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# ***Solarpark Vandel ApS***

Koldinghus Alle 1, Bregentved, DK-4690 Haslev

## **Annual Report for 1 January - 31 December 2021**

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CVR No 31 06 53 80

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
18/02 2022

Anders Dolmer  
Chairman of the General  
Meeting

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## **Management's Statement**

The Executive Board has today considered and adopted the Annual Report of Solarpark Vandel ApS for the financial year 1 January - 31 December 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Haslev, 18 February 2022

### **Executive Board**

Jacob Simonsen

Anders Dolmer

# Independent Auditor's Report

To the Shareholder of Solarpark Vandel ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Solarpark Vandel ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## Basis for Opinion

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

## Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

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

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

## Management's responsibilities for the Financial Statements

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

# Independent Auditor's Report

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

## **Auditor's responsibilities for the audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

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

# Independent Auditor's Report

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

Ringsted, 18 February 2022

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Martin Langhoff Hansen

statsautoriseret revisor

mne36027

Nikolaj Frausing Borch

statsautoriseret revisor

mne44062

## **Company Information**

### **The Company**

Solarpark Vandel ApS  
Koldinghus Alle 1  
Bregentved  
DK-4690 Haslev

CVR No: 31 06 53 80

Financial period: 1 January - 31 December

Municipality of reg. office: Faxe

### **Executive Board**

Jacob Simonsen  
Anders Dolmer

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Eventyrvej 16  
DK-4100 Ringsted

# **Management's Review**

## **Key activities**

The company's purpose is development and operation of a solar project at the former Flyveplads Vandel, Denmark.

## **Development in the year**

The income statement of the Company for 2021 shows a profit of TDKK 26,850, and at 31 December 2021 the balance sheet of the Company shows equity of TDKK 116,298.

## **Unusual events**

The financial position at 31 December 2021 of the Company and the results of the activities of the Company for the financial year for 2021 have not been affected by any unusual events.

## **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.



## Income Statement 1 January - 31 December

	<u>Note</u>	<u>2021</u> TDKK	<u>2020</u> TDKK
<b>Gross profit/loss</b>		<b>57.227</b>	<b>61.627</b>
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-13.636</u>	<u>-20.447</u>
<b>Profit/loss before financial income and expenses</b>		<b>43.591</b>	<b>41.180</b>
Financial income		370	1.668
Financial expenses	2	<u>-9.325</u>	<u>-12.062</u>
<b>Profit/loss before tax</b>		<b>34.636</b>	<b>30.786</b>
Tax on profit/loss for the year	3	<u>-7.786</u>	<u>-6.949</u>
<b>Net profit/loss for the year</b>		<u><b>26.850</b></u>	<u><b>23.837</b></u>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		<u>26.850</u>	<u>23.837</u>
		<u><b>26.850</b></u>	<u><b>23.837</b></u>

## Balance Sheet 31 December

### Assets

	<u>Note</u>	<u>2021</u> TDKK	<u>2020</u> TDKK
Plant and machinery		395.458	409.094
<b>Property, plant and equipment</b>	4	<b>395.458</b>	<b>409.094</b>
Deposits		17	17
<b>Fixed asset investments</b>	5	<b>17</b>	<b>17</b>
<b>Fixed assets</b>		<b>395.475</b>	<b>409.111</b>
Trade receivables		552	680
Receivables from group enterprises		1.100	1.100
Other receivables		326	233
Prepayments		57	600
<b>Receivables</b>		<b>2.035</b>	<b>2.613</b>
<b>Cash at bank and in hand</b>	6	<b>36.536</b>	<b>38.749</b>
<b>Currents assets</b>		<b>38.571</b>	<b>41.362</b>
<b>Assets</b>		<b>434.046</b>	<b>450.473</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2021 TDKK	2020 TDKK
Share capital	7	125	125
Reserve for hedging transactions		2.312	1.286
Retained earnings		113.861	87.011
<b>Equity</b>		<b>116.298</b>	<b>88.422</b>
Provision for deferred tax		32.450	27.151
Other provisions		2.717	1.947
<b>Provisions</b>		<b>35.167</b>	<b>29.098</b>
Mortgage loans		163.876	210.092
Payables to group enterprises		66.535	72.790
Other payables		2.450	3.476
<b>Long-term debt</b>	8	<b>232.861</b>	<b>286.358</b>
Mortgage loans	8	46.136	46.030
Trade payables		1.097	565
Payables to group enterprises relating to corporation tax		2.487	0
<b>Short-term debt</b>		<b>49.720</b>	<b>46.595</b>
<b>Debt</b>		<b>282.581</b>	<b>332.953</b>
<b>Liabilities and equity</b>		<b>434.046</b>	<b>450.473</b>
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## Statement of Changes in Equity

	Share capital	Reserve for hedging transactions	Retained earnings	Total
	<u>TDKK</u>	<u>TDKK</u>	<u>TDKK</u>	<u>TDKK</u>
Equity at 1 January	125	1.286	87.011	88.422
Fair value adjustment of hedging instruments	0	1.026	0	1.026
Net profit/loss for the year	0	0	26.850	26.850
<b>Equity at 31 December</b>	<b><u>125</u></b>	<b><u>2.312</u></b>	<b><u>113.861</u></b>	<b><u>116.298</u></b>

# Notes to the Financial Statements

	2021 <u>TDKK</u>	2020 <u>TDKK</u>
<b>1 Staff expenses</b>		
<b>Average number of employees</b>	<b><u>2</u></b>	<b><u>2</u></b>
<b>2 Financial expenses</b>		
Interest paid to group enterprises	3.440	3.691
Other financial expenses	4.634	6.934
Exchange loss	1.251	1.437
	<b><u>9.325</u></b>	<b><u>12.062</u></b>
<b>3 Tax on profit/loss for the year</b>		
Current tax for the year	2.487	0
Deferred tax for the year	5.396	6.949
Adjustment of tax concerning previous years	-97	0
	<b><u>7.786</u></b>	<b><u>6.949</u></b>
<b>4 Property, plant and equipment</b>		Plant and machinery
		<u>TDKK</u>
Cost at 1 January		<u>511.175</u>
Cost at 31 December		<u>511.175</u>
Impairment losses and depreciation at 1 January		102.081
Depreciation for the year		<u>13.636</u>
Impairment losses and depreciation at 31 December		<u>115.717</u>
<b>Carrying amount at 31 December</b>		<b><u>395.458</u></b>
Depreciated over		<u>35 years</u>
Interest expenses recognised as part of cost		<u>2.542</u>

## Notes to the Financial Statements

### 5 Fixed asset investments

	Deposits TDKK
Cost at 1 January	17
Cost at 31 December	17
<b>Carrying amount at 31 December</b>	<b>17</b>

### 6 Cash at bank and in hand

	2021 TDKK	2020 TDKK
Free cash	10.347	12.977
Restricted cash	26.189	25.772
	<b>36.536</b>	<b>38.749</b>

### 7 Equity

The share capital consists of 125,000 shares of a nominal value of DKK 1. No shares carry any special rights.

### 8 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2021 TDKK	2020 TDKK
<b>Mortgage loans</b>		
After 5 years	21.192	24.714
Between 1 and 5 years	142.684	185.378
Long-term part	163.876	210.092
Within 1 year	46.136	46.030
	<b>210.012</b>	<b>256.122</b>
<b>Payables to group enterprises</b>		
After 5 years	66.535	72.790
Long-term part	66.535	72.790
Within 1 year	0	0
	<b>66.535</b>	<b>72.790</b>

## Notes to the Financial Statements

### 8 Long-term debt (continued)

	2021 <u>TDKK</u>	2020 <u>TDKK</u>
<b>Other payables</b>		
After 5 years	2.450	3.476
Long-term part	2.450	3.476
Within 1 year	0	0
	<u><b>2.450</b></u>	<u><b>3.476</b></u>

Under payables to group enterprises, DKK 66.535 thousand is provided as subordinated loan capital.

### 9 Derivative financial instruments

The Company has entered three cross currency swap contracts recognized as non-current other payables. The cross currency swaps are recognized at a negative fair value of DKK 2.450 thousand. The principal amount is EUR 28.433 thousand equivalent to DKK 212.396 thousand. The Company swaps from fixed interest rates to fixed interest rates of 1,865-2,23% in DKK to fixed interest rates of 1,55-1,95 % in EUR. The cross currency swaps will expire between the next 4-5 years.

	<u>Value adjust- ment, income statement</u>	<u>Value adjust- ment, equity</u>	<u>Fair value at 31 December</u>
	TDKK	TDKK	TDKK
Cross currency swaps	0	1.026	-2.450

### 10 Contingent assets, liabilities and other financial obligations

#### Charges and security

As security for mortgage debt totaling DKK 212.462 thousand, the Company has granted charges totaling EUR 64.500 thousand equivalent to DKK 479.654 thousand on solarplants carried at DKK 395.457 thousand at 31 December 2021.

According to note 6 cash of DKK 26.189 thousand is placed as restricted cash.

# Notes to the Financial Statements

## 10 Contingent assets, liabilities and other financial obligations (continued)

### Rental and lease obligations

The Company has entered into a landlease agreement with a duration of 30 years until 2045. The landlease depends on the revenue so the total commitment cannot be measured reliably but is estimated to be between DKK 6.750-7.250 thousand per year.

The company has entered into commercial, technical and director agreements with an estimated annual fee of total DKK 1.805 thousand.

The company has entered into a plant manager agreement which cannot be terminated for at least 3 months. The remaining liability is DKK 11 thousand.

### Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Capviva Solarpark Vandel Holding ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on un-earned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

## 11 Related parties

### Ownership

The following shareholder is recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Capviva Solarpark Vandel Holding ApS

### Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the smallest group:

Name	Place of registered office
Capviva Solarpark Vandel Holding ApS, CVR NO 37 56 96 07	Haslev



# Notes to the Financial Statements

## 12 Accounting Policies

The Annual Report of Solarpark Vandel ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in TDKK.

### Changes in accounting estimates

For 2021 Management has changed the depreciation period of the Company's solar plant from 25 years to 35 years, to better reflect actual expected useful lifetime of the asset. The effect of the change amounts to TDKK 6.811.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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

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

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

# Notes to the Financial Statements

## 12 Accounting Policies (continued)

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

### Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as "Other receivables" and "Other payables", respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting, see below.

### Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in retained earnings under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

# Notes to the Financial Statements

## 12 Accounting Policies (continued)

### Income Statement

#### Revenue

Revenue from the sale of electricity is recognised when the risks and rewards relating to the electricity sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT.

#### Costs related to sale of electricity

Expenses for operation and maintenance, insurance, land lease, electricity costs etc. used in generating the year's revenue.

#### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

#### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, costs related to sale of electricity and consumables and other external expenses.

#### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

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

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is part of a joint taxation with all Danish Group Companies. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

# Notes to the Financial Statements

## 12 Accounting Policies (continued)

### Balance Sheet

#### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Plant and machinery	35 years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

#### Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

#### Fixed asset investments

Fixed asset investments consist of deposits.

#### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

#### Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

# Notes to the Financial Statements

## 12 Accounting Policies (continued)

### Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### Financial debts

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.