if applicable, using the effective interest method.

Derivative **financial instruments** such as interest rate swaps are recognised by Energiekontor at fair value. Derivatives with a positive fair value are recognised as financial assets and derivatives with a negative fair value are recognised as financial liabilities.

Cash flow hedges are used to hedge future cash flows associated with a recognised asset or liability or a highly probable future cash flow.

Energiekontor recognises the effective portion of changes in the market value of derivative instruments designated as cash flow hedges (interest rate and interest/currency swaps) in other components of equity (fair value measurement) after taking deferred taxes into account.

Only cash flow hedges that meet the strict IFRS requirements for hedge accounting are recognised. If the criteria for a hedging relationship are met, the designation of the financial instrument used, the associated underlying transaction, the hedged risk and the assessment of the degree of effectiveness of the hedging instruments used are documented. In order to be able to assess the effectiveness of the hedging relationship with regard to the compensation of risks from changes in payment flows in relation to the hedged risk, it is examined for effectiveness on the reporting date.

If the hedging relationship is classified as ineffective or the criteria for hedge accounting are no longer met, the reserve is reversed through profit or loss.

Please refer to the further explanations in the notes to the balance sheet and the balance sheet items, which contain a list of the categorisation of financial instruments at the Energiekontor Group (Note VI.2).

Due to the lower capital market interest rates, the interest rate swaps have negative market values. Since they were concluded exclusively as long-term interest rate hedging instruments together with the underlying transactions (financial loans) (cash flow hedging) and a realisation of value before the expiry of the fixed-interest period thus hedged is out of the question, these market values are only theoretical values for Energiekontor, irrespective of a positive or negative development, and are therefore considered neither as a liability nor, in the case of a positive development, as an asset by the company management. The value of the swaps to be reported in the consolidated balance sheet is therefore eliminated for the purposes of segment reporting on the basis of the applicable "management approach".

14. Taxation

14.1 Current taxes

The current tax expense is calculated on the basis of the taxable income for the year. The taxable income differs from the annual result from the income statement, as it excludes expenses and income that are not taxable or tax-deductible. The Energiekontor Group's liabilities for current tax expenses were calculated on the basis of the tax rates applicable in the respective nations in which subsidiaries and permanent establishments are maintained or which will shortly be applicable from the perspective of the balance sheet date.

14.2 Deferred taxes

Deferred taxes result from different valuations in the IFRS and tax balance sheets of the Group companies as well as from consolidation measures, insofar as these differences balance out again over time. According to the liability method, deferred tax assets and liabilities are recognised with the future tax effect resulting from the differences between IFRS accounting and the respective country-specific tax accounting of asset and liability items.

The effects of tax rate changes on deferred taxes are recognised in profit or loss in the reporting period in which the legislative process underlying the tax rate change is largely completed.

In addition, deferred taxes are recognised for losses carried forward if and to the extent that it is probable that they will be utilised in the foreseeable future.

For the assessment of the probability of the realisability of such tax claims, regularly updated tax planning calculations must be carried out. In addition, the respective national tax regulations as well as those applicable in the territory of the EU according to the current case law of the ECJ must be taken into account.

Deferred taxes are divided into tax assets (deferred tax assets) and tax liabilities (deferred tax liabilities). In the classification of the balance sheet according to maturity aspects, deferred taxes are generally considered to be non-current.

The company also made use of the netting option for deferred tax assets and liabilities to the extent permitted in the reporting period.

15. Inventories

Inventories, which include project planning and design services for wind and solar projects, are recognised at acquisition or production cost using the average cost method plus directly attributable incidental costs. Financing costs for inventories are capitalised if they are attributable to inventories that can be capitalised. Write-downs on inventories are made if the net realisable value is lower than the acquisition or production costs recognised in the balance sheet.

16. Receivables from long-term construction contracts

Due to the consolidation practice, according to which operating companies for which wind and solar parks are built are not already de-consolidated with the sale of the limited partner shares (change of partners), but only with the completion of the wind and solar park, the method of revenue recognition according to the stage of completion is in fact of no significance for the group accounting.

17. Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank balances and all near-cash assets that have a remaining term of less than three months at the time of acquisition or investment. Cash and cash equivalents are measured at amortised cost.

18. Non-controlling interests

According to IFRS, non-controlling interests and minority interests must generally be shown separately within equity in a separate item.

However, since the subsidiaries in which these non-controlling interests exist are limited partnerships, the application of IAS 32 leads to a different presentation of this economic equity from the German Commercial Code.

According to the IFRS applicable in this respect, this limited liability capital of the non-Group shareholders is considered debt capital as long as the IFRS catalogue of criteria for reporting equity capital is not cumulatively fulfilled. The subsidiaries in which non-Group shareholders have an interest are exclusively such limited partnerships. The termination options of the limited partners are a decisive criterion for the differentiation between equity and debt capital. Financial instruments that grant the holder (here: the limited partner) the right to terminate and thus obligate the company to transfer cash or other financial assets in the event of termination, therefore represent a financial liability and thus debt capital from the perspective of IFRS, contrary to the undisputed economic substance as equity in Germany. Due to the existing termination rights of the limited partners of the subsidiaries, the “net assets of the limited partners” corresponding to the total amount of the non-controlling interests according to the balance sheet must therefore not be recognised in equity, but at present value in liabilities. This item is measured at the present value of the “net assets of the limited partners” determined in accordance with IFRS.

Correspondingly, the profit shares attributable to the limited partners are to be recorded as financing expenses or income.

19. Provisions

Provisions are recognised in the balance sheet for legal or constructive obligations if the company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic resources will be required to settle the obligation. Discounting must always be carried out if the discounting effect is material. The valuation of provisions takes into account the amounts required to cover future payment obligations, identifiable risks and uncertain obligations of the group.

Allocations to provisions are generally recognised in profit or loss.

This does not apply to the formation of provisions in connection with restoration and renaturation costs. In these cases, the book value of the related property, plant and equipment must be increased by the present value of the legal obligations from the dismantling. The basis for calculating the present value of the provisions consists of the term until the expected dismantling, the plant-specific dismantling and renaturation costs expected today, which are extrapolated to the expected dismantling costs for the application of the nominal interest calculation (purchasing power equivalence), taking into account an expected inflation rate of 2 percent p.a. analogous to the previous year, as well as the respective discount interest rate related to the remaining term.

As in the previous year, the discount rate was calculated in the financial year on the basis of the interest rates for maturities with matching maturities.

The credit spread is calculated on the basis of the market price of listed German Government securities, increased by a risk premium of 3 percent (credit spread).

Expected proceeds from realisation are not taken into account when measuring the provisions for dismantling and renaturation, even if their realisation is probable from today's point of view and the proceeds achieved can be estimated in the same way as the costs for dismantling

the facilities. Provisions are generally recognised in the first year of the formation of the provision without affecting profit by way of a balance sheet asset-liability swap. The additional capitalised amount is depreciated over the remaining useful life of the tangible assets.

The differences in the calculation of provisions compared to the previous year due to the application of the current discount rates are offset against the acquisition/production costs of the wind and solar parks without affecting profit and amount to a total of TEUR 577 in the financial year (previous year TEUR 559). The company recognises any positive or negative difference to the book value arising upon fulfilment of the obligation in the income statement. The annual compounding of interest to adjust the present value of the provisions is recognised in the income statement under financial expenses. The additions from compounding amount to TEUR 449 (previous year TEUR 436).

The maturities of the outflows of economic benefits resulting from these provisions are expected in the years from 2022 to 2045, whereby extended operating lives of wind farms and the exercise of options in the lease agreements will shift the demolition and thus maturity dates into the further future. Uncertainties regarding the expected settlement amounts and due dates are taken into account by adjusting the calculation parameters annually.

Tax and other provisions are measured according to reasonable commercial judgement. All information that becomes known up to the date of preparation of the balance sheet is taken into account.

20. Liabilities

Financial liabilities, with the exception of derivative financial instruments, are valued at amortised cost, bonds, if applicable, using the effective interest method. Any difference between the amount paid out and the amount repayable at maturity (discount, loan discount) is amortised by first recognising the amount received and then successively compounding it up to the final repayment amount.

Receivables and liabilities in foreign currencies are translated at closing rates. Bank liabilities in foreign currencies are translated at the bid rate on the balance sheet date. The SWAP of the Mafomedes wind farm, which was to be recognised as a liability in the context of the earlier company acquisition, is carried at fair value through profit or loss (TEUR –66 previous year TEUR –148).

Contingent liabilities are not recognised in the balance sheet, but are disclosed in the notes to the consolidated financial statements under “Other disclosures” (Part VIII.).

21. Significant accounting judgements and key sources of estimation

21.1 Need for estimates

The application of the Group’s accounting policies requires management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that cannot be readily determined from other sources. The estimates and underlying assumptions are based on past experience and other factors deemed relevant. The actual values may deviate from the estimates.

These assumptions are subject to regular review. Changes in estimates that only affect one period are only taken into account in that period. Changes in estimates that affect the current and subsequent reporting periods are taken into account accordingly in this and subsequent periods.

21.2 Main sources of estimation uncertainty

The most important forward-looking assumptions and other key sources of estimation uncertainty at the balance sheet date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

21.2.1 Impairment of technical assets (wind and solar parks)

In the consolidated balance sheet as at 31 December 2020, the Group’s own wind and solar parks are capitalised in the total amount of TEUR 166,908 (previous year TEUR 192,407). In order to determine any impairment of these tangible assets within the framework of the regular impairment tests, it is necessary to determine the values in use of the cash-generating units to which the respective wind and solar parks belong.

The calculation of the values in use requires the estimation of future cash flows from the cash-generating unit as well as a suitable discount rate for the calculation of the present value by means of discounted cash flow valuations. The estimated variables to be used for this purpose consist mainly of the future wind and irradiation conditions that influence the amount of electricity yields, the compensation rates for the sale of energy, the technical service life of the wind and solar energy plants, and the other cost variables of a wind or solar park, such as maintenance. These estimates also correspond to the assumptions and observable input factors that market participants would use as a basis for the pricing of wind and solar parks. The risks inherent in the discounted cash flow valuation method consist in particular of future unfavourable developments that deviate from the estimates of the management and market participants, such as lower wind offers, higher operating costs, lower energy prices and any other unfavourable parameter developments.

The rights of use to be capitalised for the leased park areas from 2019 in accordance with IFRS 16 are allocated to the CGU “Wind and solar park”. As the leased areas are indispensable for the operation of the CGU, the financial liabilities and financing cash flows resulting from the recognition of the lease payments as liabilities are also allocated to the respective CGU, so that the application of IFRS 16 is not expected to have any effect on the impairment test, as the value in use of the CGU is still to be reduced by the lease payments.

21.2.2 Recoverability of inventories (unfinished goods and services)

Inventories amounting to TEUR 144,642 (previous year TEUR 71,189) are included in the consolidated balance sheet as at 31 December 2020. These result from the capitalisation of project-related costs incurred in the context of wind/solar park project development. The management assessed the recoverability of the capitalised costs on the balance sheet date and took into account value reductions to the extent necessary. In the valuation of inventories, the future realisation opportunities of projects and the value of the expected future cash flows are significant estimates.

21.2.3 Deferred tax assets

Deferred tax assets are recognised for all unused tax loss carryforwards and temporary accounting differences to the extent that it is probable or there are convincing substantial indications that taxable income will be available so that the loss carryforwards can actually be used. Significant portions of the deferred tax assets arose in the wind/solar park operating companies, which utilise the maximum permissible depreciation for tax purposes, as well as in the foreign planning companies, which bear considerable up-front costs for the respective market and project development. In order to determine the amount of deferred tax assets, management estimates the expected timing and amount of future taxable income as well as the future tax planning strategy (timing of taxable income, consideration of tax risks, etc.). The respective national and international tax laws also have a significant impact on this.

The tax law basis also exists at the EU level and is subject to ongoing adjustments.

22. Determination of fair values

Many of the Group's accounting policies and disclosures require the determination of fair values for financial and non-financial assets and liabilities.

The Energiekontor Group has established a control framework for determining fair values. This includes a valuation team, which has general responsibility for monitoring all material fair value measurements and reports directly to the Management Board. The valuation team conducts a regular review of the significant inputs and valuation adjustments. When information from third parties is used to determine fair values, the valuation team reviews the evidence obtained from the third parties to conclude that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy to which such valuations should be assigned.

In determining the fair value of an asset or liability, the Group uses observable market data as far as possible. Based on the inputs used in the valuation techniques, the fair values are categorised into different levels in the fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities
- Level 2: Valuation parameters that are not the quoted prices considered in Level 1, but which have an impact on the asset or liability either directly or indirectly. (i.e. as a price) or indirectly (i.e. as a derivative of prices).
- Level 3: Valuation parameters for assets or liabilities that are not based on observable market data.

If the inputs used to determine the fair value of an asset or liability can be categorised into different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety into the level of the fair value hierarchy that corresponds to the lowest level input that is significant to the entire measurement. Reclassifications between levels of the fair value hierarchy are recognised at the end of the reporting period in which the change occurs.

Further information on the assumptions used in determining the fair values can be found in the notes to the financial statements in the description of the respective assets and liabilities.

V. Notes to the profit and loss account

The following figures are given for the corresponding items in the profit and loss account. Unless otherwise indicated, all figures are given in TEUR.

1. Sales

The Group's sales in the **project planning and sales segment (wind, solar)** relate to German wind and solar parks.

The sales in the segment **electricity generation in the Group's own wind and solar parks** (in short: **electricity generation**) are realised in wind and solar parks in Germany, Portugal and Great Britain.

The activities **attributable to the area of operational development, innovation and other** are predominantly performed in Germany.

In detail, the sales are broken down by segment as follows:

TEUR	2020	2019
Segments and related sales		
Project planning and sale (wind, solar)	89,719	5,642
Power generation in the Group's own wind and solar parks	53,210	54,175
Operational development, innovation and others	3,685	3,884
Sales all segments	146,614	63,700

2. Changes in inventories and other own work capitalised

This item, amounting to TEUR 18,451 (previous year TEUR 32,708), shows the changes in the group-wide inventories of unfinished projects as of the balance sheet date as well as the production costs of wind and solar parks produced in-house and included in the fixed assets, which are to remain in the group inventory.

Insofar as wind farms allocated to fixed assets are to be sold and accordingly allocated to current assets, this leads to a corresponding reduction in the portfolio.

TEUR	2020	2019
Acquisition of wind and solar parks as fixed assets	-10,880	0
Changes in inventories of work in progress	29,331	32,708
Changes inventories and own work	18,451	32,708

Unscheduled depreciation on inventories (wind/solar park projects) already taken into account in the changes in inventories amounted to TEUR 1,123 in the financial year (previous year TEUR 1,061).

Since the construction costs for wind and solar parks that may remain in the Group's inventory are also recognised in the current cost of goods as well as in the other cost items (other operating expenses, personnel and interest expenses), the project-related inventory must be capitalised until the time of completion and decision regarding the sale.

At the time of completion of the wind and solar park, the previous year's inventory of work in progress capitalised for this purpose is initially derecognised. At the same time, this amount plus the production costs incurred up to completion are capitalised in property, plant and equipment by reclassifying the finished wind and solar parks as fixed assets, insofar as they remain in the group for the purpose of electricity generation. In the financial year, the Heinsberg wind farm, which had previously been allocated to own assets, was initially reclassified to current assets due to the intention to sell it and then sold.

Capitalisation of self-constructed wind farms and solar parks through transfer to fixed assets always has no effect on income, as does any reverse transfer from fixed assets to current assets.

3. Other operating income

Other operating income breaks down as follows

TEUR	2020	2019
Reversal of provisions	1,760	2,966
Income from currency conversions (balance)	807	0
Miscellaneous other operating income	595	868
Subsidies	95	104
Compensation/Insurance Reimbursements	25	48
Other operating income	3,283	3,986

Miscellaneous other operating income mainly includes cost reimbursements from third parties.

4. Cost of materials and services purchased

Group-wide expenses for the planning and production of wind/solar park projects amount to TEUR 67,504 (previous year TEUR 30,501).

5. Personnel expenses

Personnel expenses of TEUR 17,494 (previous year TEUR 14,679) increased due to the higher number of employees as well as higher salaries and profit-sharing bonuses in the financial year and are made up as follows:

TEUR	2020	2019
Salaries	15,285	12,526
Social security contributions and expenses	2,208	2,152
Personnel expenses	17,494	14,679

Personnel expenses include expenses for retirement benefits in the amount of TEUR 103 (previous year TEUR 94). Taking into account the expenses for bond sales (recognised directly in equity), total personnel expenses amount to TEUR 17,644 (previous year TEUR 14,879).

The average number of employees is 168 (previous year 159 employees). Of these, an average of 30 employees (previous year 29) were employed by foreign subsidiaries.

6. Depreciation and amortisation

The majority of the depreciation and amortisation totalling TEUR 19,384 (previous year TEUR 22,551) is accounted for by the Group's own wind and solar parks with TEUR 16,663 (previous year TEUR 19,680). Detailed information on fixed assets and depreciation can be found in the statement of changes in fixed assets (cf. note VI.1). As in the previous year, there was no unscheduled depreciation on property, plant and equipment in the reporting period.

7. Other operating expenses

Other operating expenses include the following expense items:

TEUR	2020	2019
Repairs and maintenance of wind-/solar parks	9,070	7,085
Legal, tax, audit and other consultancy fees, legal costs	1,947	1,536
Administrative expenses	1,923	1,667
Fees, charges, contributions	1,400	1,348
Project-related expenses (incl. planning, travel expenses, etc.)	891	1,080
Advertising and distribution costs	744	650
Lease payments for wind/solar parks	644	600
Insurances	641	648
Electricity consumption wind turbines/solar plants	530	560
Miscellaneous other operating expenses	131	80
Occupancy costs	49	57
Expenses from currency conversions (balance)	0	1,052
Other operating expenses	17,968	16,362

8. Other operating expenses

Net interest income in the Group is as follows:

TEUR	2020	2019
Interest and similar income	34	61
Interest and similar expenses	-14,799	-15,593
Net interest	-14,765	-15,532
Financial result	-14,765	-15,532

There was no interest income from financial assets not measured at fair value through profit or loss. Changes from the market valuation of fully effective cash flow hedged derivatives (interest rate and interest rate/currency swaps) amounting to the accumulated negative market values of TEUR –7,687 (previous year negative market values of TEUR –6,514) were netted with the deferred taxes thereon. Changes are generally due to the addition or disposal of hedged liabilities, decreasing residual terms, changed capital market interest rates and future interest and exchange rate forecasts, which affect the market values. The swaps were concluded exclusively to hedge the interest rate and currency risks from the long-term wind/solar park financing, which is why a realisation of the negative market values before the end of the term of the derivatives is not possible or only possible in exceptional cases. Due to the pro rata reduction of the reference values for the payer interest rate swaps, the effects on earnings will also gradually decrease in the following reporting periods. Effective interest is included in the amount of TEUR 686 (previous year TEUR 620).

Interest income of TEUR 34 (previous year TEUR 61) is attributable to short-term financial assets with variable interest rates. Of the interest expenses, TEUR 1,731 (previous year TEUR 696) are attributable to current financial liabilities with variable interest rates. The reported interest expenses are exclusively attributable to debt items that are measured at amortised cost.

Interest expenses from the application of IFRS 16 were recorded in the financial year in the amount of TEUR 784 (previous year TEUR 1,286).

9. Income taxes

The total tax expense in the Group is as follows:

TEUR	2020	2019
Current (actual) taxes	12,502	1,780
Deferred taxes	-1,694	-1,253
Total tax expenditure	10,808	526

9.1 Actual taxes

The trade and corporate income taxes payable in Germany plus the solidarity surcharge are recorded here, as well as the income tax expenses comparable in the foreign companies.

9.2 Deferred taxes

Deferred taxes due to temporary differences between the carrying amounts in the tax balance sheets and the carrying amounts in the consolidated balance sheet are as follows.

TEUR	31 Dec. 2020		31 Dec. 2019	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Valuation of property, plant and equipment	359	13,254	467	13,756
Losses carried forward	11,184	0	10,730	0
Fair value measurement IFRS 9	2,293	0	1,943	0
Elimination of intercompany profits	2,466	0	659	0
Valuation of inventories	0	2,110	0	1,527
Valuation of financial instruments (effective interest method)	0	839	0	916
Other reasons for deviation	15	0	33	0
Subtotal before netting	16,316	16,204	13,833	16,200
Amounts eligible for netting	-4,782	-4,782	-5,646	-5,646
Deferred taxes (after netting)	11,535	11,422	8,187	10,554

The decisive factor for the assessment of the recoverability of deferred tax assets is the assessment of the probability of the reversal of the valuation differences and the usability of the loss carryforwards, which led to deferred tax assets. This is dependent on the generation of future taxable profits during the periods in which tax valuation differences

reverse and tax loss carryforwards can be utilized. The Group's tax loss carryforwards consist of Energiekontor AG, the wind farm operators and the foreign planning and construction companies and are broken down as follows:

TEUR	31 Dec. 2020		31 Dec. 2019	
	Germany	Abroad	Germany	Abroad
Loss carry forwards				
with formation of deferred tax assets				
Trade tax losses carried forward	40,772	0	47,562	0
Losses carried forward corporation tax	12,089	15,522	12,964	9,269
without formation of deferred tax assets				
Trade tax losses carried forward	8,864	0	8,728	0
Loss carry forwards corporation tax	0	2,320	0	4,118

In the reporting period, the Company assumes that sufficient positive taxable income will be available to realize the capitalized tax asset for the tax loss carryforwards for which deferred tax assets were recognized due to future business activities. Based on past experience and the expected taxable income situation, it is assumed that the corresponding benefits from deferred tax assets can be realized to this extent. The loss carryforwards resulting mainly from the wind farm operating companies affect trade tax at the level of the wind farm operating companies themselves and corporation tax at the level of Energiekontor AG. They do not result from unplanned business developments, but in particular from increased initial tax depreciation. If it does not appear sufficiently certain that losses can be realised, possibly within the time limit existing abroad, they are not capitalised.

Insofar as deferred tax assets are capitalised for loss carryforwards, there is no time limit for the possibility of carrying forward in Germany and the United Kingdom. In Portugal, there is also a tax carry forward possibility for losses, the use of which is limited to five years.

The deferred tax amounts of TEUR 2,293 (previous year TEUR 1,943) offset directly in equity (fair value reserve) were recognised directly in equity.

9.3 Effective Tax Rate Reconciliation

In the 2020 financial year and, according to the current legal situation, also in the following years, the corporate income tax rate in Germany will be 15 percent plus the solidarity surcharge of 5.5 percent of the corporate income tax burden. This results in an effective corporate tax rate of 15.83 percent. Including trade tax, which averages 14.00 percent, the total tax rate for the financial year is 29.83 percent.

The reconciliation of the expected tax expense to the reported income tax expense is shown below. The calculation of the expected tax expense is based on the application of the total domestic tax rate of 29.83 percent (previous year 29.83 percent). Thus, there is no effect from a change in the tax rate.

The following overview shows the reasons for the difference between the expected (calculated) and actual tax expense:

TEUR	2020	2019
Calculated income tax expense	9,971	230
Income taxes for other periods	288	212
Effects from partnerships	485	220
Deactivated and eliminated tax loss carry forwards	128	0
Non-deductible operating expenses	138	95
Deviating tax law/tax rates abroad	-202	-231
Actual tax expense	10,808	526

10. Earnings per share

At the end of the financial year, 14,328,160 (previous year 14,678,160) shares were subscribed. Of these, 14,197,337 (previous year 14,365,791) shares were in circulation, taking into account the shares bought back for the purpose of cancellation and not yet called in. Taking into account a daily weighting, an average of 14,286,065 (previous year 14,443,917) shares were in circulation in the financial year. Dilution effects were so minor in the financial year that the “undiluted earnings per share” and the “diluted earnings per share” are identical.

	2020	2019
Group result in EUR	20,425,259	243,780
Weighted average number of shares issued	14,286,065	14,443,917
Basic/diluted earnings per share in EUR	1.43	0.02

11. Financial risks and financial instruments

In principle, the Energiekontor Group is exposed to interest rate, liquidity and currency risks as well as credit and default risks in the case of assets. Interest rate risks are hedged by means of hedging derivatives in addition to long-term fixed interest rate agreements (for wind farm financing). The wind farm operating companies concerned have taken out variable loans (3-month EUR-EURIBOR telerate) and converted them into fixed-interest loans, for which interest rate hedges are concluded by means of interest rate swaps (synthetic fixed-interest loans). The Group is not exposed to interest rate risks during the term of the hedging derivatives. Changes in interest rates only affect the value of derivatives if they are considered separately, as required by IAS 39. To this end, such decoupled effects of changes in interest rates are presented using sensitivity analyses, which reflect the effects of changes in market interest rates on interest payments, interest income and expenses, other income components and equity.

As of the balance sheet date, the interest rate and currency swaps not affecting income had a negative fair value of TEUR –7,687 (previous year TEUR –6,514), calculated on a mark-to-market basis (MTM), due to the fall in capital market interest rates since then.

The negative fair values of derivative financial instruments are reported under “Other financial liabilities”. The market value of such assets and liabilities is determined on the basis of parameters for which either directly or indirectly derived quoted prices are available on an active market and is based on financial mathematical simulation models of forecast currency and interest rate developments. From the management’s point of view, the market values of these swaps are purely theoretical values, especially as a sale or realisation of the market values prior to the scheduled expiry of the fixed interest period hedged with the derivatives is not possible or can only be considered in exceptional cases. Where loans linked to interest rate swaps are refinanced, they shall always be fully effective and related.

The negative market values of synthetic fixed-interest loans are economically comparable with early repayment penalties payable in the event of loan termination for traditional fixed-interest loans, which in turn would not be accounted for under IFRS.

With regard to the interest rate swaps, the effective interest expense of the underlying transactions hedged with the aforementioned payer swap hedges corresponds to the interest rate level hedged for the underlying transaction in each case, so that retrospectively the effectiveness is fully ensured. As a result, these financial instruments are not subject to interest rate risks relating to the income statement or equity. Gains and losses from the fair value measurement of derivatives are therefore recognized directly in equity after offsetting against the related deferred tax liabilities or assets.

If the market interest rate level had been 100 basis points higher (lower) on the balance sheet date, this would have resulted in a total market value of TEUR –812 (TEUR –15,749) with no effect on income. The reference values for the underlying transactions of the wind and solar park financing – converted to euros, if applicable – amount to a total of TEUR 154,592 (previous year TEUR 91,868).

The terms of interest rate hedges and interest rate currency hedges generally correspond to those of the hedged underlying transactions. As at the balance sheet date, the Group held derivative instruments with a maximum term until December 2040 in order to hedge interest rate and currency risks from wind/solar park financing.

Other currency risks of the British and American subsidiaries in the area of market risks result from operating activities and investments and are generally not hedged.

Liquidity risks are countered by timely and sufficient agreement of credit lines that are not utilized and by issuing bonds. In order to ensure solvency at all times, ongoing liquidity planning is carried out, which reflects all expected inflows and outflows of liquidity and their

maturities. Credit and default risks are reflected in the balance sheet by means of value adjustments where necessary. They are limited to the amounts shown on the assets side of the balance sheet. No impairments were required either as of the balance sheet date or in the previous year in accordance with the principles of IFRS 9 for determining “expected credit losses”.

VI. Notes to the balance sheet

The following figures are given for the corresponding items in the balance sheet. Unless otherwise indicated, all figures are given in TEUR.

1. Fixed assets

The composition and development of the values of the fixed assets in the current year and in the previous year are shown in the following schedule of fixed assets.

None of the assets listed here are intended for sale (non-current assets held for sale) or to be allocated to discontinued operations, so that separate disclosure is not required.

As in the previous year, no impairment loss had to be recognised.

1.1 Goodwill

Goodwill was already fully amortised in previous years and did not have to be recognised either on the balance sheet date or in the previous year’s financial statements.

1.2 Other intangible assets

This is software to be capitalised and amortised on an ongoing basis. The value also includes the rights of use to be capitalised in accordance with IFRS 16.

Fixed Assets 2020

TEUR	Acquisition/manufacturing costs				Depreciations				Book value	
	1 Jan. 2020	Additions	Disposals	31 Dec. 2020	1 Jan. 2020	Additions	Disposals	31 Dec. 2020	31 Dec. 2020	31 Dec. 2019
I. Goodwill										
Goodwill	5,200	0	0	5,200	5,200	0	0	5,200	0	0
II. Other intangible assets										
Other intangible assets	1,150	443	54	1,538	384	311	44	651	887	766
III. Property, plant and equipment										
1. Land and buildings	36,009	744	11,157	25,596	2,535	2,184	218	4,501	21,095	33,474
2. Technical equipment (wind/solar parks)	344,798	2,211	12,964	334,045	152,390	16,663	1,916	167,137	166,908	192,407
a. of which in operation	344,798	2,211	12,964	334,045	152,390	16,663	1,916	167,137	166,908	192,407
b. of which under construction	0	0	0	0	0	0	0	0	0	0
3. Other equipment, factory and office equipment	1,363	387	78	1,671	703	225	61	868	804	660
	382,170	3,342	24,199	361,312	155,628	19,073	2,195	172,506	188,806	226,541
IV. Financial assets										
Participations	26	0	0	26	0	0	0	0	26	26
	388,545	3,784	24,254	368,076	161,212	19,384	2,238	178,358	189,719	227,333

Fixed Assets 2019

TEUR	Acquisition/manufacturing costs				Depreciations				Book value	
	1 Jan. 2019	Additions	Disposals	31 Dec. 2019	1 Jan. 2019	Additions	Disposals	31 Dec. 2019	31 Dec. 2019	31 Dec. 2018
I. Goodwill										
Goodwill	5,200	0	0	5,200	5,200	0	0	5,200	0	0
II. Other intangible assets										
Other intangible assets	311	839	0	1,150	287	96	0	384	766	23
III. Property, plant and equipment										
1. Land and buildings	734	35,275	0	36,009	0	2,535	0	2,535	33,474	734
2. Technical equipment (wind/solar parks)	336,711	8,227	140	344,798	132,710	19,680	0	152,390	192,407	204,001
a. of which in operation	330,884	1,537	140	344,798	132,710	19,680	0	152,390	192,407	198,174
b. of which under construction	5,827	6,689	0	0	0	0	0	0	0	5,827
3. Other equipment, factory and office equipment	644	720	0	1,363	463	240	0	703	660	181
	338,089	44,221	140	382,170	133,173	22,455	0	155,628	226,541	204,916
IV. Financial assets										
Participations	26	0	0	26	0	0	0	0	26	26
	343,625	45,060	140	388,545	138,661	22,551	0	161,212	227,333	204,965

1.3 Land

The figure includes all land held and used for the operation of wind and solar parks and thus attributable to the segment “electricity generation in the Group’s own wind and solar parks”, which is recognised at amortised cost of TEUR 803 (previous year TEUR 734) as of the balance sheet date. The other values consist of the rights of use for the wind and solar park areas and the business premises, which are to be capitalised in accordance with IFRS 16, totalling TEUR 20,292.

1.4 Technical plants (wind and solar parks)

The residual book values of all wind and solar parks in the Group amount to TEUR 166,908 (previous year TEUR 192,407) on the balance sheet date. The assets reported here are generally assigned as collateral as part of the long-term financing agreements.

1.5 Other equipment, operating and office equipment

The balance sheet figure of TEUR 804 (previous year TEUR 660) includes the office and business equipment of the various locations in Germany and abroad as well as the rights of use to be capitalised in accordance with IFRS 16.

2. Financial instruments

The following overview provides a summary of the categorisation of the Energiekontor Group’s financial instruments as of the balance sheet date. There were no reclassifications in either the financial year or the previous year.

Cash and cash equivalents in the amount of TEUR 16,421 (previous year TEUR 18,458) were netted with liabilities to banks.

TEUR					TEUR						
Carrying amount Balance sheet 31 Dec. 2020					Carrying amount Balance sheet 31 Dec. 2019						
Assets and debt values	Book value 31 Dec. 2020	Continuing acquisition costs	Fair value not affecting net income	Fair value affecting net income	Fair Value 31 Dec. 2020	Assets and debt values	Book value 31 Dec. 2019	Continuing acquisition costs	Fair value not affecting net income	Fair value affecting net income	Fair Value 31 Dec. 2019
Assets						Assets					
Cash and cash equivalents	79,457	79,457			79,457	Cash and cash equivalents	66.989	66.989			66.989
Trade receivables and services	20,035	20,035			20,035	Trade receivables and services	13.765	13.765			13.765
Other accounts receivable	2,710	2,710			2,710	Other accounts receivable	1.080	1.080			1.080
Financial investments in Equity instruments	26	26			26	Financial investments in Equity instruments	26	26			26
Available-for-sale financial assets*	65		65		65	Available-for-sale financial assets*	36		36		36
Debts						Debts					
Bonds	101,524	101,524			101,524	Bonds	95.225	95.225			95.225
Liabilities to banks	136,090	136,090			136,090	Liabilities to banks	137.783	137.783			137.783
Other financial liabilities	2,123	2,123			2,123	Other financial liabilities	4.123	4.123			4.123
Trade accounts payable and services	5,323	5,323			5,323	Trade accounts payable and services	9.785	9.785			9.785
Other miscellaneous liabilities	6,040	5,974		66	6,040	Other miscellaneous liabilities	4.797	4.649		148	4.797
Leasing liabilities according to IFRS 16	66,975	66,975			66,975	Leasing liabilities according to IFRS 16	34.999	34.999			34.999
Derivative financial liabilities with hedging relationship**	7,687		7,687		7,687	Derivative financial liabilities with hedging relationship**	6.514		6.514		6.514

* excluding assets that are measured in other comprehensive income

** exclusively cash flow hedges

* excluding assets that are measured in other comprehensive income

** exclusively cash flow hedges

Before netting, cash and cash equivalents amount to TEUR 95,878 (previous year TEUR 85,448). Liabilities to banks amount to TEUR 152,511 before netting (previous year TEUR 156,241).

The balances were based on the compensation agreements concluded with the banks as well as on the assignment of account balances within the scope of external financing carried out with the same credit institution.

A financial asset is allocated to the “available for sale” category if it cannot be allocated to the other categories (residual value). Spot transactions of financial assets are recognised on the trade date.

3. Receivables from associated companies

Non-controlling interests in partnerships accounted for at equity are reported here. As in the previous year, no impairments were necessary.

4. Other receivables and financial assets

This item includes deposits, prepaid expenses and advance payments made for future expenses with a term of more than one year. As in the previous year, no impairments were necessary.

5. Deferred taxes

Deferred taxes result from different valuations in the IFRS and tax balance sheets of the Group companies as well as from consolidation measures, insofar as these differences balance out again over time.

According to the liability method, the tax rates applicable on the balance sheet date or already decided and known for the future are applied.

Deferred tax assets and liabilities are offset if the relevant requirements are met.

The composition of deferred tax assets before and after netting with deferred tax liabilities is shown in note V.9.2 to the income statement.

6. Inventories

Inventories totalling TEUR 144,642 (previous year TEUR 71,189) are capitalised planning services for wind and solar park projects to be realised as well as construction costs incurred in connection with the construction of wind and solar parks (work in progress).

Unscheduled write-downs on inventories were necessary in the financial year in the amount of TEUR 1,123 (previous year TEUR 1,061). These are included in the changes in inventories and other own work capitalised and relate to projects in the project planning and sales segment (wind, solar) that are no longer being pursued because they are uneconomical or cannot be approved.

Financing costs on project and construction costs are capitalised insofar as they are attributable to inventories that can be capitalised (IAS 23.27). Accordingly, TEUR 7,075 (previous year TEUR 5,121) was capitalised in the financial year, with an average financing cost rate of 3.2 percent (previous year 3.5 percent). Due to the non-recognition for tax purposes, deferred tax liabilities must be taken into account.

7. Trade accounts receivable

This item in the amount of TEUR 20,035 (previous year TEUR 13,765) relates exclusively to receivables arising on the balance sheet date, which are generally received no later than 90 days after the balance sheet date. Insofar as the receivables result from the sale of wind/solar park operating companies, they have already been received by the time the annual financial statements are prepared. Otherwise, they exist in respect of energy supply companies and companies for which the Group is responsible for commercial management and payment

processing, which is why their solvency and the need for an impairment loss for any default risks can be reliably assessed as non-existent. The probability of default of receivables from wind/solar park operating companies is also classified as low, as the projects are generally bindingly financed through financing. In this respect, no value adjustment is regularly required. Reference is made to the information on the provision of loan collateral under point VI. 20.

8. Other receivables and financial assets

Other receivables and financial assets amounting to TEUR 3,248 (previous year TEUR 1,612) mainly consist of prepaid expenses and other current monetary assets. As in the previous year, no impairments were required.

9. Income tax receivables

This item in the amount of TEUR 233 (previous year TEUR 693) mainly includes trade tax and corporate income tax refund claims due to advance payments.

10. Cash and cash equivalents

Of the cash and bank balances of TEUR 79,457 (previous year TEUR 66,989) available on the balance sheet date, a total of TEUR 1,244 (previous year TEUR 1,244) has been pledged to banks for collateral purposes (guarantee lines granted).

11. Subscribed capital

The share capital of Energiekontor AG issued and in circulation on the balance sheet date of EUR 14,197,337.00 has increased compared to the previous year (EUR 14,365,791.00) due to repurchases of 168,454 shares (previous year 282,449 shares). There was no increase due to the issue of shares within the framework of a share option plan in the financial year (previous year 100,000 shares and increase of EUR 100,000.00).

Taking into account the 350,000 shares cancelled during the financial year, the subscribed capital of EUR 14,328,160.00 as at the balance sheet date is divided into 14,328,160 no-par value ordinary shares (no-par value shares with a notional value of EUR 1.00 each).

12. Own shares

By resolution of the Annual General Meeting of Energiekontor AG on 21 May 2015, the Management Board was authorised pursuant to Section 71 (1) No. 8 of the German Stock Corporation Act (AktG) to acquire and redeem treasury shares of up to 10 percent of the share capital without the redemption or its implementation requiring a further resolution of the Annual General Meeting. On the basis of this authorisation, the Company had acquired 377,144 no-par value bearer shares of the Company with a pro rata amount of the share capital of EUR 1.00 per share on the stock exchange by 8 May 2020. On 30 September 2020, the Management Board resolved to reduce the share capital of the Company from EUR 14,678,160.00 by EUR 350,000.00 to EUR 14,328,160.00, using the authorisation to redeem own shares acquired pursuant to § 71 para. 1 no. 8 of the German Stock Corporation Act (AktG), as set out above, with the consent of the Supervisory Board on the same day.

By resolution of the ordinary general meetings of Energiekontor AG on 20 May 2020, the Management Board was authorised pursuant to Section 71 (1) No. 8 of the German Stock Corporation Act (AktG) to acquire treasury shares of up to 10 percent of the share capital. On the basis of this authorisation, the company had, in the period from 7 July to 31 December 2020 103,679 no-par value bearer shares of the Company with a pro rata amount of the share capital of EUR 1.00 per share was acquired via the stock exchange.

The Company repurchased a total of 168,454 of its own shares in the 2020 financial year. The Company held 130,823 treasury shares as at 31 December 2020.

13. Capital reserve

The capital reserve of TEUR 41,664 is made up of the premiums generated by the IPO and the capital increases of Energiekontor AG in 2000 and 2001, less the costs incurred (after taxes), and has increased compared to the previous year (TEUR 41,460) by the premium on the shares issued within the framework of the share option programme in the current year.

14. Authorised and conditional capital

Please refer to the comments in the annual financial statements of Energiekontor AG.

15. Reserves for changes in equity not affecting net income

15.1 Currency conversion

The cumulative differences not affecting net income at the end of the previous year from currency translations in the amount of TEUR –61, which reduced equity accordingly in previous years, did not change in the financial year. They will only be reversed through profit or loss at the time of the partial disposal of the British subsidiaries. These are currency translations that took place within the group in previous years.

15.2 Fair value measurement

This equity item of TEUR –5,394 (previous year TEUR –4,571) is formed within the framework of fair value measurement and includes the negative market values of the interest rate and interest rate and currency swaps totalling TEUR –7,687 (previous year TEUR –6,514). The negative market values have increased compared to the previous year due to the effect of the lower exchange rate of the British pound against the euro and the development of interest rates.

These values are recognised directly in equity after offsetting against the related deferred tax assets or liabilities.

The reserve is composed as follows:

TEUR	2020	2019
Value of interest-rate and interest/currency swaps	–7,687	–6,514
Deferred tax assets and liabilities	2,293	1,943
Balance at 31 Dec.	–5,394	–4,571

16. Retained earnings

The revenue reserves of TEUR 31,770 (previous year TEUR 35,457) consist of the unchanged legal reserve of TEUR 15 and other revenue reserves of TEUR 31,755 (previous year TEUR 35,442).

The other revenue reserves developed as follows in the financial year:

TEUR	2020	2019
As at 1 Jan.	35,442	39,329
Offsetting against acquisition costs for repurchased own shares that have exceeded the nominal capital	–4,566	–4,683
Partial appropriation of results	879	796
As at 31 Dec.	31,755	35,442

The Annual General Meeting will decide on the appropriation of profits for the 2020 financial year on 20 May 2021.

17. Accumulated consolidated results

The cumulative Group results developed as follows in the financial year:

TEUR	2020	2019
As at 1 Jan.	–30,451	–24,115
Profit distributions	–5,720	–5,784
Group result	20,425	244
Allocations to retained earnings	–879	–796
As at 31 Dec.	–16,625	–30,451

18. Other provisions and accrued liabilities

This non-current item consists exclusively of provisions for dismantling and renaturation costs of wind power and solar plants and transformer stations in the Group's portfolio. The costs, which are expected to vary depending on the type of plant, are discounted to the present value depending on the respective expected date of dismantling and adjusted annually by compounding in accordance with the development of the present value.

In the reporting year, discounting was carried out using discount rates of between 2.23 percent and 2.80 percent before taking inflation discounts into account, depending on the different terms of the obligations up to the expected dismantling date. For the application of the nominal interest calculation to the expected dismantling costs, an expected inflation rate of 2.00 percent p.a. (previous year 2.00 percent) has been included.

Provisions developed as follows in the previous year and in the reporting period:

TEUR	2020	2019
Provisions for dismantling and renaturation 1 Jan.	16,100	14,859
Additions in the current year due to accrued interest	449	436
Additions/disposals present value (change in production costs, interest rate)	577	559
Additions in connection with completion/acquisition	0	255
Decreases/additions present value (change in production costs, deconstruction costs)	1,180	-9
Provisions for dismantling and renaturation 31 Dec.	18,305	16,100

19. Bond capital

The following bonds and the interest claims are securitised for the entire term of the respective bonds in a collective bearer bond deposited with Clearstream Banking AG, Frankfurt.

The bonds do not contain any conversion rights or other equity elements and are freely tradable. The bonds of Energiekontor Finanzierungsdienste GmbH & Co. KG, Energiekontor Finanzanlagen II GmbH & Co. KG, Energiekontor Finanzanlagen III GmbH & Co. KG, Energiekontor Finanzanlagen IV GmbH & Co. KG, Energiekontor Finanzanlagen V GmbH & Co. KG, Energiekontor Finanzanlagen VI GmbH & Co. KG and Energiekontor Finanzanlagen VII GmbH & Co. KG are also admitted to trading on the Frankfurt Stock Exchange.

Termination prior to maturity is possible by the issuer with eight weeks' notice to the end of the quarter, but termination by the bondholders is only possible in the event of cessation of payments, insolvency or bankruptcy of the issuer.

The bonds classified as maturities under IFRS do not have any embedded derivative features. They are to be recognised at their fair value in the form of the present value of the cash flows in borrowed capital.

Incremental interest bond IV for TEUR 11,250

In 2012, Energiekontor Finanzierungsdienste GmbH & Co. KG issued a bond in the amount of TEUR 11,250, divided into 11,250 bearer bonds of TEUR 1 each, under the securities identification number (WKN) A1MLW0, the interest on which began on 1 July 2012. The interest payment and the repayment of the capital employed will be made in two stages.

Until the first partial redemption of 20 percent of the nominal amount on 30 June 2018, the investor received an interest rate of 6.0 percent; for the remaining term until 30 June 2022, the annual interest rate rose to 6.5 percent.

Taking into account the first partial redemption on 3 April 2017 and the first partial repayment on 30 June 2018, the bond was still valued at TEUR 8,222 (previous year TEUR 8,222) as at the balance sheet date.

Stepped interest bond VII for TEUR 9,560

In 2014, Energiekontor Finanzanlagen II GmbH & Co. KG issued a bond divided into 9,560 bearer bonds of TEUR 1 each under the security identification number (WKN) A12T6G, the interest on which began on 1 January 2015. The interest payment and the repayment of the capital employed will be made in two stages.

Until the first partial redemption of 30 percent of the nominal amount on 31 December 2019, the investor receives an interest rate of 5.5 percent; for the remaining term until 31 December 2022, the annual interest rate increases to 6.0 percent.

The nominal value of the bond as at the balance sheet date is TEUR 6,692 (previous year TEUR 6,692), taking into account the first partial repayment on 31 December 2019. According to the effective interest method, the value as at the balance sheet date is TEUR 6,685 (previous year TEUR 6,682).

Incremental interest bond VIII for TEUR 11,830

Energiekontor Finanzanlagen III GmbH & Co. KG issued a bond in the amount of TEUR 11,830 under the securities identification number (WKN) A14J93 in 2015, divided into 11,830 bearer bonds of TEUR 1 each, the interest on which began on 1 July 2015. The interest and the repayment of the capital invested will be made in two stages. Until the first partial repayment in the amount of 25 percent of the nominal amount on.

The investor will receive an interest rate of 5.0 percent from 30 June 2020, and the annual interest rate will rise to 5.5 percent for the remaining term until 30 June 2023.

In the financial year, the first partial repayment was made as scheduled on 30 June 2020 in the amount of TEUR 2,957.

The bond has a value of TEUR 8,873 as at the balance sheet date (previous year TEUR 11,830). According to the effective interest method, the value as of the balance sheet date is TEUR 8,701 (previous year TEUR 11,531).

Corporate bond 2015 for TEUR 6,000

In 2015, Energiekontor AG issued a further bond in the amount of TEUR 6,000 divided into 6,000 bearer bonds of TEUR 1 each under the securities identification number (WKN) A1611S. The investors receive interest of 5.25 percent of the nominal value of the subscribed capital. The bond was due for repayment at par on 1 January 2021.

The repayment of TEUR 6,000, which is not due until 2021, was already made in December 2020.

The bond is therefore valued at TEUR 0 as at the balance sheet date (previous year TEUR 6,000). According to the effective interest method, the value as of the balance sheet date is TEUR 0 (previous year TEUR 5,946).

Incremental interest bond IX for TEUR 10,950

Energiekontor Finanzanlagen IV GmbH & Co. KG issued a bond in the amount of TEUR 10,950 under the securities identification number (WKN) A16861 in 2016, divided into 10,950 partial bearer bonds of TEUR 1 each, the interest on which began on 1 March 2016. The interest and the repayment of the capital invested will be made in two stages. Until the first partial redemption of 30 percent of the nominal amount on 28 February 2022, the investor receives an interest rate of 5.0 percent; for the remaining term until 28 February 2026, the annual interest rate increases to 5.5 percent.

As in the previous year, the bond was valued at TEUR 10,950 as at the balance sheet date. According to the effective interest method, the value as at the balance sheet date is TEUR 10,768 (previous year TEUR 10,686).

Step-up interest bond X for TEUR 22,730

Energiekontor Finanzanlagen V GmbH & Co. KG issued a bond in the amount of TEUR 22,730 under the securities identification number (WKN) A2DADL in 2017, divided into 22,730 bearer bonds of TEUR 1 each, the interest on which began on 1 November 2017. The interest payment and the repayment of the capital employed will be made in four stages.

Until the first partial redemption of 20 percent of the nominal amount on 31 October 2022, the investor receives interest of 4.0 percent; until the second partial redemption of 10 percent of the nominal amount on 31 October 2027, the investor receives interest of 4.3 percent; until the third partial redemption of 20 percent of the nominal amount on 31 October 2032, the investor receives interest of 4.7 percent; for the remaining term until 31 October 2035, the annual interest rate increases to 5.0 percent.

The bond has a value of TEUR 22,730 as at the balance sheet date (previous year TEUR 22,730). According to the effective interest method, the value as of the balance sheet date is TEUR 22,175 (previous year TEUR 22,017).

Corporate bond 2018 for TEUR 9,000

In 2018, Energiekontor AG issued a further bond in the amount of TEUR 9,000 divided into 9,000 bearer bonds of TEUR 1 each under the securities identification number (WKN) A2E4HA. Investors receive interest of 4.0 percent of the nominal value of the subscribed capital. The bond is due for repayment at par value on 31 January 2023.

The bond is valued at TEUR 9,000 as of the balance sheet date (previous year TEUR 9,000). According to the effective interest method, the value as of the balance sheet date is TEUR 8,826 (previous year TEUR 8,743).

Step-up interest bond XI for TEUR 9,000

In 2018, Energiekontor Finanzanlagen VI GmbH & Co. KG issued a bond in the amount of TEUR 9,000, divided into 9,000 bearer bonds of TEUR 1 each, under the securities identification number (WKN) A2LQQD, with interest commencing on 1 November 2018. The interest payment and the repayment of the capital employed will be made in three stages.

Until the first partial redemption of 15 percent of the nominal amount on 1 November 2024, the investor will receive interest of 4.0 percent; until the second partial redemption of 20 percent of the nominal amount on 1 November 2030, the investor will receive interest of 4.5 percent; for the remaining term until 1 November 2036, the annual interest rate will increase to 5.0 percent.

The bond is valued at TEUR 9,000 as of the balance sheet date (previous year TEUR 9,000). According to the effective interest method, the value as of the balance sheet date is TEUR 8,767 (previous year TEUR 8,705).

Step interest bond XII for TEUR 13,400

Energiekontor Finanzanlagen VII GmbH & Co. KG issued a bond in the amount of TEUR 13,400 under the securities identification number (WKN) A2TR8Y in 2019, divided into 13,400 bearer bonds of TEUR 1 each, the interest on which began on 1 December 2019. The interest payment and the repayment of the capital employed will be made in four stages.

Until the first partial redemption of 35 percent of the nominal amount on 1 December 2023, the investor will receive interest of 4.0 percent; until the second partial redemption of 25 percent of the nominal amount on 1 December 2027, the investor will receive interest of 4.25 percent; until the third partial redemption of 20 percent of the nominal amount on 1 December 2032, the investor will receive interest of 4.5 percent; for the remaining term until 1 December 2036, the annual interest rate will increase to 5.0 percent.

The bond has a value of TEUR 13,400 as at the balance sheet date (previous year TEUR 13,400). According to the effective interest method, the value as of the balance sheet date is TEUR 12,797 (previous year TEUR 12,693).

Corporate bond 2020 for TEUR 15,000

In 2020, Energiekontor AG issued a further bond in the amount of TEUR 15,000, divided into 15,000 bearer bonds of TEUR 1 each under the securities identification number (WKN) A289KT. Investors receive interest of 4.0 percent of the nominal value of the subscribed capital. The bond is due for repayment at par on 30 September 2028.

The bond was valued at TEUR 15,000 as of the balance sheet date (previous year TEUR 0).

According to the effective interest method, the value as of the balance sheet date is TEUR 14,584 (previous year TEUR 0).

The total liabilities from long-term and short-term bond capital amount to a nominal TEUR 103,866 (previous year TEUR 97,824) as of the balance sheet date, of which – taking into account the bonds repaid by the Energiekontor Group in the previous year – an amount of TEUR 0 (previous year TEUR 2,958) is due for repayment in 2021. According to the effective interest method, the total value as of the balance sheet date is TEUR 101,524 (previous year TEUR 95,225).

After the expiry of the above-mentioned terms of the respective bonds, there are risks of interest rate changes depending on the development of market interest rates, insofar as these are replaced by bond issues, bank loans or other forms of financing. No follow-up financing is necessary for the bonds that were terminated prematurely.

20. Liabilities to credit institutions

The interest rates for liabilities to banks with fixed interest rate agreements are between 0.96 percent and 9.00 percent (in the previous year between 0.60 percent and 9.00 percent). The variable interest rates are between 0.69 percent and 4.75 percent (in the previous year between 0.69 percent and 4.20 percent). With regard to these

variable interest conditions, the adjustment of which regularly takes place at intervals of less than one year, the company has an interest rate risk. The total liabilities to banks of TEUR 136,090 (previous year TEUR 137,783) include short-term portions of TEUR 55,241 (previous year TEUR 30,858). Amounts with maturities of more than one year are reported in the non-current section of the balance sheet.

The repayments to be made for the long-term loans and due within one to five years amount to TEUR 36,263 (previous year TEUR 45,830), the loans with a term of more than five years amount to TEUR 44,620 (previous year TEUR 61,094).

Maturities of more than five years consist exclusively of investment financing for wind farms and solar parks. The expected remaining terms for wind and solar park financing until full repayment range between 1 and 20 years (in the previous year between 1 and 20 years). After expiry of the respective fixed-interest periods, which still have remaining terms of between 1 and 20 years (in the previous year between 1 and 20 years), there are also interest rate risks depending on the development of market interest rates.

The long-term liabilities to banks amounting to TEUR 153,542 (in the previous year, TEUR 155,638 were secured accordingly) are secured as follows:

Mortgages (land charges) on land belonging to the Group companies, assignment as security of all wind and solar parks operated by the Group and, if applicable, the transformer stations, and assignment of all claims and receivables of these operating companies as security for the long-term financing of investments, including the assignment of all rights and claims to remuneration for electricity fed into the grid from grid connection or grid connection systems. power purchase agreements, direct marketing agreements, insurance agreements concluded for wind turbines and transformer stations, agreements for the supply and erection of wind turbines, maintenance agreements for the wind turbines, all permit agreements and agency agreements necessary for the operation of wind turbines and the transmission of energy, refund of value-added tax to German tax authorities, by way of assignment of wind turbines and transformer stations including all

ancillary and additional equipment and other accessories, by granting the Bank's rights of entry into the utilisation agreements for the construction and operation of wind turbines and transformer stations, by declaring commitments to form and maintain capital service reserves and credit balances to secure the guarantee, by pledging capital service reserves and credit balances to secure the deconstruction obligations and by pledging shares in wind/solar park infrastructure companies.

The assets pledged as collateral relate to wind farms and solar parks as well as shares in wind farm infrastructure (carrying amount TEUR 166,908/previous year TEUR 192,407) and receivables from electricity sales (carrying amount TEUR 8,667/previous year TEUR 10,821). Pledged bank balances, insofar as they are not already shown netted with liabilities, have a book value of TEUR 1,244 (previous year TEUR 1,244) as of the balance sheet date.

As at the balance sheet date, the Group had access to credit lines totalling TEUR 220,589 (previous year TEUR 193,182), including long-term commitments, of which a total of TEUR 153,542 (previous year TEUR 155,638) had been utilised.

21. Liabilities to limited partners outside the Group

The liabilities to non-Group limited partners in the long-term area consist of the shares of non-Group partners in the amount of TEUR 1,123 (previous year TEUR 1,123) in operating companies whose wind farms are intended to remain in the Group's portfolio. These companies have the legal form of a limited partnership, which is why this item is accounted for in accordance with IAS 32 as debt capital at the calculated present value of the "net assets of the limited partners". The profit shares of the non-Group shareholders are recognised under finance costs.

Current liabilities include liabilities to limited partners outside the Group in the amount of TEUR 1,000 (previous year TEUR 3,000). This is an advance payment already made by a shareholder outside the Group for a project that will be completed and deconsolidated in 2021.

22. Other financial liabilities

This item includes the negative market values of the interest rate and currency swaps to be reported as liabilities totalling TEUR 7,687 (previous year negative market values of TEUR 6,514). The interest rate and currency swaps are based on the underlying transactions (wind/solar park financing) and have terms of more than twelve months. The items are cash flow hedges recognised directly in equity whose market value was determined on the basis of parameters for which either directly or indirectly derived quoted prices are available on an active market.

This item also includes a swap from an earlier company acquisition in the amount of TEUR 66 (previous year TEUR 148), which is recognised in the income statement because the hedging relationship has since been terminated. It is recognised at fair value.

23. Other liabilities

For the long-term leasing of capacities at the transformer stations in the Group's assets, usage fees were received from third parties in the form of one-off payments, which are to be distributed evenly over the entire term of the leasing of usage and are to be recognised in profit in the future on a pro rata basis. The amount not yet released and discounted as at the balance sheet date is shown here.

24. Tax provisions

Tax provisions include provisions for current taxes on income. The balance sheet value has developed as follows:

TEUR	2020	2019
Provisions for taxes as of 1 Jan.	1,629	1,180
Consumption	-1,505	-1,035
Feeding	11,524	1,483
As of 31 Dec.	11,648	1,629

25. Other provisions

Other provisions developed as follows:

TEUR	1 Jan. 2020	Usage 2020	Dissolution 2020	Addition 2020	31 Dec. 2020
Legal disputes, lawsuits	135	135	0	135	135
Legal and consultancy costs	670	669	0	725	725
Personnel costs	2,136	2,136	0	3,734	3,734
Project-related provisions	5,281	3,617	1,664	7,638	7,638
Others	953	858	95	1,247	1,247
Other provisions and accrued liabilities	9,175	7,415	1,760	13,478	13,478

TEUR	1 Jan. 2019	Usage 2019	Dissolution 2019	Addition 2019	31 Dec. 2019
Legal disputes, lawsuits	145	145	0	135	135
Legal and consultancy costs	615	611	5	670	670
Personnel costs	1,973	1,973	0	2,136	2,136
Project-related provisions	9,057	6,768	2,288	5,281	5,281
Others	1,714	1,041	673	953	953
Other provisions and accrued liabilities	13,504	10,538	2,966	9,175	9,175

Personnel-related provisions mainly include provisions for profit-sharing, overtime and untaken vacation. up costs from the construction and sale of wind/solar parks already realised and sold.

VII. Segment Reporting 2020 (IFRS)

1. Principles of segment reporting

Based on the organisational and reporting structures at Energiekontor, business activities are organised in the business segments Project Development and Sales (Wind, Solar) (or, in short, Project Development and Sales), Power Generation in Group-owned Wind Farms (or, in short, Power Generation) and Operation Development, Innovation and Others (or, in short, Others).

The allocation to these segments depends on the different product groups on offer.

The commercial and technical operational management services offered are reported in the Operation Development, Innovation and Others segment, as are services in connection with repowering of third-party wind farms.

Financial information derived from the internal control system is reported separately for these Group units to the Management Board, who regularly reviews this information to be able to assess the business performance and decide on the allocation of resources.

Financial information derived from the internal control system is reported separately for these Group units to the Management Board, who regularly reviews this information to be able to assess the business performance and decide on the allocation of resources.

The fair values of interest hedging instruments (interest/currency swaps) that are based on mathematical simulation models and take into account forecasts of currency and interest developments are purely arithmetic and are not shown in segment reporting as they are not relevant to Company management and segment reporting.

The accounting principles laid out in item II. General accounting principles also apply to the reportable segments.

2. Group segments

Project development and Sales (Wind, Solar)

The Project Development and Sales (Wind, Solar) segment covers the entire value chain up to the sale of wind farms and solar parks developed by the Group itself, i.e. the development, project development, realisation and sale of wind farms and solar parks in Germany, the UK and Portugal as well as the sale of shares in operating companies founded by the Group and repowering of Group-owned wind turbines. Usually wind farms and solar parks are sold in the way that a separate company is incorporated for each farm or park as a German GmbH & Co. KG (limited partnership with a limited liability company as sole general partner), which enters into all legal relationships required to construct and operate the farm or park (farm or park operator).

The sale of the wind farm or solar park by the Group is then affected via the sale of shares in the corresponding limited partnership.

All services rendered by Group companies in connection with the project development and sale of solar parks or onshore wind farms are also included in this segment. Specifically, this refers to the services that are required for the construction and sale of projects in connection with economic planning and the contractual and legal implementation, project management, company management in the foundation phase, sales and marketing measures and the procurement of own and external funds for the wind farm operators.

Since these services are directly related to the sale of the wind farm or solar park and are therefore an inseparable element of the project development and sales stage of the value chain, the management always assesses these services in connection with the construction and sale of the corresponding wind farm or solar park.

As such, these services do not constitute an independent operating segment in terms of IFRS 8, the financial information of which must be reported separately from the construction and sale and reviewed and assessed separately by the chief operating decision makers with regard to business performance criteria.

Power generation in the Group's own wind/solar parks

In recent years, more and more shares in wind farm operators have not been sold to third parties but remain in the Group to secure reliable income from these wind farms in the long term. In addition to self-constructed wind farms, third-party facilities are also acquired to expand the wind farm portfolio. The corresponding Power Generation segment now includes the generation of energy in Group-owned wind farms and the sale of electricity to regional energy suppliers.

Operation Development, Innovation and Others

This segment includes all services rendered after the wind farms and solar parks are completed that aim to optimise the operating profit margin as from the time of commissioning. This comprises, in particular, technical and commercial operational management as well as services in connection with the replacement of facilities for power generation with new and more efficient facilities (repowering), measures to reduce costs, extend the service life (e.g. by way of preventive maintenance) and increase earnings (e.g. by direct marketing of electricity, rotor blade extension, etc.).

3. Transfers between segments

There are regular transfers between the individual segments of the Group. These transactions between segments are consolidated and fully eliminated in Group accounting.

3.1 Transfers between Project Development and Sales (Wind, Solar) > Power Generation

Transfers between the Project Development and Sales (Wind, Solar) and the Power Generation in Group-owned Wind Farms segments mostly refer to wind farms that are developed and constructed without being sold to third parties but, instead, to a Group subsidiary that uses the wind farm to generate and sell energy in the long term. The actual acquisition cost is recognised and depreciated at the level of the separate financial statements. At the level of the consolidated financial statements, the profits of the involved Group companies pertaining to the construction price and the other fees are fully eliminated, so that only the production costs are capitalised and depreciated in the consolidated financial statements. As the internally generated hidden reserves in wind farms (difference between fair values and carrying amounts) may not be recognised in the consolidated financial statements, they have to be eliminated again for Group accounting purposes. The segment report only contains the figures that were adjusted accordingly.

The reverse transfer from the Power Generation segment to the Project Development and Sales (wind/solar) segment is also recognised directly in equity and is utilised whenever a wind farm previously classified as a fixed asset is to be sold and thus must be allocated to current assets.

3.2 Transfers between Operation Development, Innovation and Others > Power Generation

Transfers between the Operation Development, Innovation and Others and the Power Generation in Group-owned Wind Farms segments refer to optimisation and innovation services as well as commercial and technical operational management services rendered by Group subsidiaries to wind farm operators.

Income and expenses recognised in the relevant segments are also eliminated in the scope of reconciliation to Group income in the Reconciliation and consolidation item.

4. Reconciliation of segment assets and liabilities

Segment assets and liabilities that are broken down in the following segment report relate to gross assets and liabilities as follows:

TEUR	2020	2019
Gross assets according to balance sheet	448,988	389,899
Deferred and current tax assets	-11,768	-8,880
Segment assets	437,220	381,018
Gross liabilities as per balance sheet	383,436	333,699
Neutralisation of cash flow hedges from park financing (interest rate and cross-currency interest rate swaps)	-7,753	-6,662
Deferred and current tax liabilities	-23,105	-12,185
Segment liabilities	352,578	314,851
Gross net assets according to the balance sheet	65,551	56,200
Neutralisation of cash flow hedges park financing (interest rate and cross-currency interest rate swaps)	7,753	6,662
Deferred and current taxes on balance	11,338	3,305
Segment net assets	84,642	66,167

The figures pertaining to assets and liabilities allocated to the segments were also adjusted for tax items as adjusted in internal reporting and the mathematical fair values of cash flow hedges (interest/currency swaps).

5. Income statement by segments

TEUR	Project planning and sale (wind, solar)		Power generation in Group-owned wind/solar parks		Operation Development, Innovation and Others		Total before reconciliation/consolidation		Reconciliation		Energiekontor Group	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenues												
Revenues	89,719	5,642	53,210	54,175	3,685	3,884	146,614	63,700	0	0	146,614	63,700
Revenues with other segments	0	0	64	53	2,005	2,109	2,069	2,162	-2,069	-2,162	0	0
Total revenues	89,719	5,642	53,274	54,228	5,690	5,993	148,684	65,862	-2,069	-2,162	146,614	63,700
Changes in inventories and other assets Own work capitalised *	18,000	32,481	163	18	289	209	18,451	32,708	0	0	18,451	32,708
Total output	107,719	38,123	53,437	54,246	5,979	6,202	167,135	98,571	-2,069	-2,162	165,066	96,409
Other operating income	2,925	2,678	354	1,263	4	45	3,283	3,986	0	0	3,283	3,986
Operating output	110,644	40,801	53,791	55,509	5,983	6,248	170,418	102,557	-2,069	-2,162	168,348	100,395
Cost of materials and services purchased	-66,817	-29,982	-21	-65	-666	-454	-67,504	-30,501	0	0	-67,504	-30,501
Personnel expenses	-14,799	-12,223	-966	-880	-1,729	-1,575	-17,494	-14,679	0	0	-17,494	-14,679
Other operating expenses	-4,369	-5,016	-14,540	-12,306	-1,129	-1,202	-20,038	-18,524	2,069	2,162	-17,968	-16,362
EBITDA	24,660	-6,420	38,263	42,258	2,459	3,016	65,382	38,853	0	0	65,382	38,853
Depreciation of property, plant and equip- ment and amortization of intangible assets	-1,091	-891	-18,260	-21,646	-33	-14	-19,384	-22,551	0	0	-19,384	-22,551
EBIT	23,569	-7,311	20,004	20,611	2,425	3,002	45,998	16,302	0	0	45,998	16,302
Interest and similar income	34	61	0	0	0	0	34	61	0	0	34	61
Interest and similar expenses	-5,230	-2,674	-9,569	-12,852	0	-67	-14,799	-15,593	0	0	-14,799	-15,593
EBT	18,373	-9,925	10,435	7,759	2,425	2,935	31,233	770	0	0	31,233	770

* The project planning and sales segment (wind, solar) includes TEUR 1,123 (previous year TEUR 1,061) of non-cash valuation measures from the write-down of inventories.

6. Assets by segments

	Project planning and sale (wind, solar)		Power generation in Group-owned wind/solar parks		Company development, innovation and Others		Energiekontor Group	
TEUR	2020	2019	2020	2019	2020	2019	2020	2019
Long-term segment assets								
Other intangible assets	828	739	0	0	59	28	887	766
Assets								
Land and buildings	1,529	1,182	19,566	32,292	0	0	21,095	33,474
Technical equipment (wind and solar parks)	0	0	166,908	192,407	0	0	166,908	192,407
Other equipment, factory and office equipment	764	639	39	21	0	0	804	660
Participating interests	26	26	0	0	0	0	26	26
Receivables and financial assets	48	59	35	35	0	0	83	94
Long-term segment assets	3,195	2,644	186,548	224,756	59	28	189,802	227,428
Short-term segment assets								
Inventories	143,529	70,527	318	155	795	506	144,642	71,189
Receivables and financial assets	12,063	2,791	10,955	12,007	265	579	23,283	15,377
Securities	36	36	0	0	0	0	36	36
Cash and cash equivalents	63,653	52,523	14,121	13,969	1,683	497	79,457	66,989
Short-term segment assets	219,281	125,877	25,394	26,132	2,743	1,582	247,418	153,591
Total segment assets	222,476	128,521	211,942	250,887	2,801	1,609	437,220	381,018

7. Liabilities and net assets by segment

TEUR	Project planning and sale (wind, solar)		Power generation in Group-owned wind/solar parks		Company development, innovation and Others		Energiekontor Group	
	2020	2019	2020	2019	2020	2019	2020	2019
Long-term segment liabilities								
Provisions for dismantling and renaturation	0	0	18,305	16,100	0	0	18,305	16,100
Financial liabilities (Anleihen und Kreditinstitute)	41,142	27,352	141,984	171,377	58	1,325	183,184	200,054
Liabilities vis-à-vis external limited partners	0	0	1,123	1,123	0	0	1,123	1,123
Other liabilities	0	0	2,787	3,012	0	0	2,787	3,012
Liabilities from leases	2,121	2,095	18,240	30,483	0	0	20,361	32,578
Long-term segment liabilities	43,262	29,447	182,439	222,094	58	1,325	225,760	252,867
Short-term segment liabilities								
Provisions	12,294	8,101	1,111	1,067	73	7	13,478	9,175
Financial liabilities (Anleihen und Kreditinstitute)	36,990	19,926	18,251	13,890	0	0	55,241	33,816
Liabilities from deliveries and services	1,808	7,180	3,444	2,493	71	111	5,323	9,785
Liabilities vis-à-vis external limited partners	1,000	3,000	0	0	0	0	1,000	3,000
Other liabilities	2,637	973	2,012	2,704	513	112	5,162	3,788
Liabilities from leases	45,314	982	1,301	1,439	0	0	46,615	2,421
Short-term segment liabilities	100,043	40,161	26,119	21,593	657	230	126,819	61,984
Total segment liabilities	143,305	69,608	208,558	243,687	715	1,555	352,578	314,851
Segment net assets	79,171	58,913	3,384	7,200	2,086	54	84,642	66,167

8. Investments by segments

TEUR	Project planning and sale (wind, solar)		Power generation in Group-owned wind/solar parks		Company development, innovation and Others		Energiekontor Group	
	2020	2019	2020	2019	2020	2019	2020	2019
Segment investments	829	1,517	2,955	43,501	0	42	3,784	45,060

9. Additional geographical indications

The customers of the domestic and foreign wind and solar parks realised by the Company are generally German companies in the “Project Planning and Sales (wind/solar)” segment. In the financial year, an amount of TEUR 69,315 is attributable to customers domiciled in Luxembourg.

The operations management services included in “other operating segments” are also provided exclusively in Germany.

Additional information on geographical areas is only relevant for the segment “Electricity Generation”, as foreign markets are affected in this segment in so far as the Energiekontor Group also receives electricity income from Portuguese energy supply companies and British electricity customers.

For this reason, the electricity sales are broken down below according to the location of the wind/solar parks.

TEUR	2020	2019
Location of wind/solar parks		
Germany	25,673	25,588
Portugal	8,114	8,988
Great Britain	19,423	19,598
Electricity sales	53,210	54,175

The carrying amounts of property, plant and equipment are distributed geographically as follows.

TEUR	2020	2019
Location of wind/solar parks		
Germany	79,349	98,516
Portugal	16,398	19,271
Great Britain	71,160	74,620
Book values of wind/solar parks	166,908	192,407

10. Information about important customers

In the segments “Project Planning and Sales (wind/solar)” and “Power Generation”, sales totaling TEUR 85,218 were generated with four customers.

VIII. Other information

1. Capital management

The objectives of the Energiekontor Group’s capital management are to ensure the continuation of the company as a going concern and financial flexibility for the long-term maintenance of business operations and the exercise of strategic options. Maintaining a stable rating, securing liquidity and limiting financial risks are the objectives of financial policy and set important framework conditions for the Energiekontor Group’s capital management. The responsible bodies of the Energiekontor Group decide on the capital structure of the balance sheet, the equity capitalisation, the appropriation of the balance sheet profit, the amount of the dividend, the financing of investments, the increase and reduction of liabilities to banks and the issue of bond capital. Likewise, decisions by the boards on the purchase and sale of wind farms and solar parks as well as on the acquisition of self-produced wind farms and solar parks into the company’s own portfolio serve to pursue the purposes described.

When considering the Group’s equity ratio and gearing, it should be noted that, in the opinion of the management, the unrelated use of the balance sheet values to be determined in accordance with IFRS would lead to economically inaccurate results, which is why these values must first be adjusted for the following influencing factors. One aspect is that, in contrast to German accounting law, the international IFRS require the reporting of the market values of interest rate hedging derivatives, even if these represent a valuation unit with the underlying transactions to be hedged and do not represent payment obligations even in the case of negative market values.

In the area of its wind/solar park financing, the Energiekontor Group pursues long-term hedging against interest rate and currency risks, for which it concludes, among other things, corresponding derivatives (currency and interest rate swaps) as hedging measures, which from an economic point of view represent fixed interest rate agreements in relation to the loans (variable underlying transaction + interest rate swap = fixed interest rate). The fact that capital market interest rates have fallen, coupled with corresponding future forecasts, leads to negative market values of the swaps. According to IFRS (IFRS 9), these negative values are to be separated from the overall context of the financing and accounted for separately, although they represent a valuation unit with the underlying transactions and, in the opinion of the management, should not be separated from them and accounted for separately under economic aspects.

In particular, IFRS 16, which has been applicable since the 2019 financial year and requires the capitalisation of leased assets and the recognition of all future payment obligations as liabilities, has resulted in a significant reduction in the equity ratio due to the large number of wind and solar park areas leased by the Group for the operation of its wind and solar parks, as a result of the increase in the balance sheet totals, which is not motivated by economic considerations but exclusively by accounting considerations. This change in the IFRS key figures is not based on any economic change in the group of companies.

For the purposes of its capital management, the management therefore does not determine the debt-equity ratio according to IFRS principles, which cannot reliably reflect the actual economic conditions in the specific case, but according to the debt and capital ratios as they result after disregarding the aforementioned IFRS effects. This results in the “adjusted” amounts for financial liabilities, equity and gearing for the management.

This results in the following values in relation to the adjusted gearing ratio:

TEUR	2020	2019
Financial liabilities IFRS balance sheet	315,276	279,654
less recognised SWAP market values	-7,687	-6,514
less minority interests in the Group (long-term)	-1,123	-1,123
less financial liabilities according to IFRS 16	-66,975	-32,578
Financial liabilities adjusted	239,492	239,439
less cash and cash equivalents	-79,493	-67,025
Net debt adjusted	235,784	212,629
Equity IFRS balance sheet	65,551	56,200
plus included SWAP market values	5,394	4,571
plus minority interests in the Group (long-term)	1,123	1,123
plus/minus earnings effects from IFRS 16	1,153	1,067
Equity adjusted	73,221	62,961
Total capital adjusted	309,004	275,589
Gearing adjusted in percent	76.30	77.15

The hidden reserves in the Group's own wind farms and solar parks, which are therefore only recognised at amortised external production costs, naturally lead to significantly improved values when the fair values of the parks are used, which is necessary for a fair value assessment.

Due to the unchanged strategy with regard to capital management, the objectives pursued with regard to the debt ratio were also achieved in the financial year.

2. Contingent liabilities

As at 31 December 2020, there were temporary or unlimited guarantees by Group companies of the Energiekontor Group in favour of third parties amounting to TEUR 1,267 (previous year TEUR 1,492).

3. Other financial obligations

In six cases, Energiekontor AG has made an optional commitment to buy back shares in wind farm operating companies amounting to 10 to 20 percent of the fixed price of the original construction contracts in the years 2022 to 2029.

In addition, for a total of ten wind farm operating companies and for the 3LänderFonds investment company, the respective general partners – all wholly-owned subsidiaries of Energiekontor AG – have optionally undertaken to buy back shares totalling between 20 and 30 percent of the respective total limited liability capital at the capitalised earnings value less a marketing discount in annually limited tranches.

In the event that the option is exercised, however, the Company will take over the limited partner shares in each of these wind farm operating companies in return for the payments. Since the Company assumes that the shares will retain their full value at the conditions offered, risks from such repurchases are not expected.

An appeal procedure is currently being conducted with the Bremerhaven tax office, which is dealing with the fundamental question of the right to tax wind farms located abroad. Contrary to all internationally established practices, the tax office seems to want to implement a paradigm shift with regard to this taxation law, with the aim of withdrawing the tax revenue from wind and solar parks managed in Germany but operated abroad from the state there and assigning it to Germany. The only point of contact here is that the tax office claims to be able to identify significant personnel functions in the management of wind and solar parks only in Germany. This approach, in turn, is formally justified by a permanent establishment report adopted by the OECD, which incidentally did not deal with the relevant topic of permanent establishments without personnel at all, or only marginally in connection with a note on a data server. The implementation in national German law in the form of the Foreign Tax Act (Außensteuergesetz) and the Ordinance on the Allocation of Profits of Permanent Establishments (Betriebsstätten-gewinnaufteilungsverordnung) issued by the administration also fails to mention the relevant issues of

permanent establishments without personnel. The taxation procedure still practised by all other participating states, i.e. the profits of such permanent establishments are taxed according to the so-called "principle of causation". The tax office in Bremerhaven would now like to nullify the taxation procedure still practised by all other participating states for such permanent establishments according to the so-called principle of causation, i.e. taxation in the state in whose jurisdiction all resources (wind, sun) are used, the plants are operated and all profits are generated by feeding them into the local grids and selling them to local customers, by referring to this OECD permanent establishment report and securing the tax substrate of such foreign establishments.

The management and all the tax experts consulted in the area of international tax law assume that the tax authorities' approach is illegal, which is why no need for provisions is seen in the balance sheet. If, contrary to these expectations and expert assessments, the tax office is upheld by the highest court in the event of necessary legal action before the fiscal court, the Group could be burdened with an additional tax expense of up to EUR 6 million plus interest for its wind farms located abroad.

4. Relationships with related companies and persons

Related parties of the group are generally companies and persons if there is a controlling relationship, joint management or significant influence between the group and them. These therefore include

- the fully consolidated companies listed under "Included companies", on which Energiekontor AG directly or indirectly exercises a controlling influence,
- the associated companies,
- the companies to be included in the consolidated financial statements as joint operations,
- the non-consolidated companies over which influence is exercised via management functions,

- the members of the Board of Management and senior Managements of Energiekontor AG,
- the Supervisory Board of Energiekontor AG

and their respective relatives.

All transactions of the Group with these related parties and their relatives during the financial year are explained below.

The business model of the Energiekontor Group comprises the entire spectrum of project planning and sales of wind/solar parks as well as ongoing services for wind/solar park operators; the main business transactions are conducted with the project companies founded by Energiekontor AG.

The sale of wind and solar projects is basically carried out in the form that these wind and solar parks are each “encased” by a special purpose company founded by Energiekontor AG in the form of a GmbH & Co KG, so that the sale of the wind/solar park is formally not an “asset deal” but a “share deal” in the form of the sale of the shares in this special purpose company. In this respect, this special purpose entity is also the contractual partner of both Energiekontor AG and the property development company of the Energiekontor Group for all contracts essential in connection with the park construction (construction contract as well as services in connection with the economic and technical planning, financing and sales) during the foundation and construction phase.

Even after the parks have been built and the shares in these companies have been sold to third parties, in some cases subsidiaries of Energiekontor AG perform management and Management tasks for these project companies on the basis of long-term contracts and, in this respect, continue to exercise influence on these companies.

Fully consolidated companies

The conclusion of contracts with subsidiaries of Energiekontor AG in connection with the construction of the wind and solar parks and the other services in this phase is carried out at times when the project company is a related party as defined by IAS 24.

Intra-group transactions between Energiekontor AG and the subsidiaries in which Energiekontor AG holds a majority share and which are therefore consolidated in the consolidated financial statements are fully eliminated in the consolidated financial statements by way of consolidation.

Associated companies

Relationships with associated companies exist only in the form that these companies manage infrastructure companies of wind parks operated by the Energiekontor Group.

Management functions

In cases where, after the construction of the wind and solar park and the sale of the company shares to third parties, subsidiaries of Energiekontor AG perform management and Management tasks for these companies on the basis of long-term contracts, these companies remain related parties to Energiekontor AG within the meaning of IFRS (IAS 24), as it is assumed that the Group can exercise a significant influence over these companies even without an asset-related interest.

Such influence is assumed through the position as a corporate body as well as through the participation in the entrepreneurial decision-making process by the general partner companies belonging to the group, which exercise the management. The “related party” within the meaning of IAS 24 is therefore considered to be significant influence, even if there is no majority of voting rights and the discretionary scope in the implementation of management measures is regularly significantly restricted by contracts and instructions to the owners of the companies.

Based on this interpretation of IFRS, the transactions described and thus, in typical business terms, almost the entire business activity of the group (with the exception of the segment electricity generation in the group’s own wind/solar parks) consist of transactions for consideration with project companies and thus with related persons and companies within the meaning of IAS 24.

With regard to the requirement for numerical disclosures on transactions with related parties, reference is therefore made here to the income statement and the segment reporting, from which all disclosures on the amounts of transactions carried out with related parties within the meaning of this analysis are derived.

All services within the scope of these transactions are nevertheless always provided at arm’s length conditions, which are also customary among third parties.

Since 5 June 2003 there have been consultancy agreements between Energiekontor AG and the Supervisory Board members Dr. Wilkens and Lammers with a fee volume of TEUR 60 each in the financial year (previous year TEUR 60).

Management Board, Senior Managements and Supervisory Board

All paid transactions between the Energiekontor Group and the Management Board and the Supervisory Board are listed and explained in full in the Notes. The remuneration and shareholdings of the Supervisory Board and the Management Board members are disclosed in Note 5.

There were no remunerated transactions with senior Managements in addition to the existing and customary employment contracts with them, nor were there any transactions with members of these groups of persons.

5. Members of Management bodies and remuneration, shareholdings of management bodies, misc.

5.1 Management Board

Members of the Management Board during the fiscal year were:

- **Dipl.-Kaufm. Peter Szabo**, Dipl.-Kaufmann, Oldenburg
- **Dipl.-Ing. Günter Eschen**, Engineer, Saterland
- **Dipl.-Ing. Torben Möller**, Engineer, Achim (until the end of June 2020)
- **Dipl.-Ing. Carsten Schwarz**, Engineer, Schwanewede (from June 2020)

Each member of the Management Board shall represent the Company jointly with another member of the Management Board or an authorised signatory. Exemption from the restrictions of § 181 of the German Civil Code (BGB) has been granted.

The members of the Management Board received total remuneration of TEUR 1,010 (previous year TEUR 1,437) for their work in the financial year. The variable portion of this amounts to TEUR 249 (previous year TEUR 680). In the reporting year, the Supervisory Board made partial use of the authorisation to issue subscription rights to members of the Management Board within the framework of a share option programme and granted Management Board member Peter Szabo subscription rights to acquire 100,000 shares in the company. The exercise price is EUR 22.032 per share, the waiting period ended in 2024. At the time the subscription rights were granted, their fair value amounted to TEUR 814.

Please also refer to the remuneration report in the management report.

At the Annual General Meeting on 26 May 2016, it was decided to make use of the opt-out option provided for in §§286 para. 5, 314 para. 3 of the German Commercial Code (HGB). On the basis of this resolution, the disclosure of the remuneration of each individual member of the Management Board in the annual financial statements and

consolidated financial statements of the company for the financial years up to and including 2020, as provided for in Section 285 Sentence 1 No. 9 Letter a) Sentences 5 to 8 HGB and Section 314 (1) No. 6 Letter a) Sentences 5 to 8 HGB, is dispensable.

5.2 Supervisory Board

Members of the Supervisory Board were:

- **Dipl.-Wirtsch. Ing. Dr. Bodo Wilkens**, Engineer, Darmstadt, Chairman
Dr. Wilkens also holds a supervisory board office at the following unlisted company:
 - Energiekontor Ocean Wind AG, Bremen (Chair)
- **Günter Lammers**, Management Consultant, Geestland, Deputy Chairman
Mr. Lammers also holds a Supervisory Board office at the following unlisted company:
 - Energiekontor Ocean Wind AG, Bremen
- **Dipl.-Volkswirt Darius Oliver Kianzad**, management consultant, Essen
Mr. Kianzad also holds a supervisory board office at the following unlisted company:
 - Energiekontor Ocean Wind AG, Bremen

The members of the Supervisory Board received TEUR 135 (previous year TEUR 90) in Supervisory Board remuneration in the reporting year.

5.3 Shareholdings of the members of the Management bodies

The members of the Management bodies held the following interests in the AG as at 31 December 2020:

Name, function	Number of shares
Dr. Bodo Wilkens, Chairman of the Supervisory Board	3,759,835
Günter Lammers, Deputy Chairman of the Supervisory Board	3,752,474

6. Information on the remuneration of the auditors

The fee for the audit of the annual financial statements of Energiekontor AG, including the accounting and the management report, as well as the monitoring system to be set up pursuant to Section 91 (2) of the German Stock Corporation Act (AktG) for the financial year from 1 January to 31 December 2020, as well as for the audit of the consolidated financial statements and the management report in accordance with IFRS principles, amounts to TEUR 115 (previous year TEUR 124) and TEUR 6 (previous year TEUR 3) for other certification services and for other services T€ 3 (previous year T€ 4).

7. Supplementary report

On 13 January 2021, Energiekontor announced that power purchase agreements (PPAs) had been concluded for a number of existing wind farms. Energiekontor provides operational management services for wind farms and solar parks with a nominal output of more than 1 GW; of these, wind farms with around 270 MW are operated in the company's own portfolio. For 22 existing wind farms with a total of 123 wind turbines and a total output of around 120 MW (of which 55 MW are owned), the term of the fixed 20-year remuneration under the Renewable Energy Sources Act (EEG) ended on 31 December 2020.

On 10 February 2021, EnBW Energie Baden-Württemberg AG and Energiekontor again concluded a long-term power purchase agreement for a solar park planned by Energiekontor. The solar park, which Energiekontor is planning to build in the municipality of Dettmannsdorf in Mecklenburg-Western Pomerania, east of Rostock, is to produce around 55.5 GW of electricity per year with an installed capacity of approximately 52.3 MW. This is enough to cover the annual electricity needs of around 18,500 households. Construction is scheduled to begin in autumn 2021. Commissioning is scheduled for the second quarter of 2022.

On 2 March 2021, Energiekontor and Capital Dynamics, an independent global private asset management company, announced the acquisition of a 100 percent stake in the Longhill onshore wind project from Energiekontor AG. The Longhill wind farm project will consist of eight of the latest Siemens-Gamesa wind turbines, each with a capacity of 6.25 MW, giving a total of 50 MW. The project, in West Lothian, Scotland, is expected to be one of the largest sub-vent free onshore wind projects in the UK once operational. It is estimated to reduce greenhouse gas emissions by more than 2.6 million tonnes over its lifetime – equivalent to the emissions from more than 550,000 cars driven for a year or the electricity used to power more than 440,000 homes for a year.

8. Declaration pursuant to § 161 AktG

In March 2021, the Management Board and the Supervisory Board of Energiekontor AG issued the declaration on the German Corporate Governance Code within the meaning of Section 161 of the German Stock Corporation Act (AktG) and made it available to shareholders by way of publication on the company’s homepage (www.energiekontor.de) on the Internet.

9. Disclosure

The complete annual financial statements and the consolidated financial statements of Energiekontor AG, which have been issued with an unqualified audit certificate by the auditors, PKF Deutschland GmbH, Stuttgart branch, will be published in the Federal Gazette. They can be requested from Energiekontor AG as an offprint. They can be downloaded from the Internet at www.energiekontor.de.

The annual financial statements and the consolidated financial statements for the previous year were submitted to the Federal Gazette on 29 April 2020.

10. Exemption according to § 264 para. 3 and § 264b HGB

All subsidiaries included in the consolidated financial statements of Energiekontor AG that meet the legal requirements for this have made use of the provisions of Section 264 (3) of the German Commercial Code (HGB) and Section 264b of the German Commercial Code (HGB) on exemption from the obligation to prepare, audit and disclose the annual financial statements and the management report for the financial year. As the parent company, Energiekontor AG has approved the exemptions without exception. The resolutions pursuant to Section 264 (3) HGB of the subsidiaries are disclosed in accordance with Section 325 HGB. The companies that have made use of the exemption can be seen in the list of shareholdings within the meaning of Section 313 (2) and (4) of the German Commercial Code (HGB) in point IX of the notes to the consolidated financial statements.

11. Dividends

The following dividends have been declared and paid out by Energiekontor AG or are proposed.

TEUR	2020	2019
Dividends declared and paid		
Dividend EUR 0.40 per ordinary share entitled to dividend (2019: EUR 0.40) at 14,301,016 (2019: 14,460,211) dividend-bearing shares	5,720	5,784

General meeting		
TEUR	2021	2020
Proposed dividends		
Dividend EUR 0.80 per subscribed ordinary share (2020: EUR 0.40) at 14,328,160 (previous year 14,678,160) shares	11,463	5,871

IX. List of shareholdings

Direct and indirect shareholdings of Energiekontor AG

Company name	Shares in %	Earnings 2020 in TEUR ²	Equity capital 31 Dec. 2020 in TEUR ¹
Construtora da nova Energiekontor – Parquet Eólicos, Unipessoal Lda., Lisbon, Portugal	100,00 %	-3	52
EER GbR, Worpsswede ⁷⁾	28,60 %	0	0
EK HDN Projektentwicklung GmbH & Co. KG, Bremerhaven ⁵⁾	100,00 %	1	1
Energiekontor – WSB – GmbH, Bremerhaven ⁴⁾	100,00 %	611	1.012
Energiekontor Alstedt BGWP ALF GmbH & Co. KG, Bremerhaven ⁵⁾	100,00 %	0	1
Energiekontor Aufwind GmbH, Bremerhaven ⁴⁾	100,00 %	-5	-8
Energiekontor Aufwind 4 GmbH & Co. KG, Bremerhaven ⁵⁾	100,00 %	0	0
Energiekontor Aufwind 8 GmbH & Co. KG, Bremerhaven ⁵⁾	100,00 %	0	0
Energiekontor Aufwind 9 GmbH & Co. KG, Bremerhaven ⁵⁾	100,00 %	0	0
Energiekontor Bau I GmbH, Bremerhaven ⁴⁾	100,00 %	-5	4
Energiekontor Bau II GmbH, Bremerhaven ⁴⁾	100,00 %	-5	4
Energiekontor Bau III GmbH, Bremerhaven ⁴⁾	100,00 %	-5	17
Energiekontor Bau IV GmbH, Bremerhaven ⁴⁾	100,00 %	-5	4
Energiekontor Bau V GmbH, Bremerhaven ⁴⁾	100,00 %	-5	4
Energiekontor Bau VI GmbH, Bremerhaven ⁴⁾	100,00 %	-5	4
Energiekontor Bau VII GmbH, Bremerhaven ⁴⁾	100,00 %	-5	4
Energiekontor Bau VIII GmbH, Bremerhaven ⁴⁾	100,00 %	-5	3
Energiekontor Bau IX GmbH, Bremerhaven ⁴⁾	100,00 %	-3	4
Energiekontor Bau X GmbH, Bremerhaven ⁴⁾	100,00 %	-5	4
Energiekontor Bau XI GmbH, Bremerhaven ⁴⁾	100,00 %	-2	7
Energiekontor Bau XII GmbH, Bremerhaven ⁴⁾	100,00 %	-2	7
Energiekontor Bau XIII GmbH, Bremerhaven ⁴⁾	100,00 %	-2	7

- 1) Equity under commercial law
- 2) Annual result under commercial law, if applicable after execution of the profit and loss transfer agreement (SAB) with Energiekontor AG
- 3) Energiekontor AG has concluded a control and profit and loss transfer agreement with these companies
- 4) Subsidiary in the legal form of a GmbH which is exempt from the publication obligation
- 5) Subsidiary in the legal form of a GmbH & Co. KG or UG & Co. KG, which is exempt from the publication obligation
- 6) Joint venture (joint operation)
- 7) Associated company, accounted for using the equity method

Company name	Shares in %	Earnings 2020 in TEUR ²	Equity capital 31 Dec. 2020 in TEUR ¹
Energiekontor Bau XIV GmbH, Bremerhaven ⁴⁾	100,00 %	-2	8
Energiekontor Bau XV GmbH, Bremerhaven ⁴⁾	100,00 %	-2	8
Energiekontor Bau XVI GmbH, Bremerhaven ⁴⁾	100,00 %	-2	8
Energiekontor Bau XVII GmbH, Bremerhaven ⁴⁾	100,00 %	-2	7
Energiekontor Bau XVIII GmbH, Bremerhaven ⁴⁾	100,00 %	-2	8
Energiekontor Bau XIX GmbH, Bremerhaven ⁴⁾	100,00 %	-2	7
Energiekontor Bau XX GmbH, Bremerhaven ⁴⁾	100,00 %	-2	8
Energiekontor Direktvermarktung GmbH, Bremerhaven ⁴⁾	100,00 %	-3	4
Energiekontor Finance GmbH, Bremerhaven ⁴⁾	100,00 %	0	9
Energiekontor Finanzanlagen II GmbH & Co. KG, Bremerhaven ⁵⁾	100,00 %	20	268
Energiekontor Finanzanlagen III GmbH & Co. KG, Bremerhaven ⁵⁾	100,00 %	-7	282
Energiekontor Finanzanlagen IV GmbH & Co. KG, Bremerhaven ⁵⁾	100,00 %	-6	348
Energiekontor Finanzanlagen V GmbH & Co. KG, Bremerhaven ⁵⁾	100,00 %	96	446
Energiekontor Finanzanlagen VI GmbH & Co. KG, Bremerhaven ⁵⁾	100,00 %	109	226
Energiekontor Finanzanlagen VII GmbH & Co. KG, Bremerhaven ⁵⁾	100,00 %	199	231
Energiekontor Finanzanlagen VIII GmbH & Co. KG, Bremerhaven ⁵⁾	100,00 %	-4	96
Energiekontor Finanzierungsdienste GmbH & Co. KG, Bremerhaven ⁵⁾	100,00 %	-15	543
Energiekontor Finanzierungsdienste III GmbH, Bremerhaven ⁴⁾	100,00 %	-2	-6
Energiekontor Finanzierungsdienste IV GmbH, Bremerhaven ⁴⁾	100,00 %	-2	-5
Energiekontor Finanzierungsdienste V GmbH, Bremerhaven ⁴⁾	100,00 %	-2	-2
Energiekontor Finanzierungsdienste VI GmbH, Bremerhaven ⁴⁾	100,00 %	-2	-2
Energiekontor Finanzierungsdienste VII GmbH, Bremerhaven ⁴⁾	100,00 %	-3	4
Energiekontor Finanzierungsdienste VIII GmbH, Bremerhaven ⁴⁾	100,00 %	-1	11
Energiekontor Finanzierungsdienste IX GmbH, Bremerhaven ⁴⁾	100,00 %	-1	11
Energiekontor Finanzierungsdienste-Verwaltungs GmbH, Bremerhaven ⁴⁾	100,00 %	-2	-10
Energiekontor France SAS, Toulouse, France	100,00 %	-1.021	-1.795

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- 4) Subsidiary in the legal form of a GmbH which is exempt from the publication obligation
- 5) Subsidiary in the legal form of a GmbH & Co. KG or UG & Co. KG, which is exempt from the publication obligation
- 6) Joint venture (joint operation)
- 7) Associated company, accounted for using the equity method

Company name	Shares in %	Earnings 2020 in TEUR ²	Equity capital 31 Dec. 2020 in TEUR ¹
Energiekontor Green Real Estate GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-12
Energiekontor Guardao GmbH, Bremerhafen ⁽⁴⁾	100,00 %	-2	-16
Energiekontor III Energias Alternativas, Unipessoal Lda., Lisbon, Portugal	100,00 %	12	-15
Energiekontor Infrastruktur und Anlagen GmbH, Bremerhaven ^(3,4)	100,00 %	0	123
Energiekontor Infrastruktur I GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	18	45
Energiekontor Infrastruktur II GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	11	259
Energiekontor Infrastruktur IV GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur V GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	71	71
Energiekontor Infrastruktur VI GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur VIII GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur IX GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	320	320
Energiekontor Infrastruktur X GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur XI GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-3	-3
Energiekontor Infrastruktur XII GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur XIII GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	200	200
Energiekontor Infrastruktur XIV GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	121	121
Energiekontor Infrastruktur XV GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-2	-2
Energiekontor Infrastruktur XVI GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	48	48
Energiekontor Infrastruktur XVII GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur XVIII GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur XIX GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur XX GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur Solar GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	3	67
Energiekontor Infrastruktur Solar I GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	120	121
Energiekontor Infrastruktur Solar II GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	235	235
Energiekontor Infrastruktur Solar III GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	173	173
Energiekontor Infrastruktur Solar IV GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	1.568	1.568

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- 6) Joint venture (joint operation)
- 7) Associated company, accounted for using the equity method

Company name	Shares in %	Earnings 2020 in TEUR ²	Equity capital 31 Dec. 2020 in TEUR ¹
Energiekontor Infrastruktur Solar V GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur Solar VI GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur Solar VII GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur Solar VIII GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Innovations GmbH, Bremerhaven ⁽⁴⁾	100,00 %	19	207
Energiekontor Mafomedes GmbH, Bremerhafen ⁽⁴⁾	100,00 %	-1	-3
Energiekontor Mafomedes GmbH & Co. WP MF KG, Bremerhaven ⁽⁵⁾	97,90 %	-100	1.368
Energiekontor Mafomedes ÜWP MF GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-389	1.128
Energiekontor Management GmbH, Bremerhaven ⁽⁴⁾	100,00 %	189	-9
Energiekontor Management Hagen GmbH, Hagen ⁽⁴⁾	100,00 %	36	118
Energiekontor Montemuro GmbH, Bremerhaven ⁽⁴⁾	100,00 %	0	34
Energiekontor Montemuro GmbH & Co. WP MONT KG, Bremerhaven ⁽⁵⁾	100,00 %	-521	-4.345
Energiekontor Neue Energie GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	4
Energiekontor Neue Energie 1 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 2 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 3 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 4 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 5 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 6 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 7 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 8 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 9 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 10 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 11 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 12 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Ocean Wind AG, Bremerhaven ⁽⁵⁾	100,00 %	-2	36
Energiekontor Offshore GmbH, Bremerhaven ⁽⁴⁾	100,00 %	0	15

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Company name	Shares in %	Earnings 2020 in TEUR ²	Equity capital 31 Dec. 2020 in TEUR ¹
Energiekontor Ökofonds GmbH, Bremerhaven ⁽⁴⁾	100,00 %	0	27
Energiekontor Ökofonds GmbH & Co. Tandem I KG, Bremerhaven ⁽⁵⁾	100,00 %	-4	4.462
Energiekontor Ökofonds GmbH & Co. Tandem II KG, Bremerhaven ⁽⁵⁾	100,00 %	-3	2.150
Energiekontor Ökofonds GmbH & Co. WP 4 KG, Bremerhaven ⁽⁵⁾	100,00 %	7	2.151
Energiekontor Ökofonds GmbH & Co. WP BD KG, Bremerhaven ⁽⁵⁾	100,00 %	126	-1.031
Energiekontor Ökofonds GmbH & Co. WP Elni KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Ökofonds GmbH & Co. WP GEL KG, Hagen ⁽⁵⁾	100,00 %	76	-1.697
Energiekontor Ökofonds GmbH & Co. WP MA KG, Bremerhaven ⁽⁵⁾	88,52 %	407	-1.556
Energiekontor Ökowind GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-4
Energiekontor Ökowind 8 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Ökowind 9 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Penedo Ruivo GmbH, Bremerhaven ⁽⁴⁾	100,00 %	1	45
Energiekontor Penedo Ruivo GmbH & Co. WP PR KG, Bremerhaven ⁽⁵⁾	100,00 %	-55	-4.031
Energiekontor Portugal – Energia Eólica Lda., Lissabon, Portugal	99,00 %	-265	740
Energiekontor Portugal Marao GmbH, Bremerhaven ⁽⁴⁾	100,00 %	0	38
Energiekontor Portugal Marao GmbH & Co. WP MA KG, Bremerhaven ⁽⁵⁾	100,00 %	-196	-5.768
Energiekontor Portugal Trandeiras GmbH, Bremerhaven ⁽⁴⁾	100,00 %	1	48
Energiekontor Schönberg GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-11
Energiekontor Seewind GmbH, Bremerhaven ⁽⁴⁾	100,00 %	0	1
Energiekontor Sobrado GmbH, Bremerhaven ⁽⁴⁾	100,00 %	0	25
Energiekontor Solar GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-11
Energiekontor Solar 5 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Solar 6 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Solar 7 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Solar 9 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Solar 10 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Solar 16 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0

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- 6) Joint venture (joint operation)
- 7) Associated company, accounted for using the equity method

Company name	Shares in %	Earnings 2020 in TEUR ²	Equity capital 31 Dec. 2020 in TEUR ¹
Energiekontor Solar 17 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Solar 18 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Solar Bau GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-1
Energiekontor Solar Bau I GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	8
Energiekontor Solar Bau II GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	8
Energiekontor Solar Bau III GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	8
Energiekontor Solar Bau IV GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	8
Energiekontor Solar Bau V GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	8
Energiekontor Solar Bau VI GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	5
Energiekontor Solar Bau VII GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	17
Energiekontor Solar Bau VIII GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	4
Energiekontor Stromvermarktung GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor UK GmbH, Bremerhaven ⁽⁴⁾	100,00 %	1	47
Energiekontor UK BU GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-5
Energiekontor UK Construction Ltd., Leeds, Großbritannien	100,00 %	-250	4.886
Energiekontor UK FM GmbH, Bremerhaven ⁽⁴⁾	100,00 %	3	63
Energiekontor UK Hold Limited, Leeds, Großbritannien	100,00 %	0	0
Energiekontor UK HY GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-14
Energiekontor UK HY 2 GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-5
Energiekontor UK HY GmbH & Co. WP Hyndburn KG, Bremerhaven ⁽⁵⁾	100,00 %	1.951	5.406
Energiekontor UK LI GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-9
Energiekontor UK LO GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	4
Energiekontor UK Ltd., Leeds, Großbritannien	100,00 %	-482	15.127
Energiekontor UK Man Limited, Leeds, Großbritannien	100,00 %	-295	-424
Energiekontor UK NR GmbH, Hagen ⁽⁴⁾	100,00 %	-2	-3
Energiekontor UK PE GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	0
Energiekontor UK PI GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	4

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Company name	Shares in %	Earnings 2020 in TEUR ²	Equity capital 31 Dec. 2020 in TEUR ¹
Energiekontor UK WI GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-14
Energiekontor UK WI EXT GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	2
Energiekontor UK WI GmbH & Co. Witherwick KG, Bremerhaven ⁽⁵⁾	100,00 %	1.879	2.766
Energiekontor Umwelt GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	16
Energiekontor Umwelt GmbH & Co. WP BRI KG, Bremerhaven ⁽⁵⁾	100,00 %	745	188
Energiekontor Umwelt GmbH & Co. WP DE KG, Bremerhaven ⁽⁵⁾	100,00 %	-225	-1.367
Energiekontor Umwelt GmbH & Co. WP GRE II KG, Bremerhaven ⁽⁵⁾	96,19 %	-11	532
Energiekontor Umwelt GmbH & Co. WP SCHLO KG, Hagen ⁽⁵⁾	100,00 %	-4	-625
Energiekontor Umwelt GmbH & Co. WP SIE X KG, Bremerhaven ⁽⁵⁾	100,00 %	-4	-706
Energiekontor US Dakota WP 2 LLC, Dakota, USA	100,00 %	1	0
Energiekontor US Dakota WP 3 LLC, Dakota, USA	100,00 %	1	0
Energiekontor US Dakota WP 4 LLC, Dakota, USA	100,00 %	-5	-21
Energiekontor US Dakota WP 5 LLC, Dakota, USA	100,00 %	1	0
Energiekontor US Dakota WP 6 LLC, Dakota, USA	100,00 %	1	0
Energiekontor US Holding Inc., Chicago, USA	100,00 %	53	-2
Energiekontor US Inc., Chicago, USA	100,00 %	-665	-1.040
Energiekontor US Texas SP 1 LLC, Texas, USA	100,00 %	-8	-173
Energiekontor US Texas SP 3 LLC, Texas, USA	100,00 %	-3	-194
Energiekontor US Texas SP 4 LLC, Texas, USA	100,00 %	-3	-195
Energiekontor US Texas SP 5 LLC, Texas, USA	100,00 %	-3	-215
Energiekontor US Texas SP 6 LLC, Texas, USA	100,00 %	-2	-191
Energiekontor US Texas SP 7 LLC, Texas, USA	100,00 %	-2	-16
Energiekontor US Texas SP 8 LLC, Texas, USA	100,00 %	-2	-191
Energiekontor US Texas SP 9 LLC, Texas, USA	100,00 %	0	0
Energiekontor US Texas SP 10 LLC, Texas, USA	100,00 %	0	-356
Energiekontor US Texas SP 11 LLC, Texas, USA	100,00 %	0	-212
Energiekontor US Texas SP 12 LLC, Texas, USA	100,00 %	1	0

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Energiekontor US Texas SP 13 LLC, Texas, USA	100,00 %	1	-171
Energiekontor US Texas SP 14 LLC, Texas, USA	100,00 %	1	0
Energiekontor US Texas SP 15 LLC, Texas, USA	100,00 %	1	0
Energiekontor Windfarm GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-8
Energiekontor Windfarm GmbH & Co. WP 1 KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Windfarm GmbH & Co. WP 2 KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Windfarm ÜWP ALU GmbH & Co. KG, Hagen ⁽⁵⁾	100,00 %	-285	-1.841
Energiekontor Windfarm ÜWP SCHLUE GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Windfarm ZWP THÜ GmbH & Co. KG, Hagen ⁽⁵⁾	100,00 %	149	-5.936
Energiekontor Windinvest GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-11
Energiekontor Windinvest GmbH & Co. ÜWP KRE KG, Hagen ⁽⁵⁾	100,00 %	671	1.143
Energiekontor Windinvest GmbH & Co. ÜWP LE KG, Hagen ⁽⁵⁾	100,00 %	-189	-1.712
Energiekontor Windinvest GmbH & Co. ZWP BE KG, Hagen ⁽⁵⁾	100,00 %	-2	195
Energiekontor Windkraft GmbH, Bremerhaven ⁽⁴⁾	100,00 %	1	220
Energiekontor Windkraft GmbH & Co. WP NL KG, Bremerhaven ⁽⁵⁾	51,32 %	326	487
Energiekontor Windpark GmbH & Co. Giersleben KG, Hagen ⁽⁵⁾	100,00 %	14	-5.447
Energiekontor Windpower GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-17
Energiekontor Windpower GmbH & Co. ÜWP 5 KG, Bremerhaven ⁽⁵⁾	100,00 %	88	766
Energiekontor Windpower GmbH & Co. ÜWP B KG, Bremerhaven ⁽⁵⁾	100,00 %	0	12
Energiekontor Windpower GmbH & Co. ÜWP ENG KG, Hagen ⁽⁵⁾	100,00 %	233	675
Energiekontor Windpower GmbH & Co. ÜWP GRE II KG, Bremerhaven ⁽⁵⁾	100,00 %	-1	-147
Energiekontor Windpower GmbH & Co. ÜWP HN II KG, Hagen ⁽⁵⁾	100,00 %	83	-565
Energiekontor Windpower GmbH & Co. ÜWP HN KG, Hagen ⁽⁵⁾	100,00 %	264	-1.345
Energiekontor Windpower GmbH & Co. ÜWP OE-Osterende KG, Hagen ⁽⁵⁾	100,00 %	119	-410
Energiekontor Windpower GmbH & Co. WP 20 KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Windpower GmbH & Co. WP 5 KG, Bremerhaven ⁽⁵⁾	100,00 %	0	8
Energiekontor Windpower GmbH & Co. WP BRIEST II KG, Bremerhaven ⁽⁵⁾	100,00 %	33	-661

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Energiekontor Windpower GmbH & Co. WP KJ KG, Hagen ⁽⁵⁾	100,00 %	-165	-345
Energiekontor Windpower Improvement GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-257	540
Energiekontor Windregion GmbH, Hagen ⁽⁴⁾	100,00 %	-2	-5
Energiekontor Windstrom GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-7
Energiekontor Windstrom GmbH & Co. UW Uthlede-Stüd KG, Bremerhaven ⁽⁵⁾	100,00 %	-45	-183
Energiekontor Windstrom GmbH & Co. ÜWP HW KG, Hagen ⁽⁵⁾	100,00 %	-584	-6.760
Energiekontor Windstrom GmbH & Co. ÜWP KRE II KG, Hagen ⁽⁵⁾	100,00 %	-267	-2.229
Energiekontor Windstrom GmbH & Co. WP 15 KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Windstrom GmbH & Co. WP 5 KG, Bremerhaven ⁽⁵⁾	100,00 %	-31	-170
Energiekontor Windstrom GmbH & Co. ZWP HÖ KG, Hagen ⁽⁵⁾	100,00 %	-449	-2.595
Energiekontor Windstrom ÜWP SCHWA GmbH & Co. KG, Hagen ⁽⁵⁾	100,00 %	-18	-170
Energiekontor Windstrom ZWP PR GmbH & Co. KG, Hagen ⁽⁵⁾	100,00 %	-2	-786
Energiekontor WP Booßen GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	4
Energiekontor WPI GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-4
Energiekontor WSB 1 GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	4
Energiepark Alfstedt WP ALF GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Alfstedt WP IG ALF GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Beerfelde GmbH & Co. WP BF II KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Beiersdorf-Freudenberg WP BF GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Boddin WP KW GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-124	-123
Energiepark Bramstedt GmbH & Co. WP BRA KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Bultensee WP BULT GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-117	-265
Energiepark Eggersdorf GmbH & Co. WP EGG KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Elstorf NDS WP ELS GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-148	-148
Energiepark Erfstadt-Erp I GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Erfstadt-Erp II GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Flögeln Stüh GmbH & Co. WP FLÖ KG, Bremerhaven ⁽⁵⁾	100,00 %	403	1.140

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Energiepark Frechen WP GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Garzau-Garzin SP GG GmbH & Co. KG, Hagen ⁽⁵⁾	100,00 %	-17	1.308
Energiepark Hanstedt WP UW GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Hanstedt-Erweiterung WP HEW GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-418	-418
Energiepark Heringen-Philippsthal WP HP GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Höttingen Göppersdorf 2 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Jacobsdorf WP Jaco GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-498	-508
Energiepark Jülich-Barmen-Merzenhausen WP JBM GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-745	-745
Energiepark Jülich-Ost WP JO GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-192	-192
Energiepark Jülich-Ost WP JO II GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-186	-186
Energiepark Krempel GmbH & Co. RE WP KRE KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Kreuzau WP ST GmbH & Co. KG, Hagen ⁽⁵⁾	100,00 %	-94	1.571
Energiepark Letschin SP L GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Nartum BGWP NART GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Nartum WP NART GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Naumburg WP Naumburg-Prießnitz GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Niederzier WP ST I GmbH & Co. KG, Hagen ⁽⁵⁾	100,00 %	-267	1.764
Energiepark Nienwohlde WP NIEN GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Oerel BGWP OER GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-214	-214
Energiepark Oerel WP OER GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-422	-422
Energiepark Oerel WP OER II GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Oerel WP UW GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Solar GmbH & Co. SP Berlin KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Solar GmbH & Co. SP Worms KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark SP Bergen GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark SP Theilenhofen GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-5	-5

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Energiepark Stinstedt WP STIN GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Stopfenheim GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark UK GA GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-8
Energiepark UK NR GmbH & Co. KG, Hagen ⁽⁵⁾	100,00 %	-177	2.898
Energiepark UK OV GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Winterberg-Altenfeld WP WA GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark WP Bützflath GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark WP Völkerken GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Zülpich WP Fù GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energyfarm UK BA I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK BA II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Baldoon LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK CO I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK CO II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Cornharrow LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK DU Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK DU I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK FE I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK FE II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Fell LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK GA I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK GA II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Garbet LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK GL I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK GL II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Glenshimmeroch LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK HA I Ltd., Leeds, Great Britain	100,00 %	0	0

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Energyfarm UK HA II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Hare Craig LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK LA I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK LA II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Lairg LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK LI I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK LI II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Little Hartfell LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK LO I Ltd., Leeds, Great Britain	100,00 %	-23	-23
Energyfarm UK LO II Ltd., Leeds, Great Britain	100,00 %	-23	-23
Energyfarm UK Longhill Burn LLP, Leeds, Great Britain	100,00 %	-45	-45
Energyfarm UK NA I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK NA II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Narachan LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK OV I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK OV II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Overhill LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK PE I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK PE II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Pencarreg LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK PI I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK PI II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Pines Burn LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK SO I Ltd., Leeds, Great Britain	100,00 %	-23	-23
Energyfarm UK SO II Ltd., Leeds, Great Britain	100,00 %	-23	-23
Energyfarm UK Sorbie LLP, Leeds, Great Britain	100,00 %	-45	-45
Energyfarm UK WE I Ltd., Leeds, Great Britain	100,00 %	0	0

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Energyfarm UK WE II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Windy Edge LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK WU I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK WU II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Wull Muir LLP, Leeds, Great Britain	100,00 %	0	0
Energeryfarm UK Dunbeath LLP, Leeds, Great Britain	100,00 %	0	0
Hafen Wind Hamburg GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Infrastrukturgesellschaft Flögeln GbR, Bremerhaven ⁽⁶⁾	50,00 %	0	-34
Netzanschluss Badingen GbR, Bremerhaven ⁽⁶⁾	37,29 %	-27	-27
Netzanschluss Mürow Oberdorf GbR, Bremerhaven ⁽⁶⁾	30,19 %	-5	-5
Netzanschluss Stadorf GbR, Hagen ⁽⁵⁾	100,00 %	0	19
Nordergründe Treuhand GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-1	2
Windpark Booßen GmbH & Co. KG, Bremerhaven ⁽⁶⁾	37,50 %	-6	-6
WPS-Windkraft GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-1	-3

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Bremen, 25 March 2021

The auditor's report reproduced below also includes a "Report on the audit of the electronic reproductions of the consolidated financial statements and the combined management report prepared for disclosure purposes in accordance with section 317 (3b) HGB" ("ESEF Report"). The subject matter underlying the ESEF note (ESEF documents to be audited) is not attached. The audited ESEF documents can be viewed in or retrieved from the Federal Gazette after publication.



Peter Szabo
Chairman of the
Management Board



Günter Eschen
Member of the
Management Board



Carsten Schwarz
Member of the
Management Board

Please note that the auditor's opinion is only binding in the German version

AUDITOR'S REPORT OF THE INDEPENDENT

To **Energiekontor AG, Bremen**

Report on the audit of the consolidated financial statements and the combined management report

Audit Opinions

We have audited the consolidated financial statements of Energiekontor AG, Bremen, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2020, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from 1 January 2020 to 31 December 2020, and the notes to the consolidated financial statements, including a summary of significant accounting policies. We have also audited the group management report of Energiekontor AG for the financial year from 1 January 2020 to 31 December 2020, which is combined with the management report of Energiekontor AG.

In accordance with the legal requirements, we have not audited the content of the disclosures made in the "Other information" section of our audit opinion. In our opinion, based on the findings of our audit, the accompanying consolidated

Nach unserer Beurteilung aufgrund der bei der Prüfung gewonnenen Erkenntnisse

- the accompanying consolidated financial statements comply in all material respects with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and the additional

requirements of German law pursuant to §315e Abs. 1 HGB and give a true and fair view of the financial position of the Group as at 31 December 2020 and of its financial performance for the financial year from 1 January 2020 to 31 December 2020 in accordance with these requirements and

- the accompanying combined management report as a whole provides a suitable view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and suitably presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the components of the combined management report mentioned in the section "Other information".

In accordance with §322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations concerning the propriety of the consolidated financial statements and the combined management report.

Basis for the audit judgements

We conducted our audit of the consolidated financial statements and the combined management report in accordance with §317 of the German Commercial Code (HGB) and the EU Regulation on Auditing of Financial Statements (No. 537/2014; hereinafter "EU-APrVO") and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibility under these regulations and standards is further described in the section "Auditor's responsibility for the audit of the consolidated financial statements and the combined management report" of our auditor's report. We are independent of the group entities in accordance with European law and German commercial and professional regulations and have fulfilled our other German professional obligations in accordance with these requirements. Furthermore, pursuant to Article 10 (2) (f) EU-APrVO, we declare that we have not performed any prohibited non-audit services pursuant to Article 5 (1) EU-APrVO. We believe that the audit evidence we have obtained

is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and the combined management report.

Particularly important audit matters in the audit of the consolidated financial statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January 2020 to 31 December 2020. These matters were evaluated in the context of our audit of the consolidated financial statements as a whole and in forming our opinion we do not provide a separate opinion on these matters.

1. Sales realisation and accrual accounting

The consolidated income statement shows sales revenues from project planning in the amount of EUR 89.6 million (previous year EUR 5.6 million). This relates to the construction of wind and solar parks for operating companies. This area is thus a significant part of the business activity.

As the realisation of sales revenues from the construction of wind and solar parks for operating companies takes place with the completion and the transfer of risks and opportunities to the external buyer, this is a matter of relevant importance in the context of our audit.

The risk for the consolidated financial statements

In our view, revenue recognition and accrual accounting is an area with a significant risk of material misstatement, including a possible risk of management circumventing controls, and is therefore a particularly important audit matter, as several conditions must be met cumulatively for the creation date and revenue recognition vis-à-vis project companies (wind or solar park operating companies at the park completion stage) and the deconsolidation date. Due to the size of the projects, the incorrect period allocation of even one sold park would have significant effects on the sales revenue, the disclosure of inventories and the result.

Our approach to the audit

As part of our audit, we examined – based on our findings from the previous year's audits as well as the economic and legal environment of the company – the internally defined methods, procedures and control mechanisms of project management in the offer and execution phase of long-term contract manufacturing.

The focus was on the analysis of the contractual basis as well as contractual conditions against the background of the fulfilment of the criteria for revenue recognition according to IFRS 15 for all significant transactions. For the large projects, we examined whether the requirements for revenue recognition have been met, i.e. the wind and solar park has been completed and put into operation and, in the case of sold parks (cumulatively), the shares in the company have been sold. The focus was on analysing the various share purchase agreements and commissioning and acceptance protocols in order to ensure the cut-off date of the share transfer and thus the correct revenue recognition.

Reference to further information

With regard to the information provided by the legal representatives on accounting and valuation issues, we refer to the notes to the consolidated financial statements, item IV. 3. "Realisation of sales revenues and other income".

2. Valuation of wind and solar parks in the portfolio

Wind and solar parks that are decided not to be sold at the end of the project are transferred to the Group's own portfolio for electricity generation. With regard to the wind and solar parks in the portfolio, each park represents a cash-generating unit. In addition to current depreciation, unscheduled depreciation due to impairment is carried out on the book value of property, plant and equipment, if necessary, if there is an expected permanent impairment as a result of changed circumstances.

The risk to the consolidated financial statements

Impairment is determined by comparing the carrying amount of the respective assets with the recoverable amount. This recoverable amount is based on various value-determining factors, such as the term of the lease agreements including subsequent further use, income/expense calculations including changes in electricity prices and wind or solar radiation.

The determination of these value-determining factors involves a high degree of discretionary decisions and uncertainties. There is a risk for the consolidated financial statements that the future cash flows or the other parameters are not estimated correctly and or the value determination is incorrect and thus the value adjustments are not taken into account or are not taken into account to a sufficient extent. Due to the uniqueness of each individual wind and solar park, the fair value cannot be derived from market values.

Our audit approach

We checked the plausibility of the sales volumes from the submitted plans on the basis of empirical values from the past. We tested the planned expenses analytically and on a sample basis against the underlying data. Furthermore, we subjected the plan data to a target/actual comparison on a sample basis and verified them mathematically. We verified in detail the discount rate, a company-specific weighted blended rate of equity and debt financing (WACC), taking into account the peer group. We checked the mathematical model and recalculated it on a sample basis. In doing so, we relied, among other things, on a comparison with general and industry-specific market expectations as well as on explanations provided by the legal representatives on the key value drivers underlying the expected cash flows. We discussed our queries with the commercial management.

Reference to further information

With regard to accounting and valuation issues, we refer to the notes to the consolidated financial statements, item IV. 9 "Impairment of property, plant and equipment".

3. Subsequent accounting for leases in accordance with IFRS 16

In the consolidated financial statements, rights of use of EUR 21.6 million are reported under non-current assets and rights of use of EUR 44.1 million and lease liabilities of EUR 67.0 million are reported under current assets as at the balance sheet date. For accounting and valuation issues, please refer to the notes to the consolidated financial statements, item IV. 4 "Leasing".

The risk for the consolidated financial statements

The first-time application of IFRS 16 to leases led to significant effects on the balance sheet values in the previous year and now their rollover in the financial year. The application of IFRS 16 requires estimates and discretionary decisions to be made by the legal representatives, the appropriateness of which is to be assessed by us as auditors. These, as well as the complexity and volume of the underlying contractual documents, led to the accounting of leases being of particular importance within the scope of our audit. Likewise, extensive disclosures are to be made in the notes, which were also of material importance to us in this context for the audit.

Our audit approach

As part of our audit, we examined the complete recording of all companies as well as, on a sample basis, the complete recording of the leasing contracts per wind and solar park. Furthermore, we inspected the contracts on a sample basis in order to assess the identification of the performance components for their complete and accurate recording. By interviewing the contact persons and other documents, we verified the consideration of extension options. We recalculated the interest rate used for discounting to present value on the basis of available financing structures. Furthermore, we were able to verify that the assumptions and estimates made by the legal representatives were sufficiently documented and justified to ensure the proper accounting of the leases under IFRS 16. Furthermore, we discussed the recognition of rights of use for parks under construction and in planning with the legal representatives. In order to take into account their short-term

nature, such rights of use are reported under inventories. The corresponding liabilities are reported under current leasing liabilities. We were able to satisfy ourselves of the appropriateness of the approach.

We have checked the information in the notes to the consolidated financial statements for completeness and accuracy.

Reference to further information

For the accounting and valuation issues of IFRS 16, we refer to the notes to the consolidated financial statements, item IV. 4 "Leasing".

Other information

The legal representatives are responsible for the other information. The other information comprises:

- the corporate governance statement contained in the combined management report and the legal representatives' balance sheet oath; and
- the other parts of the annual report, except for the audited consolidated financial statements and combined management report and our audit opinion.

In connection with our audit, we have a responsibility to read the other information and, in doing so, consider whether the other information is

- materially inconsistent with the consolidated financial statements, the combined management report or our knowledge obtained in the audit or otherwise appears to be materially misstated.
- otherwise appears to be materially misstated.

Responsibility of the legal representatives and the supervisory board for the consolidated financial statements and the combined management report

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRSs as adopted by the EU and the additional requirements of German law pursuant to §315e Abs. 1 HGB and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the group's ability to continue as a going concern. They are also responsible for disclosing, as applicable, matters related to going concern. Furthermore, they are responsible for accounting on a going concern basis unless there is an intention to liquidate the group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, management is responsible for the preparation of the combined management report, which as a whole provides a suitable view of the Group's position and is consistent in all material respects with the consolidated financial statements, complies with German legal requirements and suitably presents the opportunities and risks of future development. Furthermore, management is responsible for the arrangements and measures (systems) that it determines are necessary to enable the preparation of a combined management report in accordance with the applicable German legal requirements and for providing sufficient appropriate evidence to support the statements in the combined management report.

The supervisory board is responsible for overseeing the group's financial reporting process for the preparation of the consolidated financial statements and the combined management report.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements and the Combined Management Report

Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides a suitable view of the Group's position and is consistent, in all material respects, with the consolidated financial statements and the audit findings, complies with German legal requirements and suitably presents the opportunities and risks of future development, and to issue an auditor's report that includes our audit opinion on the consolidated financial statements and the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with §317 HGB and EU-APrVO and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 consolidated financial statements and combined management report.

During the audit, we exercise professional judgement and maintain a critical attitude. Furthermore, we

- also identify and assess the risks of material misstatement of the consolidated financial statements and the combined management report, 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 audit opinion. The risk of not detecting a material misstatement is higher in the case of non-compliance than in the case of misstatement, as non-compliance may involve fraud, forgery, intentional omissions, misleading representations or the override of internal controls.

- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and actions relevant to the audit of the combined management report 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 those systems.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of the going concern basis of accounting used by management and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated financial statements and the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. We draw our conclusions on the basis of the audit evidence obtained up to the date of our audit opinion. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with IFRSs as adopted by the EU and the additional requirements of German law pursuant to §315e Abs. 1 HGB.
- obtain sufficient appropriate audit evidence regarding the accounting information of the entities or business activities within the group to express opinions on the consolidated financial

statements and the combined management report. We are responsible for directing, supervising and performing the audit of the consolidated financial statements. We are solely responsible for our audit opinions.

- evaluate the consistency of the combined management report with the consolidated financial statements, its compliance with laws and regulations, and the understanding of the group's position as expressed by the combined management report.
- perform audit procedures on the forward-looking statements made by management in the combined management report. In particular, based on sufficient appropriate audit evidence, we verify the significant assumptions underlying the forward-looking statements made by management and evaluate the appropriateness of the information derived from these assumptions. We do not express an independent opinion on the forward-looking statements or the underlying assumptions. There is a significant unavoidable risk that future events could differ materially from the forward-looking statements.

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

We provide those charged with governance with a statement that we have complied with relevant independence requirements and discuss with them all relationships and other matters that may reasonably be thought to bear on our independence, and the safeguards that we have put in place.

From the matters discussed with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure of the matter.

Other statutory and other legal requirements

Report on the audit of the electronic reproductions of the consolidated financial statements and the combined management report prepared for the purpose of disclosure in accordance with § 317 (3b) of the HGB

Audit opinion

Pursuant to §317 (3b) HGB, we have performed a reasonable assurance engagement as to whether the reproductions of the consolidated financial statements and the combined management report (hereinafter also referred to as "ESEF documents") contained in the attached file `energiekontor_188272.zip` (SHA256-Hashwert: `fbbd9b-91cde7cd02ab7955b6c5291ee2cbdd8ae75b56573491600289ec-2c6aa8`) and prepared for disclosure purposes comply in all material respects with the electronic reporting format ("ESEF format") requirements of §328 (1) HGB. In accordance with German legal requirements, this audit extends only to the conversion of the information in the consolidated financial statements and the combined management report into the ESEF format and therefore neither to the information contained in these reproductions nor to any other information contained in the aforementioned file. In our opinion, the reproductions of the consolidated financial statements and the combined management report contained in the attached file referred to above and prepared for disclosure purposes comply, in all material respects, with the requirements of § 328 (1) HGB regarding the electronic reporting format. We do not express any opinion on the information contained in these reproductions or on the other information contained in the above-mentioned file beyond this opinion and our opinions on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from 1 January 2020 to 31 December 2020 contained in the preceding "Report on the audit of the consolidated financial statements and the combined management report".

Basis for the audit opinion

We conducted our audit of the reproductions of the consolidated financial statements and the combined management report contained in the above-mentioned attached file in accordance with §317 (3b) of the German Commercial Code (HGB) and in compliance with the draft IDW Auditing Standard: Audit of Electronic Reproductions of Financial Statements and Management Reports Prepared for the Purposes of Disclosure pursuant to §317 (3b) of the HGB (IDW EPS 410). Our responsibility thereunder is further described in the section "Responsibility of the group auditor for the audit of the ESEF documents". Our auditing practice has complied with the quality assurance system requirements of the IDW Quality Assurance Standard: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis (IDW QS 1).

Responsibility of the legal representatives and the supervisory board for the ESEF documents

The company's management is responsible for the preparation of the ESEF documents including the electronic reproductions of the consolidated financial statements and the combined management report in accordance with §328 (1) sentence 4 no. 1 HGB and for the certification of the consolidated financial statements in accordance with §328 (1) sentence 4 no. 2 HGB.

Furthermore, the company's management is responsible for the internal controls as they deem necessary to enable the preparation of the ESEF documents that are free from material non-compliance, whether due to fraud or error, with the electronic reporting format requirements of §328 (1) HGB.

The legal representatives of the Company are also responsible for submitting the ESEF documents, together with the auditor's report and the accompanying audited consolidated financial statements and audited combined management report as well as other documents to be disclosed, to the operator of the Federal Gazette. The Supervisory Board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

Auditor's Responsibility for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance, whether due to fraud or error, with the requirements of §328 (1) HGB. During the audit, we exercise professional judgement and maintain a critical attitude. Furthermore, we

- Identify and assess the risks of material non-compliance with the requirements of §328 (1) HGB, 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.
- Obtain an understanding of internal control relevant to the audit of the ESEF documents 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 those controls.
- Evaluate the technical validity of the ESEF documentation, i.e. whether the file containing the ESEF documentation complies with the technical specification for that file as set out in Delegated Regulation (EU) 2019/815 as applicable at the reporting date.
- We assess whether the ESEF documentation provides a consistent XHTML representation of the audited consolidated financial statements and the audited combined management report.
- We assess whether the inline XBRL (iXBRL) mark-up of the ESEF documentation provides an adequate and complete machine-readable XBRL copy of the XHTML reproduction.

Other information pursuant to Article 10 EU-APrVO

We were elected as auditors of the consolidated financial statements by the Annual General Meeting on 20 May 2020. We were appointed by the Supervisory Board on 22 October 2020. We have served as auditors of the consolidated financial statements of Energiekontor AG without interruption since the 2014 financial year.

We declare that the audit opinions contained in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 EU-APrVO (audit report).

Auditor in charge

The auditor responsible for the audit is Julian Wenninger.

Stuttgart, 25 March 2021

PKF Deutschland GmbH
Wirtschaftsprüfungsgesellschaft

Christoph Kalmbach
Wirtschaftsprüfer (Auditor)

Julian Wenninger
Wirtschaftsprüfer (Auditor)



2020 SEPARATE FINANCIAL STATEMENTS OF THE AG (GERMAN GAAP: HGB)

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BALANCE SHEET (HGB)

as at 31 December 2020

ASSETS	Item in the Notes for the AG, Sec. III.	31 Dec. 2020 EUR	31 Dec. 2019 TEUR
A. Fixed assets	(1.)		
I. Intangible assets			
Patents, licenses, trademarks and similar rights and assets	(1.1)	605	1
II. Tangible assets			
Fixtures and fittings	(1.2)	116,327	121
III. Financial assets	(1.3)		
1. Shares in affiliated companies	(1.3.1)	72,051,350	66,988
2. Loans to affiliated companies	(1.3.2)	36,434,923	33,296
3. Investments	(1.3.3)	54,672	55
		108,540,945	100,338
B. Current assets	(2.)		
I. Inventories	(2.1)		
Unfinished goods and work in progress		19,517,050	19,471
II. Receivables and other assets	(2.2)		
1. Trade receivables		1,212,682	334
2. Receivables from affiliated companies		43,750,935	28,712
3. Other assets		445,400	713
		45,409,016	29,759
III. Other securities		3,371	3
IV. Cash in hand and bank balances	(2.3)	43,955,320	31,747
C. Prepaid expenses	(2.4)	56,032	25
Total assets		217,598,667	181,467

EQUITY AND LIABILITIES	Item in the Notes for the AG, Sec. III.	31 Dec. 2020 EUR	31 Dec. 2019 TEUR
A. Equity	(3.)		
I. Issued capital			
1. Subscribed capital	(3.1)	14,328,160	14,678
2. Nominal amounts / arithmetic value for retirement of purchased shares	(3.2)	-130,823	-312
		14,197,337	14,366
II. Capital reserves	(3.5)	42,239,717	42,240
III. Retained earnings	(3.6)		
1. Statutory reserve		15,000	15
2. Other retained earnings		31,273,291	34,960
		31,288,291	34,975
IV. Net income	(3.7)	21,716,456	6,750
Total equity		109,441,802	98,331
B. Provisions	(4.)		
1. Provisions for taxes		10,423,292	940
2. Other provisions		5,790,717	3,247
		16,214,009	4,188
C. Liabilities	(5., 6., 7.)		
1. Bonds		24,000,000	15,000
2. Liabilities to banks		250,185	0
3. Trade payables		756,423	1,192
4. Liabilities to affiliated companies		49,457,765	45,630
5. Other liabilities		2,387,439	620
		76,851,812	62,443
D. Deferred tax liabilities	(8.)	15,091,044	16,505
Total liabilities		217,598,667	181,467

PROFIT AND LOSS STATEMENT (HGB)

1 January 2020 – 31 December 2020

	Item in the Notes for the AG, Sec. IV.	2020 EUR	2019 TEUR
1. Revenue	(1.)	35,787,898	20,050
2. Increase in inventories of finished goods and work in progress		45,845	2,525
3. Total output		35,833,743	22,575
4. Other operating income	(2.)	6,584,353	756
5. Cost of materials	(3.)		
Expenses for purchased services		10,862,851	5,190
6. Gross result		31,555,245	18,141
7. Personnel expenses			
a) Wages and salaries		12,595,578	10,133
b) Social security, pension and other benefits of which <i>EUR 103,052 (previous year EUR thousand) relating to pensions</i>		1,704,305	1,614
		14,299,883	11,747
8. Depreciation and amortisation			
Depreciation and amortisation of intangible and tangible fixed assets		38,370	34
9. Other operating expenses	(4.)	5,357,127	4,432
10. Income from investments of which <i>EUR 0 thousand (previous year EUR 7,000 thousand) from affiliated companies</i>		0	7,000
11. Income from profit and loss transfer agreements with affiliated companies	(5.)	20,771,714	1,641
12. Income from other long-term securities and loans of which <i>EUR 1,405,611 (previous year: EUR 1,471 thousand) from affiliated companies</i>	(6.)	1,405,611	1,486
13. Interest and similar income of which <i>EUR 150,423 (previous year EUR 153 thousand) from affiliated companies</i>	(8.)	153,886	201
14. Depreciation and amortisation of financial assets and securities classified as current assets	(7.)	544,170	938
15. Interest and similar expenses of which <i>EUR 1,473,448 (previous year EUR 1,308 thousand) to affiliated companies</i>	(8.)	2,582,875	2,247
16. Net operating income		31,064,032	9,072
17. Tax on profit	(9.)	9,498,434	2,369
18. Profit or loss for the year		21,565,598	6,703
19. Profit carried forward			
a) Profit carried forward before appropriation		6,750,029	6,627
b) Dividend payments		-5,720,406	-5,784
c) Allocations to retained earnings by the General Meeting		-878,764	-796
		150,859	47
20. Net income		21,716,456	6,750

ANNEX

to the annual financial statements of Energiekontor AG according to HGB principles for the 2020 financial year0

I. Basic principles of the financial statements

The annual financial statements of Energiekontor AG, Bremen (Bremen Local Court, HRB 20449 HB) are prepared in accordance with German commercial law accounting regulations as amended by the German Accounting Directive Implementation Act (BilRUG) and in accordance with German stock corporation law.

Where applicable, the accounting standards of the German Accounting Standards Committee e. V. valid on the balance sheet date were also applied. (DRSC). The annual financial statements of Energiekontor AG are prepared in euros. The figures in the annual financial statements and in the notes are given in euros (EUR) and thousands of euros (TEUR). Figures in tabular form are calculated and totalled exactly, which can result in rounding differences in the totals.

For the sake of clarity and rationality of the financial statements, the additional disclosures required for each item in the balance sheet and profit and loss account are included in the notes. The income statement has been prepared using the nature of expense method.

II. Accounting and valuation principles, currency translation

The following accounting, valuation and currency translation principles were applied unchanged to the previous year.

1. Classification principles

The balance sheet items are comparable with those of the previous year. Any reclassifications of prior-year amounts made in individual cases are noted under the respective item.

2. Accounting methods

The annual financial statements include all assets, liabilities, accruals and deferrals, expenses and income, unless otherwise stipulated by law. The items on the assets side have not – or only to the extent permitted by law – been offset against items on the liabilities side, expenses have not been offset against income, and land rights have not been offset against land charges.

The fixed and current assets, the equity capital, the debts and the accruals and deferrals were shown separately in the balance sheet and broken down sufficiently.

The fixed assets only include items that are intended to serve the business operations on a permanent basis. Expenses for the foundation of the company and for the procurement of equity capital as well as for intangible assets that were not acquired against payment were not included in the balance sheet. Provisions were only made within the scope of § 249 HGB and accruals and deferrals were made in accordance with the provisions of § 250 HGB. Liability relationships within the meaning of § 251 HGB are stated separately below where applicable, as are the nature and purpose as well as risks and benefits from transactions not included in the balance sheet, insofar as this is necessary for assessing the financial position.

3. Valuation methods

The valuations of the opening balance sheet of the business year correspond to those of the closing balance sheet of the previous business year. The valuation was based on the assumption that the company will continue as a going concern. The assets and liabilities were valued individually. All foreseeable risks and losses that arose up to the balance sheet date have been taken into account, even if they only became known between the balance sheet date and the preparation of the annual financial statements. Profits have only been taken into account if they have been realised by the balance sheet date. Expenses and income for the financial year have been taken into account irrespective of the time of payment.

Intangible assets acquired for consideration are capitalised at acquisition cost and amortised on a straight-line basis over a maximum of five years or the longer contractual useful life.

Property, plant and equipment are valued at acquisition or production cost, less scheduled depreciation in the case of depreciable assets; unscheduled depreciation is charged where necessary. Scheduled depreciation is based on the expected useful life of the asset. The useful lives range from three to 13 years. Interest on borrowed capital is not capitalised.

The useful lives and depreciation methods used are reviewed in each period. In the case of asset additions during the financial year, depreciation is recognised pro rata temporis from the month of addition. Assets with an individual acquisition cost of up to EUR 800 are fully depreciated in the year of acquisition.

Shares in affiliated companies and participations are reported in fixed assets under financial assets. Write-downs to a lower value are made on financial assets on the balance sheet date if the impairment is considered likely to be permanent.

Loans to affiliated companies relate to financial and capital receivables. They are recognised at the nominal amount or the lower fair value. If loans are non-interest-bearing or low-interest-bearing, they are recognised at their present value. The default risk is measured by the realisation of the repayment plans.

Reversals of write-downs on property, plant and equipment and financial assets are carried out by means of write-ups increasing profit, up to a maximum of the original acquisition costs, insofar as the value-reducing reasons for previous write-downs no longer apply.

Inventories are valued at acquisition or production cost plus directly attributable ancillary costs in accordance with the lower of cost or market principle. Work in progress is recognised at production cost. General administration costs are not capitalised and borrowing costs

are not included in the cost of production. Inventories are free of third-party rights.

Receivables and other assets are recognised at their nominal amount, non-interest-bearing or low-interest-bearing receivables at their present value. Receivables for which payment is expected after more than one year are discounted. Default risks are taken into account by means of individual value adjustments.

Securities and cash and cash equivalents are recognised at the lower of cost or market value.

Treasury shares are recognised in equity at acquisition cost plus incidental costs. The acquisition costs for treasury shares are openly deducted from the subscribed capital in the amount of the nominal capital, insofar as they have not yet been cancelled. Insofar as treasury shares have already been cancelled, they have reduced the nominal capital by offsetting. The portion of the acquisition costs of the treasury shares exceeding the amount of the nominal capital is offset against the other revenue reserves.

Tax and other provisions are measured according to prudent business judgement, take into account all identifiable risks and uncertain obligations and are recognised at the amount required to settle the obligation according to prudent business judgement, taking into account the expected future price and cost conditions at the time the obligation is settled. All information that becomes known up to the date of preparation of the balance sheet is taken into account.

Where discounting is necessary, it is carried out in accordance with § 253 (2) sentences 4 and 5 HGB in conjunction with the Rückstellungsabzinsungsverordnung (RückAbzinsV) on the basis of the interest rates published by the Deutsche Bundesbank.

Liabilities are recognised at their settlement amount.

Bank balances in foreign currencies are translated at the spot exchange rate on the balance sheet date.

Receivables and liabilities in foreign currencies are generally recognised at the average spot exchange rate on the balance sheet date. In the subsequent measurement of assets and liabilities denominated in foreign currencies with a remaining term of more than one year, changes in value resulting from currency translation are also treated in accordance with the realisation principle and the acquisition cost principle.

Deferred tax assets and liabilities are also to be recognized according to the balance sheet-oriented “temporary concept” or quasi-permanent differences between balance sheet items of the commercial balance sheet and the tax balance sheet and reported in a separate balance sheet item. Deferred tax liabilities are offset against deferred tax assets, whereby tax loss carryforwards are included in the recognition of deferred taxes to the extent that their cause is causally related to the occurrence of deferred tax liabilities. Otherwise, deferred tax assets on losses carried forward are only recognised to the extent that offsetting can be expected within the next five financial years. For valuation purposes, the individual company tax rates that will probably be valid at the time the differences are reduced are used. The amounts are not discounted.

III. Notes to the balance sheet

The following figures are shown under the corresponding items in the balance sheet. Unless otherwise specified, all information is given in TEUR.

1. Fixed assets

The composition and development of fixed assets are shown in the following fixed asset movement schedule (all figures in TEUR).

Fixed Assets 2020

TEUR	Acquisition / Production costs				Depreciation				Carrying amount		
	1 Jan. 2020	Additions	Disposals	31 Dec. 2020	1 Jan. 2020	Additions	Transfers	Disposals	31 Dec. 2020	31 Dec. 2020	31 Dec. 2019
I. Intangible assets											
Intellectual property rights and similar rights and assets	257	0	0	257	256	1	0	0	257	1	1
II. Property, plant and equipment											
Operating and office equipment	285	33	3	315	163	38	0	3	199	116	121
III. Financial assets											
1. Shares in affiliated companies	78,772	5,112	5,428	78,455	11,784	544	5,924	0	6,404	72,051	66,988
2. Loans to affiliated companies	33,603	8,485	5,346	36,742	307	0	0	0	307	36,435	33,296
3. Participating interests	55	0	0	55	0	0	0	0	0	55	55
	112,429	13,597	10,775	115,252	12,091	544	5,924	0	6,711	108,541	100,338
	112,971	13,630	10,777	115,824	12,511	583	5,924	3	7,167	108,658	100,461

1.1 Intangible assets

The value concerns software modules.

1.2 Property, plant and equipment

These are mainly office and business equipment.

1.3 Financial assets

1.3.1 Shares in affiliated companies

Financial assets are generally recognised at acquisition cost, if necessary reduced by write-downs to the lower fair value.

Depreciation on shares in subsidiaries amounted to TEUR 544 (previous year TEUR 938). Write-ups (reversals of impairment losses) in the reporting year amounted to TEUR 5,924 (previous year TEUR 0).

The list of shareholdings is provided in Note VI.

1.3.2 Loans to affiliated companies

Loans to affiliated companies relate to financial and capital receivables from domestic wind/solar park operating companies, from the foreign planning and construction companies and from German wind park investment companies.

As in the previous year, no write-downs or write-ups were made on loans in the financial year. The loans are interest-bearing.

1.3.3 Participations

The shareholdings remain unchanged from the previous year at TEUR 55.

2. Current assets

2.1 Inventories

Inventories of work in progress totalling TEUR 19,517 (previous year TEUR 19,471) relate in particular to capitalised planning services for wind and solar park projects to be realised in the onshore sector. With the provision of the planning services and realisation of the planning fees, the corresponding inventories are released with a reduction in profit.

The recoverability of inventories is generally dependent on the future realisation of these projects. If the probability of the realisation of capitalised projects decreases, the planning services assigned to these projects are written off, if necessary.

2.2 Receivables and other assets

Receivables and other assets are broken down by maturity as follows, with no maturities exceeding five years.

TEUR	31 Dec. 2020			31 Dec. 2019		
	Total	of which with a remaining term		Total	of which with a remaining term	
		till 1 year	1 to 5 years		till 1 year	1 to 5 years
Trade receivables and services	1,213	1,213	0	334	334	0
Receivables from affiliated companies	43,751	36,255	7,496	28,712	23,381	5,331
of which from deliveries and services	27,721	27,721	0	17,645	17,645	0
Other Assets	445	441	5	713	710	3
	45,409	37,909	7,501	29,759	24,425	5,334

This item includes receivables from third parties for planning and sales services in the amount of TEUR 1,213 (previous year TEUR 334) as well as receivables from subsidiaries for planning activities, provision of personnel, administrative income, profit transfers and loans in the amount of TEUR 43,751 (previous year TEUR 28,712).

Other assets consist mainly of short-term loan receivables.

2.3 Cash on hand and bank balances

In the business year as in the previous year, no credit balances at credit institutions were netted with short-term bank liabilities.

Of the bank balances, an amount of TEUR 1,244 (previous year TEUR 1,244) is pledged as collateral for third-party liabilities.

2.4 Prepaid expenses and deferred charges

Prepaid expenses amounting to TEUR 56 (previous year TEUR 25) relate to accrued interest, rent and licence payments that were already paid before the balance sheet date but are economically attributable to the following year.

3. Equity

3.1 Subscribed capital

The share capital (nominal capital) of Energiekontor AG on the balance sheet date corresponds to the subscribed capital of EUR 14,328 thousand and decreased by EUR 350 thousand compared to the previous year due to the withdrawal of 350,000 shares in the year under review.

A further 168,454 shares (previous year 282,449 shares) were bought back in the year under review. The share capital of Energiekontor AG now amounts to EUR 14,328,160.00 (previous year EUR 14,678,160.00) and is divided into 14,328,160 (previous year 14,678,160) ordinary

bearer shares with no par value (no-par value shares with an arithmetical par value of EUR 1.00 each). Taking into account the repurchased shares that have not yet been cancelled, the issued capital as at the balance sheet date amounts to EUR 14,197,337.00 (previous year EUR 14,365,791.00) and is divided into 14,197,337 no-par value ordinary shares (no-par value shares with a notional value of EUR 1.00 each).

3.2. Nominal amount of shares acquired for cancellation (own shares)

In accordance with section 71 (1) no. 8 of the German Stock Corporation Act (AktG), the Annual General Meeting of Shareholders of 21 May 2015 was authorised to acquire treasury shares up to a total of ten percent of the current share capital. This authorisation, which expired on 20 May 2020, was cancelled and revised by resolution of the Annual General Meeting on 20 May 2020. Accordingly, the Company was again authorised pursuant to section 71 (1) no. 8 AktG to acquire treasury shares up to a total of ten percent of the current share capital.

Based on this resolution (detailed below) as well as the previous resolution, a total of 168,454 shares (previous year 282,449 shares) were repurchased in the financial year for the purpose of cancellation for capital reduction. In the financial year, 350,000 shares (previous year 0 shares) were cancelled with a corresponding capital reduction. The amount of share capital attributable to the treasury shares not yet retired amounted to EUR 130,823 (previous year EUR 312,369) as at the balance sheet date and was openly deducted from the subscribed capital, as these shares were also acquired for the purpose of retirement and capital reduction. The part of the acquisition costs exceeding the nominal capital per share was deducted from other revenue reserves.

The authorisation to acquire treasury shares in accordance with section 71 (1) no. 8 of the AktG resolved by the Annual General Meeting on 21 May 2015 was cancelled by the Annual General Meeting on 20 May 2020 and replaced by the following authorisation:

The Company shall be authorised to acquire treasury shares of the Company. The authorisation is limited to the acquisition of treasury

shares with a notional interest in the share capital of up to 10percent. The shares acquired hereunder, together with treasury shares already held by the Company or attributable to it pursuant to §§71 aff. AktG, may not account for more than 10percent of the share capital at any time. The authorisation may be exercised in whole or in part, once or several times, by the Company or by third parties acting for its account. The authorisation is valid until 19 May 2025 and may also be exercised by group companies or by third parties acting for the account of the Company or a group company.

The acquisition shall be made on the stock exchange or by means of a public purchase offer addressed to all shareholders of the Company.

If the shares are purchased on the stock exchange, the consideration per share paid by the Company (excluding incidental costs of purchase) may not be more than 10 percent higher or 10 percent lower than the average closing price (Xetra trading or a comparable successor system) for shares of the same class determined on the Frankfurt Stock Exchange during the last three trading days prior to the purchase of the shares. If the shares are acquired by way of a public purchase offer to all shareholders of the Company, the purchase price offered per share (excluding incidental acquisition costs) may not be more than 10 percent higher or 10 percent lower than the average closing price (Xetra trading or a comparable successor system) for shares of the same class determined on the Frankfurt Stock Exchange during the last three trading days prior to the date of publication of the offer. The purchase offer may provide for further conditions. The volume of the offer may be limited. If the total number of shares offered for purchase by the shareholders exceeds this volume, acceptance shall be in proportion to the shares offered for purchase. A preferential acceptance of smaller numbers of shares up to 50 shares offered for purchase per shareholder as well as a rounding according to commercial principles to avoid arithmetical fractions of shares may be provided for. Any further right of shareholders to tender shares is excluded in this respect.

The Management Board is authorised, with the consent of the Supervisory Board, to dispose of shares in the Company acquired on the basis of this authorisation or acquired on the basis of previous

authorisations, in addition to selling them by offering them to all shareholders or selling them on the stock exchange.

- to third parties in the context of business combinations, the acquisition of companies, participations in companies or parts of companies as well as in the acquisition of receivables against the company as consideration;
- to sell them to third parties. The price at which the shares of the company are to third parties may not exceed the stock exchange price of the shares at the time of the sale. price of the shares at the time of the sale. When making use of this authorisation, the exclusion of the subscription right on the basis of other authorisations in accordance with § 186, paragraph 3, sentence 4 of the German Stock Corporation Act (AktG)
- to redeem shares without the redemption or its implementation requiring a further requires a further resolution of the Annual General Meeting. The redemption shall result in a capital reduction. The shares may procedure without a capital reduction by adjusting the proportional adjustment of the proportionate arithmetical amount of the remaining shares in the share capital of the Company. The redemption may be limited to a part of the acquired shares. shares acquired.

The above authorisations concerning the use of the acquired treasury shares may be exercised once or several times, in whole or in part, individually or jointly. The shareholders' subscription rights to acquired treasury shares shall be excluded to the extent that these shares are used in accordance with the above authorisations under a) and b). The Management Board shall inform the Annual General Meeting of the reasons for and the purpose of the acquisition of treasury shares, of the number of shares acquired and the amount of share capital attributable to them, as well as of the consideration paid for the shares.

The Supervisory Board is authorised to amend the wording of the Articles of Association in accordance with the respective utilisation of the authorisation to subscribe.

3.3 Authorised capital

The Annual General Meeting of Energiekontor AG on 26 May 2016 created new authorised capital by cancelling the previously authorised capital. The Management Board was authorized, with the approval of the Supervisory Board, to increase the share capital by up to EUR 7,326,580.00 by issuing up to 7,326,580 new ordinary and/or preferred bearer shares with or without voting rights against cash and/or non-cash contributions on one or more occasions up to and including 23 May, 2021 (Authorized Capital 2016). The authorization includes the authority to issue further preference shares (with or without voting rights) in the event of repeated issuance of preference shares, which take precedence over or equal to the previously issued preference shares in the distribution of profits or company assets.

In principle, shareholders are to be granted subscription rights. The new shares may also be acquired by one or more banks with the obligation to offer them to the shareholders for subscription.

However, the Management Board is authorized, with the consent of the Supervisory Board, to exclude the statutory subscription right of shareholders,

- to the extent necessary to compensate for fractional amounts;
- if the shares are issued against contributions in kind for the purpose of acquiring companies or interests in companies or parts of companies or for the purpose of acquiring receivables from the Company;
- if a capital increase against cash contributions does not exceed 10 percent of the share capital and the issue price of the new shares is not significantly lower than the stock exchange price (§ 186 (3) Sentence 4 AktG); when exercising this authorization under exclusion of subscription rights pursuant to § 186 (3) Sentence 4 AktG, the exclusion of subscription rights on the basis of other authorizations pursuant to § 186 (3) Sentence 4 AktG must be taken into account.

The Management Board was authorised, with the approval of the Supervisory Board, to determine the further details of the capital increase

and its implementation. The Supervisory Board was authorized to amend the wording of the Articles of Association in line with the utilization of the authorized capital.

As in the previous year, no use was made of these authorisations in the financial year under review.

3.4 Conditional capital and stock option program

The General Meeting of Energiekontor AG on 23 May 2018 passed the resolution to conditionally increase the Company's share capital by up to EUR 500,000,00 by issuing up to 500,000 new no-par value bearer shares, each with a notional share in the share capital of EUR 1.00, as subscription shares. The conditional capital increase is intended solely to serve the purpose of granting subscription rights to members of the Company's Management Board within the framework of a stock option plan (Section 192 (2) No. 3 AktG). The conditional capital increase shall only be implemented to the extent that the subscription rights granted are exercised by the respective beneficiary. The new shares shall participate in the profits of the Company from the beginning of the financial year in the course of which they are created by the exercise of subscription rights.

Under the 2018 Stock Option Program, subscription rights for up to 500,000 shares of the Company may be issued to members of the Company's Board of Management until 30 April 2023. Each subscription right entitles the holder to subscribe to one no-par value bearer share of Energiekontor AG in accordance with the subscription right conditions to be determined by the Supervisory Board. The term of the subscription rights is five years, beginning with the end of the respective issue period. The stock options can only be exercised four years after the respective issue period and are not transferable. The Company is entitled to satisfy the subscription rights either by issuing shares from the conditional capital created for this purpose or by selling treasury shares.

In the reporting year, the Supervisory Board made partial use of the authorisation and granted the Management Board member Peter Szabo subscription rights to acquire 100,000 shares in the company. The exercise price is EUR 22.032 per share, the vesting period ends in 2024. At the time of granting, the fair value was TEUR 815.

3.5 Capital reserve

The capital reserve of TEUR 42,240 (previous year TEUR 42,240) is made up of the premiums received from the IPO and the capital increases of Energiekontor AG in 2000 and 2001 as well as the premium on the shares issued as part of the share option programme in the 2019 financial year.

3.6 Retained earnings

The statutory retained earnings of Energiekontor AG remains unchanged at TEUR 15. The other retained earnings of Energiekontor AG developed as follows:

TEUR	2020	2019
As of 1 Jan.	34,960	38,847
Offset against acquisition costs for repurchased own shares that exceeded the nominal capital	-4,566	-4,683
Partial appropriation of earnings	879	796
As at 3 Dec.	31,273	34,960

The partial appropriation of profit in the current year in the amount of TEUR 879 relates to the transfer to retained earnings by the Annual General Meeting on 20 May 2020.

3.7 Balance sheet profit

The retained earnings as at 31 December 2020 are as follows:

TEUR	2020	2019
As of 1 Jan.	6,750	6,627
Dividend payment	-5,720	-5,784
Allocation to retained earnings by the Annual General Meeting	-879	-796
Net profit for the year	21,566	6,703
As at 3 Dec.	21,716	6,750

4. Provisions

The composition and development of provisions is shown in the following overview.

TEUR	1 Jan. 2020	Consumption 2020	Resolution 2020	Feeding 2020	31 Dec. 2020
Provisions for taxes (excluding deferred taxes)	940	292	0	9,774	10,423
Other accrued liabilities					
Project related costs	646	304	1	1,111	1,452
Process costs	135	0	0	0	135
Annual financial statement, legal and consulting fees	279	195	0	257	341
Annual Report	80	80	0	80	80
Remuneration of the Supervisory Board	70	70	0	135	135
Personnel costs (vacation, overtime, employer's liability insurance, profit sharing)	2,007	1,787	0	3,374	3,594
Other	30	30	0	54	54
Other accrued liabilities	3,247	2,466	1	5,011	5,791

As in the previous year, the provisions do not include any non-current portions.

5. Liabilities

Liabilities at the balance sheet dates are broken down by maturity as follows:

TEUR	31 Dec. 2020				31 Dec. 2019			
	Total	till 1 year	1 to 5 years	more than 5 years	Total	till 1 year	1 to 5 years	more than 5 years
Bonds	24,000	0	9,000	15,000	15,000	0	15,000	0
Liabilities to banks	250	0	250	0	0	0	0	0
Liabilities from trade accounts payable	756	756	0	0	1,192	1,192	0	0
Liabilities to connected companies	49,458	12,284	12,351	24,822	45,630	8,073	13,194	24,363
thereof from deliveries and services	1,220	1,220	0	0	805	805	0	0
thereof advance payments received	654	654	0	0	1,633	1,633	0	0
Other liabilities	2,387	2,387	0	0	620	620	0	0
of which taxes	1,870	1,870	0	0	251	251	0	0
of which within the scope of social security	36	36	0	0	36	36	0	0
	76,852	15,428	21,602	39,822	62,442	9,885	28,194	24,363

As in the previous year, no bank loans secured by current account balances were offset against the corresponding credit accounts in the financial year under review.

Bonds

Bonds In 2015, Energiekontor AG issued a bond in the amount of TEUR 6,000, divided into 6,000 bearer bonds with a nominal value of TEUR 1 each under the securities identification number (WKN) A1611S. Investors receive a return of 5.25 percent of the nominal value of the subscribed capital. The bond matures on 1 January 2021 for repayment at nominal value. As in the previous year, the bond had a value of TEUR 6,000 at the balance sheet date.

In 2018, Energiekontor AG issued another bond in the amount of TEUR 9,000, divided into 9,000 bearer bonds with a nominal value of TEUR 1 each, under the securities identification number (WKN) A2E4HA. Investors receive interest of 4 percent of the nominal value of the subscribed capital. The bond is due for repayment at par on

31 January 2023. As in the previous year, the bond was valued at TEUR 9,000 on the balance sheet date.

In 2020, Energiekontor AG issued a further convertible bond in the amount of TEUR 15,000, divided into 15,000 bearer bonds of TEUR 1 each, under the securities identification number (WKN) A289KT. The investors receive interest of 4 percent of the nominal value of the subscribed capital. The bond is due for repayment at par on 30 September 2028. The bond has a value of TEUR 15,000 as at the balance sheet date (previous year TEUR 0).

The total volume of the bonds was TEUR 24,000 as at the balance sheet date (previous year TEUR 15,000). The above-mentioned bonds and the interest claims are securitised for the entire term of the respective bonds in a bearer bond that is deposited with Clearstream Bank AG, Frankfurt. The bonds do not contain any conversion rights or other equity elements and are freely tradable. Termination prior to maturity is possible by the issuer with eight weeks' notice to the end of the quarter, but termination by the bondholders is only possible in the event of cessation of payments, insolvency or bankruptcy of the issuer.

6. Contingent liabilities

As at 31 December 2020, Energiekontor AG had temporary and unlimited guarantees amounting to TEUR 1,267 (previous year TEUR 1,746). Of this amount, TEUR 267 (previous year TEUR 454) is attributable to guarantees in favour of companies belonging to the Group.

As in the past, the risk of a claim on the guarantees is considered low due to the good asset, financial and earnings situation of the companies concerned.

In six cases Energiekontor AG has optionally undertaken to repurchase shares in five domestic wind farm operating companies in the amount of up to 20 percent and shares in one foreign wind farm operating company in the amount of up to 20 percent of the fixed price of the

original construction contracts in the years 2022 to 2029. In the event that the wind farm operating companies exercise the option in the future, the Company may incur payment obligations that could fall due at the end of 2022 in the amount of EUR 581 thousand and in the years 2025 to 2029 in the amount of EUR 4,840 thousand. The maximum nominal values due are stated in each case, the present value of which is significantly lower in accordance with the terms.

In the event that the option is exercised, however, the Company will take over the limited partner shares in these wind farm operating companies in return for the payments. As the Company assumes that the shares will be fully recoverable at the conditions offered, risks from such repurchases are not expected.

Limited partner's interests give rise to contingent liabilities within the meaning of §§ 171 (1) and, if applicable, 172 (4) HGB. The liability amounts pursuant to § 171 (1) HGB result from the respective difference between the liability contribution entered in the commercial register on the one hand and the contribution actually paid on the other. The following overview shows the contingent liabilities arising from the limited partnership interests.

There are (uncalled) payment obligations to subsidiaries from contributions not yet made as of the balance sheet date amounting to TEUR 777.

TEUR	Limited partners' contributions			
	according to articles of partnership	into the commercial register	registered thereupon	Liability within the meaning of § 171 HGB
Total amounts	104,983	104,983	50,423	54,559

Due to the scheduled development of the asset, financial and earnings situation of the companies, a liability claim is not expected.

As of 31 December 2020, as in the previous year, there is collateral for third-party liabilities from the assignment of 15 shares in affiliated companies as security. As of the reporting date, these are recognised in financial assets with a total carrying amount of TEUR 12,593 (previous year TEUR 12,110).

7. Other financial obligations

Other financial obligations consist of rental agreements for the business premises in Bremen, Bremerhaven and the other domestic and foreign branches and of leasing agreements for vehicles, furniture and IT hardware and software.

TEUR	2021	2022 to 2025
From rental contracts	480	174
From maintenance and service contracts	117	311
From leasing contracts	409	696
Other financial obligations	1,006	1,181

8. Deferred tax liabilities

According to the balance sheet-oriented "temporary concept", deferred tax assets and liabilities must also be recognised for quasi-permanent differences between balance sheet items in the commercial balance sheet and the tax balance sheet and reported in a separate balance sheet item. This includes in particular the different valuations of investments in subsidiaries in the commercial and tax balance sheets. Deferred tax assets on losses carried forward must also be taken into account if their cause is causally connected with the occurrence of deferred tax liabilities. Otherwise, deferred tax assets on losses carried forward are only recognised to the extent that offsetting can be expected within the next five financial years.

As of the balance sheet date, the following deferred taxes were recognized:

TEUR	31 Dec. 2020		31 Dec. 2019	
	De-ferred tax assets	De-ferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Valuation differences in investments, loans, Receivables from subsidiaries	135	16,941	112	18,831
Losses carried forward	1,715	0	2,214	0
Subtotal before netting	1,850	16,941	2,326	18,831
Amounts eligible for netting	-1,850	-1,850	-2,326	-2,326
Deferred taxes (after netting)	0	15,091	0	16,505

For this purpose, a rate of 15.8 percent (previous year 15.8 percent) for corporation tax (incl. solidarity surcharge) and 16.1 percent (previous year 16.1 percent) for trade tax were applied as the tax rates to be expected at the time of dissolution.

As at the balance sheet date, the deferred tax assets for losses carried forward, which are expected to be utilised within the next five financial years, included offset losses from subsidiaries for corporate income tax of TEUR 10,836.

IV. Notes to the profit and loss account

The following figures are given for the corresponding items in the income statement. Unless otherwise indicated, all figures are given in TEUR.

The income statement has been prepared using the nature of expense method.

1. Sales proceeds

Sales are mainly generated in Germany. Sales revenues consist of proceeds from the sale of shares in companies in wind farms, from services in connection with construction, economic planning and contractual and legal processing, project management, management in the start-up phase, sales and advertising activities and the procurement of equity and debt for the wind farm operating companies, from planning services to obtain building permits for wind farm projects, as well as from accounting proceeds and intra-Group proceeds for the provision of personnel and project coordination.

TEUR	2020	2019
Income from		
Construction, planning, distribution	30,575	14,273
Administration, provision of personnel	5,023	5,592
Bookkeeping	190	185
Proceeds	35,788	20,050

2. Other operating income

Other operating income is composed as follows:

TEUR	2020	2019
Income from reversals of impairment losses on financial assets (write-ups)	5,924	0
Income from currency conversions	467	390
Other operating income	166	222
amortization of accruals	25	48
Insurance compensation	1	96
Other operating income	6,584	756

3. Cost of materials

The cost of purchased services in connection with the wind and solar park project planning (expert opinions, planning costs, public fees, etc.) amounted to TEUR 10,863 in the financial year (previous year TEUR 5,190).

4. Other operating expenses

Other operating expenses mainly include general administrative, legal and consulting costs, project-related expenses, advertising and similar costs.

TEUR	2020	2019
other operating expenses	5,357	4,432
Administration and other costs	1,790	1,365
Legal and consulting fees	1,679	1,230
Room costs	551	583
Expenses from exchange rate differences	466	244
Distribution costs	346	573
Insurance, fees, contributions	307	183
Project-related expenses	199	118
Travel expenses for employees	19	136

5. Income from investments

The income results from the profit transfer of the subsidiary Energiekontor Infrastruktur und Anlagen GmbH, Bremerhaven, which is linked to the company by a profit transfer and control agreement.

6. Income and expenses from profit and loss transfer agreements of affiliated companies

The income results from the profit transfer of the subsidiary Energiekontor Infrastruktur und Anlagen GmbH, Bremerhaven, which is affiliated with the Company under a profit transfer and control agreement.

7. Income from other securities and loans from financial assets

Depreciation on shares in subsidiaries amounted to TEUR 544 in the reporting year (previous year TEUR 938). As in the previous year, no write-downs were made on loans to affiliated companies in the reporting year.

8. Net interest income

The interest result developed as follows:

TEUR	2020	2019
Income from other securities and loans from financial assets	1,406	1,486
thereof from affiliated companies	1,406	1,471
Other interest and similar income	154	201
thereof from affiliated companies	150	153
Interest and similar expenses	-2,583	-2,247
thereof to affiliated companies	-1,473	-1,308
Net interest income	-1,023	-559

9. Taxes on income and profit

For the financial year, a total tax burden (corporate income tax and trade tax) of TEUR 9,498 (previous year TEUR 2,369) results for the tax group. This tax expense relates in the amount of TEUR 11,072 (previous year TEUR 948) to the result from ordinary activities and in the amount of TEUR -159 (previous year TEUR -48) to tax payments for previous years. The total expense is made up as follows:

in T€	2020	2019
Current (actual) taxes	10,912	900
Deferred taxes	-1,414	1,469
Total tax expense	9,498	2,369

V. Other information

1. Employees

During the financial year, Energiekontor AG employed an annual average of 138 (previous year 130) employees, excluding trainees.

2. Board members and remuneration, shareholdings

2.1 Management Board

Members of the Management Board during the fiscal year were:

- **Dipl.-Kaufm. Peter Szabo**, Dipl.-Kaufmann, Oldenburg
- **Dipl.-Ing. Günter Eschen**, Engineer, Saterland
- **Dipl.-Ing. Torben Möller**, Engineer, Achim (until the end of June 2020)
- **Dipl.-Ing. Carsten Schwarz**, Engineer, Schwanewede (from June 2020)

Each member of the Management Board shall represent the Company jointly with another member of the Management Board or an authorised signatory. Exemption from the restrictions of § 181 of the German Civil Code (BGB) has been granted.

The members of the Management Board received total remuneration of TEUR 1,010 (previous year TEUR 1,437) for their work in the financial year. The variable portion of this amounts to TEUR 249 (previous year TEUR 680). The fair value of the stock options granted to the Executive Board amounts to TEUR 814 at the time of granting and is not included in the above remuneration. Please refer to the remuneration report in the management report.

At the Annual General Meeting on 26 May 2016, it was decided to make use of the opt-out option provided for in §§ 286 para. 5, 314 para. 3 of the German Commercial Code (HGB). On the basis of this resolution, the disclosure of the remuneration of each individual member of the Management Board in the annual financial statements and consolidated financial statements of the company for the financial

years up to and including 2020, as provided for in Section 285 Sentence 1 No. 9 Letter a) Sentences 5 to 8 HGB and Section 314 (1) No. 6 Letter a) Sentences 5 to 8 HGB, is dispensable.

2.2 Supervisory Board

Members of the Supervisory Board were:

- **Dipl.-Wirtsch. Ing. Dr. Bodo Wilkens**, Engineer, Darmstadt, Chairman
Dr. Wilkens also holds a supervisory board office at the following unlisted company:
 - Energiekontor Ocean Wind AG, Bremen (Chair)
- **Günter Lammers**, Management Consultant, Geestland, Deputy Chairman
Mr. Lammers also holds a Supervisory Board office at the following unlisted company:
 - Energiekontor Ocean Wind AG, Bremen
- **Dipl.-Volkswirt Darius Oliver Kianzad**, Management consultant, Essen
Mr. Kianzad also holds a supervisory board office at the following unlisted company:
 - Energiekontor Ocean Wind AG, Bremen

The members of the Supervisory Board received TEUR 135 (previous year TEUR 90) in Supervisory Board remuneration in the reporting year. The Supervisory Board members Dr. Wilkens and Lammers have also concluded consultancy agreements with the company, which provide for an annual fee of TEUR 60 each, as in the previous year.

2.3 Shareholdings of the members of the Management bodies

The members of the Management bodies held the following shareholdings in the AG as at 31 December 2020:

Function	Name	Number of shares
Chairman of the Supervisory Board	Dr. Bodo Wilkens	3,759,835
Deputy Chairman of the Supervisory Board	Günter Lammers	3,752,474

2.4 Miscellaneous

The members of the Management bodies of Energiekontor AG and all Management bodies of affiliated companies at home and abroad are indemnified by Energiekontor AG or the affiliated companies from claims by third parties to the extent permitted by law. For this purpose, the Company maintains a pecuniary loss liability Group insurance for members of the Management bodies and managing directors of the Energiekontor Group. It is concluded or extended annually. The insurance covers the personal liability risk in the event that a claim is made against the Group of persons for financial losses while performing their duties.

In the financial year under review, no transactions were conducted with related parties at conditions that were not customary in the market.

No advances or loans were granted to members of Management bodies or their relatives.

3. Information on subsidiaries

Point VI. of the Notes contains a list of the companies in which Energiekontor AG directly or indirectly holds a majority interest (subsidiaries within the meaning of § 285 No. 11b HGB or affiliated companies pursuant to § 271 (2) HGB).

4. Fees for the audit of the annual and consolidated financial statements

The fee for the audit of the annual financial statements of Energiekontor AG, including the accounting and the management report, as well as the monitoring system to be set up in accordance with § 91 para. 2 AktG for the financial year from 1 January to 31 December 2020, as well as for the audit of the consolidated financial statements and the management report in accordance with IFRS principles, amounts to TEUR 115 (previous year TEUR 124), for other certification services TEUR 6 (previous year TEUR 3) and for other services TEUR 3 (previous year TEUR 4).

5. Declaration pursuant to § 161 AktG

In March 2021, the Management Board and the Supervisory Board of Energiekontor AG issued the declaration on the German Corporate Governance Code within the meaning of § 161 of the German Stock Corporation Act (AktG) and made it available to shareholders by way of publication on the company's homepage (www.energiekontor.de) on the Internet.

6. Disclosure

The annual financial statements of the previous year were disclosed in the Federal Gazette.

7. Exemption options according to §§ 264 (3) or 264b HGB

Pursuant to §§ 264 (3) and 264b of the German Commercial Code (HGB), subsidiaries that are included in the consolidated financial statements by way of full consolidation and meet the other legal requirements do not disclose their annual financial statement documents.

Energiekontor AG has agreed to the exemption. The exempted subsidiaries are listed in the consolidated financial statements.

8. Supplementary report

On 13 January 2021, Energiekontor announced that power purchase agreements (PPAs) had been concluded for a number of existing wind farms. Energiekontor provides operational management services for wind farms and solar parks with a nominal output of more than 1 GW; of these, wind farms with around 270 MW are operated in the company's own portfolio. For 22 existing wind farms with a total of 123 wind turbines and a total output of around 120 MW (of which 55 MW are owned), the term of the fixed 20-year remuneration under the Renewable Energy Sources Act (EEG) ended on 31 December 2020.

On 10 February 2021, EnBW Energie Baden-Württemberg AG and Energiekontor again concluded a long-term power purchase agreement for a solar park planned by Energiekontor. The solar farm planned in the municipality of Dettmannsdorf in Mecklenburg-Western

Pomerania, east of Rostock, which Energiekontor will build will produce around 55.5 GW of electricity annually with an installed capacity of approximately 52.3 MW. This is enough to cover the annual electricity needs of around 18,500 households. Construction is scheduled to begin in autumn 2021. Commissioning is scheduled for the second quarter of 2022.

On 2 March 2021, Energiekontor and Capital Dynamics, an independent global private asset management company, announced the acquisition of a 100percent stake in the Longhill onshore wind project from Energiekontor AG. The Longhill wind farm project will consist of eight of the latest Siemens-Gamesa wind turbines, each with a capacity of 6.25 MW, giving a total of 50 MW. The project, in West Lothian, Scotland, is expected to be one of the largest sub-vent free onshore wind projects in the UK once operational. It is estimated to reduce greenhouse gas emissions by more than 2.6 million tonnes over its lifetime – equivalent to the emissions from more than 550,000 cars driven for a year or the electricity used to power more than 440,000 homes for a year.

9. Proposal for the appropriation of profits

The net income for 2020 in the amount of EUR 21,565,597.67 and the profit carried forward in the amount of EUR 150,858.50 result in a balance sheet profit of Energiekontor AG in the amount of EUR 21,716,456.17. The Management Board and the Supervisory Board propose that the balance sheet profit for the 2020 financial year in the amount of EUR 21.716,456.17 be used for the following purposes

- a) to use an amount of EUR 11,462,528.00 for the payment of a dividend of EUR 0.80 per no-par value share entitled to dividend,
- b) to transfer an amount of EUR 10,253,928.17 to the revenue reserves; and
- c) to carry forward to new account the amount arithmetically attributable to treasury shares from the dividend distribution pursuant to lit. a).

The distribution corresponds to a dividend of EUR 0.80 per no-par value share on the subscribed capital of EUR 14,328,160.00, divided into 14,328,160 no-par value shares.

VI. List of participations

Direct and indirect shareholdings of Energiekontor AG

Company name	Shares in %	Earnings 2020 in TEUR ²	Equity capital 31 Dec. 2020 in TEUR ¹
Construtora da nova Energiekontor – Parquet Eólicos, Unipessoal Lda., Lisbon, Portugal	100,00 %	-3	52
EER GbR, Worpsswede ⁷⁾	28,60 %	0	0
EK HDN Projektentwicklung GmbH&Co. KG, Bremerhaven ⁵⁾	100,00 %	1	1
Energiekontor – WSB – GmbH, Bremerhaven ⁴⁾	100,00 %	611	1.012
Energiekontor Alstedt BGWP ALF GmbH&Co. KG, Bremerhaven ⁵⁾	100,00 %	0	1
Energiekontor Aufwind GmbH, Bremerhaven ⁴⁾	100,00 %	-5	-8
Energiekontor Aufwind 4 GmbH&Co. KG, Bremerhaven ⁵⁾	100,00 %	0	0
Energiekontor Aufwind 8 GmbH&Co. KG, Bremerhaven ⁵⁾	100,00 %	0	0
Energiekontor Aufwind 9 GmbH&Co. KG, Bremerhaven ⁵⁾	100,00 %	0	0
Energiekontor Bau I GmbH, Bremerhaven ⁴⁾	100,00 %	-5	4
Energiekontor Bau II GmbH, Bremerhaven ⁴⁾	100,00 %	-5	4
Energiekontor Bau III GmbH, Bremerhaven ⁴⁾	100,00 %	-5	17
Energiekontor Bau IV GmbH, Bremerhaven ⁴⁾	100,00 %	-5	4
Energiekontor Bau V GmbH, Bremerhaven ⁴⁾	100,00 %	-5	4
Energiekontor Bau VI GmbH, Bremerhaven ⁴⁾	100,00 %	-5	4
Energiekontor Bau VII GmbH, Bremerhaven ⁴⁾	100,00 %	-5	4
Energiekontor Bau VIII GmbH, Bremerhaven ⁴⁾	100,00 %	-5	3
Energiekontor Bau IX GmbH, Bremerhaven ⁴⁾	100,00 %	-3	4
Energiekontor Bau X GmbH, Bremerhaven ⁴⁾	100,00 %	-5	4
Energiekontor Bau XI GmbH, Bremerhaven ⁴⁾	100,00 %	-2	7
Energiekontor Bau XII GmbH, Bremerhaven ⁴⁾	100,00 %	-2	7
Energiekontor Bau XIII GmbH, Bremerhaven ⁴⁾	100,00 %	-2	7
Energiekontor Bau XIV GmbH, Bremerhaven ⁴⁾	100,00 %	-2	8

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- 3) Energiekontor AG has concluded a control and profit and loss transfer agreement with these companies
- 4) Subsidiary in the legal form of a GmbH which is exempt from the publication obligation
- 5) Subsidiary in the legal form of a GmbH&Co. KG or UG&Co. KG, which is exempt from the publication obligation
- 6) Joint venture (joint operation)
- 7) Associated company, accounted for using the equity method

Company name	Shares in %	Earnings 2020 in TEUR ²	Equity capital 31 Dec. 2020 in TEUR ¹
Energiekontor Bau XV GmbH, Bremerhaven ⁴⁾	100,00 %	-2	8
Energiekontor Bau XVI GmbH, Bremerhaven ⁴⁾	100,00 %	-2	8
Energiekontor Bau XVII GmbH, Bremerhaven ⁴⁾	100,00 %	-2	7
Energiekontor Bau XVIII GmbH, Bremerhaven ⁴⁾	100,00 %	-2	8
Energiekontor Bau XIX GmbH, Bremerhaven ⁴⁾	100,00 %	-2	7
Energiekontor Bau XX GmbH, Bremerhaven ⁴⁾	100,00 %	-2	8
Energiekontor Direktvermarktung GmbH, Bremerhaven ⁴⁾	100,00 %	-3	4
Energiekontor Finance GmbH, Bremerhaven ⁴⁾	100,00 %	0	9
Energiekontor Finanzanlagen II GmbH&Co. KG, Bremerhaven ⁵⁾	100,00 %	20	268
Energiekontor Finanzanlagen III GmbH&Co. KG, Bremerhaven ⁵⁾	100,00 %	-7	282
Energiekontor Finanzanlagen IV GmbH&Co. KG, Bremerhaven ⁵⁾	100,00 %	-6	348
Energiekontor Finanzanlagen V GmbH&Co. KG, Bremerhaven ⁵⁾	100,00 %	96	446
Energiekontor Finanzanlagen VI GmbH&Co. KG, Bremerhaven ⁵⁾	100,00 %	109	226
Energiekontor Finanzanlagen VII GmbH&Co. KG, Bremerhaven ⁵⁾	100,00 %	199	231
Energiekontor Finanzanlagen VIII GmbH&Co. KG, Bremerhaven ⁵⁾	100,00 %	-4	96
Energiekontor Finanzierungsdienste GmbH&Co. KG, Bremerhaven ⁵⁾	100,00 %	-15	543
Energiekontor Finanzierungsdienste III GmbH, Bremerhaven ⁴⁾	100,00 %	-2	-6
Energiekontor Finanzierungsdienste IV GmbH, Bremerhaven ⁴⁾	100,00 %	-2	-5
Energiekontor Finanzierungsdienste V GmbH, Bremerhaven ⁴⁾	100,00 %	-2	-2
Energiekontor Finanzierungsdienste VI GmbH, Bremerhaven ⁴⁾	100,00 %	-2	-2
Energiekontor Finanzierungsdienste VII GmbH, Bremerhaven ⁴⁾	100,00 %	-3	4
Energiekontor Finanzierungsdienste VIII GmbH, Bremerhaven ⁴⁾	100,00 %	-1	11
Energiekontor Finanzierungsdienste IX GmbH, Bremerhaven ⁴⁾	100,00 %	-1	11
Energiekontor Finanzierungsdienste-Verwaltungs GmbH, Bremerhaven ⁴⁾	100,00 %	-2	-10
Energiekontor France SAS, Toulouse, France	100,00 %	-1.021	-1.795
Energiekontor Green Real Estate GmbH, Bremerhaven ⁴⁾	100,00 %	-2	-12
Energiekontor Guardao GmbH, Bremerhaven ⁴⁾	100,00 %	-2	-16

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Company name	Shares in %	Earnings 2020 in TEUR ²	Equity capital 31 Dec. 2020 in TEUR ¹
Energiekontor III Energias Alternativas, Unipessoal Lda., Lisbon, Portugal	100,00 %	12	-15
Energiekontor Infrastruktur und Anlagen GmbH, Bremerhaven ^(3,4)	100,00 %	0	123
Energiekontor Infrastruktur I GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	18	45
Energiekontor Infrastruktur II GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	11	259
Energiekontor Infrastruktur IV GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur V GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	71	71
Energiekontor Infrastruktur VI GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur VIII GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur IX GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	320	320
Energiekontor Infrastruktur X GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur XI GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-3	-3
Energiekontor Infrastruktur XII GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur XIII GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	200	200
Energiekontor Infrastruktur XIV GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	121	121
Energiekontor Infrastruktur XV GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-2	-2
Energiekontor Infrastruktur XVI GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	48	48
Energiekontor Infrastruktur XVII GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur XVIII GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur XIX GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur XX GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur Solar GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	3	67
Energiekontor Infrastruktur Solar I GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	120	121
Energiekontor Infrastruktur Solar II GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	235	235
Energiekontor Infrastruktur Solar III GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	173	173
Energiekontor Infrastruktur Solar IV GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	1.568	1.568
Energiekontor Infrastruktur Solar V GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur Solar VI GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0

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Energiekontor Infrastruktur Solar VII GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Infrastruktur Solar VIII GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Innovations GmbH, Bremerhaven ⁽⁴⁾	100,00 %	19	207
Energiekontor Mafomedes GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-1	-3
Energiekontor Mafomedes GmbH & Co. WP MF KG, Bremerhaven ⁽⁵⁾	97,90 %	-100	1.368
Energiekontor Mafomedes ÜWP MF GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-389	1.128
Energiekontor Management GmbH, Bremerhaven ⁽⁴⁾	100,00 %	189	-9
Energiekontor Management Hagen GmbH, Hagen ⁽⁴⁾	100,00 %	36	118
Energiekontor Montemuro GmbH, Bremerhaven ⁽⁴⁾	100,00 %	0	34
Energiekontor Montemuro GmbH & Co. WP MONT KG, Bremerhaven ⁽⁵⁾	100,00 %	-521	-4.345
Energiekontor Neue Energie GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	4
Energiekontor Neue Energie 1 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 2 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 3 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 4 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 5 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 6 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 7 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 8 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 9 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 10 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 11 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Neue Energie 12 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Ocean Wind AG, Bremerhaven ⁽⁵⁾	100,00 %	-2	36
Energiekontor Offshore GmbH, Bremerhaven ⁽⁴⁾	100,00 %	0	15
Energiekontor Ökofonds GmbH, Bremerhaven ⁽⁴⁾	100,00 %	0	27
Energiekontor Ökofonds GmbH & Co. Tandem I KG, Bremerhaven ⁽⁵⁾	100,00 %	-4	4.462

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Energiekontor Ökofonds GmbH & Co. Tandem II KG, Bremerhaven ⁽⁵⁾	100,00 %	-3	2.150
Energiekontor Ökofonds GmbH & Co. WP 4 KG, Bremerhaven ⁽⁵⁾	100,00 %	7	2.151
Energiekontor Ökofonds GmbH & Co. WP BD KG, Bremerhaven ⁽⁵⁾	100,00 %	126	-1.031
Energiekontor Ökofonds GmbH & Co. WP Elni KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Ökofonds GmbH & Co. WP GEL KG, Hagen ⁽⁵⁾	100,00 %	76	-1.697
Energiekontor Ökofonds GmbH & Co. WP MA KG, Bremerhaven ⁽⁵⁾	88,52 %	407	-1.556
Energiekontor Ökowind GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-4
Energiekontor Ökowind 8 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Ökowind 9 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Penedo Ruivo GmbH, Bremerhaven ⁽⁴⁾	100,00 %	1	45
Energiekontor Penedo Ruivo GmbH & Co. WP PR KG, Bremerhaven ⁽⁵⁾	100,00 %	-55	-4.031
Energiekontor Portugal – Energia Eólica Lda., Lissabon, Portugal	99,00 %	-265	740
Energiekontor Portugal Marao GmbH, Bremerhaven ⁽⁴⁾	100,00 %	0	38
Energiekontor Portugal Marao GmbH & Co. WP MA KG, Bremerhaven ⁽⁵⁾	100,00 %	-196	-5.768
Energiekontor Portugal Trandeiras GmbH, Bremerhaven ⁽⁴⁾	100,00 %	1	48
Energiekontor Schönberg GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-11
Energiekontor Seewind GmbH, Bremerhaven ⁽⁴⁾	100,00 %	0	1
Energiekontor Sobrado GmbH, Bremerhaven ⁽⁴⁾	100,00 %	0	25
Energiekontor Solar GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-11
Energiekontor Solar 5 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Solar 6 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Solar 7 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Solar 9 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Solar 10 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Solar 16 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Solar 17 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Solar 18 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0

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Company name	Shares in %	Earnings 2020 in TEUR ²	Equity capital 31 Dec. 2020 in TEUR ¹
Energiekontor Solar Bau GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-1
Energiekontor Solar Bau I GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	8
Energiekontor Solar Bau II GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	8
Energiekontor Solar Bau III GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	8
Energiekontor Solar Bau IV GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	8
Energiekontor Solar Bau V GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	8
Energiekontor Solar Bau VI GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	5
Energiekontor Solar Bau VII GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	17
Energiekontor Solar Bau VIII GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	4
Energiekontor Stromvermarktung GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor UK GmbH, Bremerhaven ⁽⁴⁾	100,00 %	1	47
Energiekontor UK BU GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-5
Energiekontor UK Construction Ltd., Leeds, Großbritannien	100,00 %	-250	4.886
Energiekontor UK FM GmbH, Bremerhaven ⁽⁴⁾	100,00 %	3	63
Energiekontor UK Hold Limited, Leeds, Großbritannien	100,00 %	0	0
Energiekontor UK HY GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-14
Energiekontor UK HY 2 GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-5
Energiekontor UK HY GmbH & Co. WP Hyndburn KG, Bremerhaven ⁽⁵⁾	100,00 %	1.951	5.406
Energiekontor UK LI GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-9
Energiekontor UK LO GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	4
Energiekontor UK Ltd., Leeds, Großbritannien	100,00 %	-482	15.127
Energiekontor UK Man Limited, Leeds, Großbritannien	100,00 %	-295	-424
Energiekontor UK NR GmbH, Hagen ⁽⁴⁾	100,00 %	-2	-3
Energiekontor UK PE GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	0
Energiekontor UK PI GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	4
Energiekontor UK WI GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-14
Energiekontor UK WI EXT GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	2

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Energiekontor UK WI GmbH&Co. Witherwick KG, Bremerhaven ⁽⁶⁾	100,00 %	1.879	2.766
Energiekontor Umwelt GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	16
Energiekontor Umwelt GmbH&Co. WP BRI KG, Bremerhaven ⁽⁶⁾	100,00 %	745	188
Energiekontor Umwelt GmbH&Co. WP DE KG, Bremerhaven ⁽⁶⁾	100,00 %	-225	-1.367
Energiekontor Umwelt GmbH&Co. WP GRE II KG, Bremerhaven ⁽⁶⁾	96,19 %	-11	532
Energiekontor Umwelt GmbH&Co. WP SCHLO KG, Hagen ⁽⁶⁾	100,00 %	-4	-625
Energiekontor Umwelt GmbH&Co. WP SIE X KG, Bremerhaven ⁽⁶⁾	100,00 %	-4	-706
Energiekontor US Dakota WP 2 LLC, Dakota, USA	100,00 %	1	0
Energiekontor US Dakota WP 3 LLC, Dakota, USA	100,00 %	1	0
Energiekontor US Dakota WP 4 LLC, Dakota, USA	100,00 %	-5	-21
Energiekontor US Dakota WP 5 LLC, Dakota, USA	100,00 %	1	0
Energiekontor US Dakota WP 6 LLC, Dakota, USA	100,00 %	1	0
Energiekontor US Holding Inc., Chicago, USA	100,00 %	53	-2
Energiekontor US Inc., Chicago, USA	100,00 %	-665	-1.040
Energiekontor US Texas SP 1 LLC, Texas, USA	100,00 %	-8	-173
Energiekontor US Texas SP 3 LLC, Texas, USA	100,00 %	-3	-194
Energiekontor US Texas SP 4 LLC, Texas, USA	100,00 %	-3	-195
Energiekontor US Texas SP 5 LLC, Texas, USA	100,00 %	-3	-215
Energiekontor US Texas SP 6 LLC, Texas, USA	100,00 %	-2	-191
Energiekontor US Texas SP 7 LLC, Texas, USA	100,00 %	-2	-16
Energiekontor US Texas SP 8 LLC, Texas, USA	100,00 %	-2	-191
Energiekontor US Texas SP 9 LLC, Texas, USA	100,00 %	0	0
Energiekontor US Texas SP 10 LLC, Texas, USA	100,00 %	0	-356
Energiekontor US Texas SP 11 LLC, Texas, USA	100,00 %	0	-212
Energiekontor US Texas SP 12 LLC, Texas, USA	100,00 %	1	0
Energiekontor US Texas SP 13 LLC, Texas, USA	100,00 %	1	-171
Energiekontor US Texas SP 14 LLC, Texas, USA	100,00 %	1	0

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Company name	Shares in %	Earnings 2020 in TEUR ²	Equity capital 31 Dec. 2020 in TEUR ¹
Energiekontor US Texas SP 15 LLC, Texas, USA	100,00 %	1	0
Energiekontor Windfarm GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-8
Energiekontor Windfarm GmbH&Co. WP 1 KG, Bremerhaven ⁽⁶⁾	100,00 %	0	0
Energiekontor Windfarm GmbH&Co. WP 2 KG, Bremerhaven ⁽⁶⁾	100,00 %	0	0
Energiekontor Windfarm ÜWP ALU GmbH&Co. KG, Hagen ⁽⁶⁾	100,00 %	-285	-1.841
Energiekontor Windfarm ÜWP SCHLUE GmbH&Co. KG, Bremerhaven ⁽⁶⁾	100,00 %	0	0
Energiekontor Windfarm ZWP THÜ GmbH&Co. KG, Hagen ⁽⁶⁾	100,00 %	149	-5.936
Energiekontor Windinvest GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-11
Energiekontor Windinvest GmbH&Co. ÜWP KRE KG, Hagen ⁽⁶⁾	100,00 %	671	1.143
Energiekontor Windinvest GmbH&Co. ÜWP LE KG, Hagen ⁽⁶⁾	100,00 %	-189	-1.712
Energiekontor Windinvest GmbH&Co. ZWP BE KG, Hagen ⁽⁶⁾	100,00 %	-2	195
Energiekontor Windkraft GmbH, Bremerhaven ⁽⁴⁾	100,00 %	1	220
Energiekontor Windkraft GmbH&Co. WP NL KG, Bremerhaven ⁽⁶⁾	51,32 %	326	487
Energiekontor Windpark GmbH&Co. Giersleben KG, Hagen ⁽⁶⁾	100,00 %	14	-5.447
Energiekontor Windpower GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-17
Energiekontor Windpower GmbH&Co. ÜWP 5 KG, Bremerhaven ⁽⁶⁾	100,00 %	88	766
Energiekontor Windpower GmbH&Co. ÜWP B KG, Bremerhaven ⁽⁶⁾	100,00 %	0	12
Energiekontor Windpower GmbH&Co. ÜWP ENG KG, Hagen ⁽⁶⁾	100,00 %	233	675
Energiekontor Windpower GmbH&Co. ÜWP GRE II KG, Bremerhaven ⁽⁶⁾	100,00 %	-1	-147
Energiekontor Windpower GmbH&Co. ÜWP HN II KG, Hagen ⁽⁶⁾	100,00 %	83	-565
Energiekontor Windpower GmbH&Co. ÜWP HN KG, Hagen ⁽⁶⁾	100,00 %	264	-1.345
Energiekontor Windpower GmbH&Co. ÜWP OE-Osterende KG, Hagen ⁽⁶⁾	100,00 %	119	-410
Energiekontor Windpower GmbH&Co. WP 20 KG, Bremerhaven ⁽⁶⁾	100,00 %	0	0
Energiekontor Windpower GmbH&Co. WP 5 KG, Bremerhaven ⁽⁶⁾	100,00 %	0	8
Energiekontor Windpower GmbH&Co. WP BRIEST II KG, Bremerhaven ⁽⁶⁾	100,00 %	33	-661
Energiekontor Windpower GmbH&Co. WP KJ KG, Hagen ⁽⁶⁾	100,00 %	-165	-345
Energiekontor Windpower Improvement GmbH&Co. KG, Bremerhaven ⁽⁶⁾	100,00 %	-257	540

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Energiekontor Windregion GmbH, Hagen ⁽⁴⁾	100,00 %	-2	-5
Energiekontor Windstrom GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-7
Energiekontor Windstrom GmbH & Co. UW Uthlede-Süd KG, Bremerhaven ⁽⁵⁾	100,00 %	-45	-183
Energiekontor Windstrom GmbH & Co. ÜWP HW KG, Hagen ⁽⁵⁾	100,00 %	-584	-6.760
Energiekontor Windstrom GmbH & Co. ÜWP KRE II KG, Hagen ⁽⁵⁾	100,00 %	-267	-2.229
Energiekontor Windstrom GmbH & Co. WP 15 KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiekontor Windstrom GmbH & Co. WP 5 KG, Bremerhaven ⁽⁵⁾	100,00 %	-31	-170
Energiekontor Windstrom GmbH & Co. ZWP HÖ KG, Hagen ⁽⁵⁾	100,00 %	-449	-2.595
Energiekontor Windstrom ÜWP SCHWA GmbH & Co. KG, Hagen ⁽⁵⁾	100,00 %	-18	-170
Energiekontor Windstrom ZWP PR GmbH & Co. KG, Hagen ⁽⁵⁾	100,00 %	-2	-786
Energiekontor WP Booßen GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	4
Energiekontor WPI GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-4
Energiekontor WSB 1 GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-3	4
Energiepark Alfstedt WP ALF GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Alfstedt WP IG ALF GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Beerfelde GmbH & Co. WP BF II KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Beiersdorf-Freudenberg WP BF GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Boddin WP KW GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-124	-123
Energiepark Bramstedt GmbH & Co. WP BRA KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Bultensee WP BULT GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-117	-265
Energiepark Eggersdorf GmbH & Co. WP EGG KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Elstorf NDS WP ELS GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-148	-148
Energiepark Erfstadt-Erp I GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Erfstadt-Erp II GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Flögeln Stüh GmbH & Co. WP FLÖ KG, Bremerhaven ⁽⁵⁾	100,00 %	403	1.140
Energiepark Frechen WP GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Garzau-Garzin SP GG GmbH & Co. KG, Hagen ⁽⁵⁾	100,00 %	-17	1.308

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Energiepark Hanstedt WP UW GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Hanstedt-Erweiterung WP HEW GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-418	-418
Energiepark Heringen-Philippsthal WP HP GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Höttingen Göppersdorf 2 GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Jacobsdorf WP Jaco GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-498	-508
Energiepark Jülich-Barmen-Merzenhausen WP JBM GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-745	-745
Energiepark Jülich-Ost WP JO GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-192	-192
Energiepark Jülich-Ost WP JO II GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-186	-186
Energiepark Krempel GmbH & Co. RE WP KRE KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Kreuzau WP ST GmbH & Co. KG, Hagen ⁽⁵⁾	100,00 %	-94	1.571
Energiepark Letschin SP L GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Nartum BGWP NART GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Nartum WP NART GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Naumburg WP Naumburg-Prießnitz GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Niederzier WP ST I GmbH & Co. KG, Hagen ⁽⁵⁾	100,00 %	-267	1.764
Energiepark Nienwohldede WP NIEN GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Oerel BGWP OER GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-214	-214
Energiepark Oerel WP OER GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-422	-422
Energiepark Oerel WP OER II GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Oerel WP UW GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Solar GmbH & Co. SP Berlin KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Solar GmbH & Co. SP Worms KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark SP Bergen GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark SP Theilenhofen GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	-5	-5
Energiepark Stinstedt WP STIN GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Stopfenheim GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0

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Energiepark UK GA GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-2	-8
Energiepark UK NR GmbH & Co. KG, Hagen ⁽⁵⁾	100,00 %	-177	2.898
Energiepark UK OV GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Winterberg-Altenfeld WP WA GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark WP Bützfleth GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark WP Völkersen GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energiepark Zülpich WP Fù GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Energyfarm UK BA I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK BA II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Baldoon LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK CO I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK CO II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Cornharrow LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK DU Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK DU I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK FE I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK FE II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Fell LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK GA I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK GA II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Garbet LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK GL I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK GL II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Glenshimmeroch LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK HA I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK HA II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Hare Craig LLP, Leeds, Great Britain	100,00 %	0	0

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Energyfarm UK LA I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK LA II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Lairg LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK LI I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK LI II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Little Hartfell LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK LO I Ltd., Leeds, Great Britain	100,00 %	-23	-23
Energyfarm UK LO II Ltd., Leeds, Great Britain	100,00 %	-23	-23
Energyfarm UK Longhill Burn LLP, Leeds, Great Britain	100,00 %	-45	-45
Energyfarm UK NA I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK NA II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Narachan LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK OV I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK OV II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Overhill LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK PE I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK PE II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Pencarreg LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK PI I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK PI II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Pines Burn LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK SO I Ltd., Leeds, Great Britain	100,00 %	-23	-23
Energyfarm UK SO II Ltd., Leeds, Great Britain	100,00 %	-23	-23
Energyfarm UK Sorbie LLP, Leeds, Great Britain	100,00 %	-45	-45
Energyfarm UK WE I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK WE II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Windy Edge LLP, Leeds, Great Britain	100,00 %	0	0

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Energyfarm UK WU I Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK WU II Ltd., Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Wull Muir LLP, Leeds, Great Britain	100,00 %	0	0
Energyfarm UK Dunbeath LLP, Leeds, Great Britain	100,00 %	0	0
Hafen Wind Hamburg GmbH & Co. KG, Bremerhaven ⁽⁵⁾	100,00 %	0	0
Infrastrukturgemeinschaft Flügeln GbR, Bremerhaven ⁽⁶⁾	50,00 %	0	-34
Netzanschluss Badingen GbR, Bremerhaven ⁽⁶⁾	37,29 %	-27	-27
Netzanschluss Mürow Oberdorf GbR, Bremerhaven ⁽⁶⁾	30,19 %	-5	-5
Netzanschluss Stadorf GbR, Hagen ⁽⁵⁾	100,00 %	0	19
Nordergründe Treuhand GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-1	2
Windpark Booßen GmbH & Co. KG, Bremerhaven ⁽⁶⁾	37,50 %	-6	-6
WPS-Windkraft GmbH, Bremerhaven ⁽⁴⁾	100,00 %	-1	-3

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Bremen, 25 March 2021


Peter Szabo
 Vorstandsvorsitzender


Günter Eschen
 Vorstand


Carsten Schwarz
 Vorstand

The auditor's report reproduced below also includes a "Report on the audit of the electronic reproductions of the annual financial statements and the combined management report prepared for the purpose of disclosure in accordance with section 317 (3b) HGB" ("ESEF Report"). The audit subject matter underlying the ESEF note (ESEF documents to be audited) is not attached. The audited ESEF documents can be viewed in or downloaded from the Federal Gazette after publication.

Please note that the auditor's opinion is only binding in the German version

INDEPENDENT AUDITOR'S REPORT

To **Energiekontor AG, Bremen**

Note on the Audit of the Annual Financial Statements and the Management Report

Audit Opinions

We have audited the annual financial statements of Energiekontor AG, Bremen, comprising the balance sheet as at 31 December 2020 and the income statement for the financial year from 1 January 2020 to 31 December 2020, together with the notes to the financial statements, including a description of the accounting policies. We have also audited the management report of Energiekontor AG for the financial year from 1 January 2020 to 31 December 2020, which is combined with the group management report of Energiekontor AG.

In accordance with German legal requirements, we have not audited the content of the disclosures made in the "Other information" section of our audit opinion. In our opinion, based on the findings of our audit, the accompanying financial statements

In our opinion, based on the findings of our audit, the consolidated financial statements are

- the accompanying annual financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2020 and of its financial performance for the financial year from 1 January 2020 to 31 December 2020 in accordance with German principles of proper accounting; and

- the attached combined management report as a whole provides a suitable view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements, and accurately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the components of the combined management report mentioned in the section "Other information".

In accordance with section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations concerning the propriety of the annual financial statements and the combined management report.

Basis for the audit opinions

We conducted our audit of the annual financial statements and the combined management report in accordance with section 317 HGB and the EU Regulation on Auditors (No. 537/2014; hereinafter "EU-APrVO") and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibility under those regulations and standards is further described in the "Auditor's responsibility for the audit of the annual financial statements and the combined management report" section of our auditor's report. We are independent of the Company in accordance with European law as well as German commercial law and professional regulations and have fulfilled our other German professional obligations in accordance with these requirements. Furthermore, in accordance with Article 10 (2) (f) EU-APrVO, we declare that we have not performed any prohibited non-audit services in accordance with Article 5 (1) EU-APrVO. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and the combined management report.

Key audit matters in the audit of the financial statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year from 1 January 2020 to 31 December 2020. These matters were considered in the context of our audit of the financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

1. Revenue recognition and accrual accounting

Sales revenues of EUR 35.8 million are reported in the income statement. These are mainly fees for planning services, proceeds from the sale of shares in wind and solar park operating companies, as well as intra-Group proceeds for administrative activities and the provision of personnel.

The risk for the annual financial statement

We see the risk of material misstatement, including the possible risk of management circumventing controls, in the area of planning services for foundation, sales and capital procurement, economic and legal planning as well as proceeds from the sale of shares, and thus a particularly important audit matter, as the planning fees to the project companies (wind or solar park operating companies) can only be invoiced once certain conditions have been met and the planning services have been rendered in accordance with the contract. Due to the size of the projects, the incorrect period allocation of even one service package invoiced too early or too late would have significant effects on the sales revenue and the result.

Our audit approach

As part of our audit, we examined the internally defined methods, procedures and control mechanisms in the various phases of project management based on our knowledge of the economic and legal environment of the company. In the case of significant projects, we examined whether the conditions for revenue recognition were met, particularly in the last quarter before and, if necessary, the first quarter after the balance sheet date. In doing so, we inspected project planning and financing contracts as well as other evidence, if required, in order to ensure the date of performance and thus the fulfilment of

the criteria for revenue recognition. In the case of sales, we inspected the corresponding sales documents and checked the realisation of the corresponding revenues for correct amount and period allocation.

Reference to further information

The company's information on inventories is included in section III. item 2.1 in the notes. In addition, the risks related to the realisation of projects are listed in the "Opportunities and Risks Report" of the combined management report.

2 Valuation and completeness of financial assets

The annual financial statements of Energiekontor AG show financial assets of EUR 108.5 million. The item "Financial assets" includes investments in over 250 affiliated companies amounting to EUR 72.1 million and loans to affiliated companies amounting to EUR 36.4 million. The main book values of the investments relate to operating companies whose main assets are wind power and solar plants.

The risk for the annual financial statements

In accordance with the valuation regulations of the German Commercial Code, financial assets are generally recognised at acquisition cost, if necessary, reduced by depreciation to the lower fair value. The fair values of the shares in affiliated companies are reviewed within the framework of annual impairment tests, which are based on various value-determining factors, such as the term of the lease agreements including subsequent further use, income/expenditure calculations including changes in electricity prices and wind or solar radiation as well as financing costs. The valuations thus also have an impact on the impairment test of the loans to affiliated companies.

The determination of these value-determining factors is highly dependent on the legal representatives' assessment of future cash flows as well as the discount rates used. The valuation therefore involves a high degree of judgement and uncertainty. For the financial statements, there is a risk that the future cash flows or the other parameters are not estimated correctly and or the valuation is carried out incorrectly and thus the value adjustments are not taken into account or are not taken into account to a sufficient extent.

Since Energiekontor AG has a large number of investments in its financial assets and its business model also involves the sale of company shares, the completeness of the shares shown is also of major importance.

Against this background, in particular due to the high complexity of the valuation, the relevance of the completeness and the associated material significance for the net assets, financial position and results of operations of the company, this matter was of particular importance within the scope of our audit.

Our audit approach

For the assessment of the valuation, we tested the sales volumes from the submitted plans for plausibility within the framework of the impairment tests on the basis of empirical values from the past. We tested the planned expenses analytically and on a sample basis against the underlying financing. Furthermore, we subjected the plan data to a target/actual comparison on a sample basis and verified them mathematically. We verified in detail the discount rate, a company-specific weighted blended rate of equity and debt financing (WACC), taking into account the peer group. We checked the mathematical model and recalculated it on a sample basis. In doing so, we relied, among other things, on a comparison with general and industry-specific market expectations as well as on explanations provided by the legal representatives on the key value drivers underlying the expected cash flows. We discussed our queries with the commercial management.

In order to verify completeness, we inspected proofs of purchase and sale, as well as liquidations and transactions under conversion law for their effects on the financial assets. Furthermore, we reconciled the lists of related parties with the investment values reported in the balance sheet and conducted interviews with the management.

Reference to further information

Please refer to the Notes, Section III. item 1.3 "Financial investments".

3. Valuation of inventories

The balance sheet item "Inventories" includes work in progress amounting to EUR 19.5 million. These are capitalised planning services for wind and solar park projects to be realised. With the provision of the planning services and the realisation of the planning fees, the corresponding inventories are consumed and their value reduced.

The recoverability of the inventories is generally dependent on the future realisation of these projects. If the probability of the realisation of capitalised projects decreases, the planning services allocated to these projects are written off.

The risk to the annual financial statements

We see a risk of material misstatement in the valuation of inventories due to inadequate or excessive recognition of costs on the corresponding projects. Furthermore, there is the risk that a project cannot be realised and that necessary write-offs have not been made. Against the backdrop of frequent regulatory changes, the assessment of recoverability is subject to discretion and therefore entails risks.

Against the background of the significance of the work in progress in terms of amount as well as the highly discretionary assessments of recoverability by the legal representatives, this matter was of particular importance from our point of view within the scope of our audit.

Our audit approach

As part of our audit, we built on our knowledge and audit findings from previous years. We looked at the process of recording times on the projects and their valuation as well as the recording of other internal and external costs. We examined the individual projects by inspecting project cost sheets, minutes and other documents to determine whether realisation is planned and realistic or whether write-offs have been made on the planning services allocated to these projects. In addition, we discussed the recoverability of work in progress for individual projects with the commercial management of Energiekontor AG.

We also inspected all minutes of meetings of the legal representatives and the Supervisory Board with regard to possible indications of a need for impairment. Furthermore, confirmations from lawyers were requested and inspected to determine whether there was a need for impairment due to pending legal cases.

Reference to Further Information

The company's information on inventories is contained in section III. item 2.1 in the notes.

Other information

The legal representatives are responsible for the other information. The other information comprises:

- the corporate governance statement contained in the combined management report and the legal representatives' balance sheet oath; and
- the other parts of the annual report, except for the audited financial statements and the combined management report and our audit opinion.

In connection with our audit, we have a responsibility to read the other information and, in doing so, consider whether the other information is

- is materially inconsistent with the financial statements, the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibility of the legal representatives and the supervisory board for the annual financial statements and the combined management report

German principles of proper accounting and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern. They are also responsible for disclosing, as applicable, matters related to going concern. Furthermore, they are responsible for preparing the financial statements on the basis of the going concern principle, unless factual or legal circumstances prevent this.

Furthermore, management is responsible for the preparation of the combined management report, which as a whole provides a suitable view of the Company's position and is consistent in all material respects with the annual financial statements, complies with German legal requirements and suitably presents the opportunities and risks of future development.

Furthermore, management is responsible for the arrangements and measures (systems) that it determines are necessary to enable the preparation of a combined management report in accordance with the applicable German legal requirements and for providing sufficient appropriate evidence to support the statements in the combined management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and the combined management report.

Auditor's Responsibility for the Audit of the Financial Statements and the Combined Management Report

Our objective is to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides a suitable view of the Company's position and is consistent, in all material respects, with the annual financial statements and the audit findings, complies with German legal requirements and suitably presents the opportunities and risks of future development, and to issue an auditor's report that includes our audit opinion on the annual financial statements and the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with §317 HGB and EU-APrVO and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 annual financial statements and combined management report.

During the audit, we exercise professional judgement and maintain a critical attitude. Furthermore, we

- identify and assess the risks of material misstatement of the annual financial statements and the combined management report, 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 audit opinion. The risk of not detecting a material misstatement is higher in the case of non-compliance than in the case of misstatement, as non-compliance may involve fraud, forgery, intentional omissions, misleading representations or the override of internal controls. Fälschungen, beabsichtigte Unvollständigkeiten, irreführende Darstellungen bzw. das Außerkraftsetzen interner Kontrollen beinhalten können,
- Obtain an understanding of internal control relevant to the audit of the financial statements and of arrangements and actions relevant to the audit of the combined management report 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 those systems.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the going concern basis of accounting used by management 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 and the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. We draw our conclusions on the basis of the audit evidence obtained up to the date of our audit opinion. However, future events or conditions may cause the Company to cease to continue as a going concern.

- we assess the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting.
- we assess the consistency of the combined management report with the annual financial statements, its compliance with the law and the understanding of the Company's position given by it.
- Perform audit procedures on the forward-looking statements made by management in the combined management report. Based on sufficient appropriate audit evidence, we in particular verify the significant assumptions underlying the forward-looking statements made by the legal representatives and evaluate the appropriate derivation of the forward-looking statements from these assumptions. We do not express an independent opinion on the forward-looking statements or the underlying assumptions. There is a significant unavoidable risk that future events may differ materially from the forward-looking statements.

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

We provide those charged with governance with a statement that we have complied with relevant independence requirements and discuss with them all relationships and other matters that may reasonably be thought to bear on our independence, and the safeguards that we have put in place.

From the matters discussed with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure of the matter.

Other statutory and other legal requirements

Report on the audit of the electronic reproductions of the annual financial statements and the combined management report prepared for the purpose of disclosure in accordance with section 317 (3b) of the HGB HGB

Audit opinion

In accordance with section 317 (3b) HGB, we have performed a reasonable assurance engagement to obtain reasonable assurance about whether the reproductions of the annual financial statements and the combined management report (hereinafter also referred to as "ESEF documents") contained in the attached file energie-kontor_188254.zip (SHA256-Hashwert: 78795d002ab2678df8b-2d047acb1c0c91b11acdf51d87a0536612e619e4dbaba) and prepared for disclosure purposes comply in all material respects with the requirements of section 328 (1) HGB on the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this audit only covers the conversion of the information in the annual financial statements and the combined management report into the ESEF format and therefore neither the information contained in these

reproductions nor any other information contained in the above-mentioned file.

In our opinion, the reproductions of the annual financial statements and the combined management report contained in the attached file referred to above and prepared for disclosure purposes comply, in all material respects, with the electronic reporting format requirements of section 328 (1) HGB. We do not express any opinion on the information contained in these reproductions or on the other information contained in the above-mentioned file other than this opinion and our opinions on the accompanying annual financial statements and the accompanying combined management report for the financial year from 1 January 2020 to 31 December 2020 contained in the preceding "Report on the audit of the annual financial statements and combined management report".

Basis for the audit opinion

We conducted our audit of the reproductions of the annual financial statements and the combined management report contained in the above-mentioned attached file in accordance with section 317 (3b) HGB and in compliance with the draft IDW Auditing Standard: Audit of Electronic Reproductions of Financial Statements and Management Reports Prepared for Disclosure Purposes pursuant to section 317 (3b) HGB (IDW EPS 410). Our responsibility thereunder is further described in the section "Auditor's Responsibility for the Audit of the ESEF Documents". Our auditing practice has complied with the quality assurance system requirements of the IDW Quality Assurance Standard: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis (IDW QS 1).

Responsibility of the legal representatives and the supervisory board for the ESEF documents

The company's management is responsible for the preparation of the ESEF documents including the electronic reproductions of the annual financial statements and the combined management report in accordance with section 328 (1) sentence 4 no. 1 HGB.

Furthermore, the Company's management is responsible for the internal controls that it determines are necessary to enable the preparation of the ESEF documents that are free from material non-compliance, whether due to fraud or error, with the electronic reporting format requirements of section 328 (1) HGB.

The legal representatives of the Company are also responsible for submitting the ESEF documents, together with the auditor's report and the accompanying audited annual financial statements and audited combined management report and other documents to be disclosed, to the operator of the Federal Gazette.

The Supervisory Board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

Auditor's Responsibility for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance, whether due to fraud or error, with the requirements of section 328 (1) HGB. During the audit, we exercise professional judgement and maintain a critical attitude. Furthermore, we

- Identify and assess the risks of material non-compliance with the requirements of section 328 (1) HGB, 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.
- Obtain an understanding of internal control relevant to the audit of the ESEF documents 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 those controls.

- We assess the technical validity of the ESEF documentation, i.e. whether the file containing the ESEF documentation complies with the requirements of Delegated Regulation (EU) 2019 / 815, as amended at the reporting date, for the technical specification for that file.
- We assess whether the ESEF documentation provides a consistent XHTML representation of the audited annual financial statements and the audited combined management report.

Other information pursuant to Article 10 EU-APrVO

We were elected as auditors by the Annual General Meeting on 20 May 2020. We were appointed by the Supervisory Board on 22 October 2020. We have acted as auditors of Energiekontor AG without interruption since the 2014 financial year.

We declare that the audit opinions contained in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 EU-APrVO (audit report).

Auditor in charge

The auditor responsible for the audit is Julian Wenninger.

Stuttgart, 25 March 2021

PKF Germany GmbH
Wirtschaftsprüfungsgesellschaft

Christoph Kalmbach
Wirtschaftsprüfer (Auditor)

Julian Wenninger
Wirtschaftsprüfer (Auditor)

IMPRINT

Publisher

Energiekontor AG
Mary-Somerville-Straße 5
28359 Bremen

Phone: +49 421 3304-0
Fax: +49 421 3304-444

info@energiekontor.de
www.energiekontor.de

Picture credits

Thomas Kleiner, Bremen
www.gfg-id.de

Text

Peter Alex, Energiekontor

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Note on pro forma key figures (EBIT, EBITDA, cash flow)

The earnings figures EBIT and EBITDA and the cash flow figure used in this report are examples of so-called pro forma figures. Pro forma figures are not part of the national accounting regulations, the German Commercial Code (HGB) or the international accounting regulations according to the International Financial Reporting Standards (IFRS). As other companies may not calculate the pro forma figures presented by the Energiekontor Group in the same way due to the lack of legal definitions of these terms, the pro forma disclosures of the Energiekontor Group are only comparable with disclosures of other companies with similar names to a limited extent. The pro forma figures stated in this annual report should therefore not be viewed in isolation as an alternative to the Energiekontor Group's operating result, net income, consolidated net income or other reported key figures.

Disclaimer

This report contains forward-looking statements. These are statements that are not historical facts, including statements about the expectations and views of the management of Energiekontor AG. These statements are based on current plans, estimates and forecasts of the company's management. Investors should not rely unreservedly on these statements. Forward-looking statements are made in the context of the time and environment in which they are made. The Company assumes no obligation to update the forward-looking statements contained in this report as a result of new information or future events. This does not affect the Company's obligation to comply with its statutory information and reporting obligations. Forward-looking statements always contain risks and uncertainties. A large number of factors can lead to actual and future events deviating considerably from the forward-looking statements contained in the report.

Energiekontor AG – Investor Relations



Energiekontor AG

Investor Relations
Mary-Somerville-Straße 5
28359 Bremen, Germany

Phone: +49 421 3304-126
Fax: +49 421 3304-444

ir@energiekontor.de
www.energiekontor.de