

Better Energy Solar Parks A/S

Gammel Kongevej 60, 14th Floor

1850 Frederiksberg C

Business Registration No. 37618209

Annual Report 2022

The annual report was presented and
adopted at the Annual General Meeting
on 28 April 2023

Ho Kei Au
Chair of the Annual General Meeting

Better Energy Solar Parks A/S

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Better Energy Solar Parks A/S

Company information

Company	Better Energy Solar Parks A/S Gammel Kongevej 60, 14th Floor 1850 Frederiksberg C Business Registration No.: 37618209 Date of formation: 13 April 2016
Board of Directors	Rasmus Lildholdt Kjær Mikkel Dau Jacobsen Mark Augustenborg Ødum Michael Vater
Executive Board	Mark Augustenborg Ødum, Director
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Egtved Allé 4 6000 Kolding Business Registration No.: 33963556

Management's statement

Today, the Executive Board and the Board of Directors have considered and adopted the annual report of Better Energy Solar Parks A/S for the financial year 1 January 2022 - 31 December 2022.

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

In our opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of Better Energy Solar Parks A/S at 31 December 2022 and of the results of the company's operations for the financial year 1 January 2022 - 31 December 2022.

In our opinion, the 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.

Frederiksberg, 28 April 2023

Executive Board

Mark Augustenborg Ødum
Director

Board of Directors

Rasmus Lildholdt Kjær
Chairman

Mikkel Dau Jacobsen
Board member

Mark Augustenborg Ødum
Board member

Michael Vater
Board member

Independent auditor's report

To the shareholders of Better Energy Solar Parks A/S

Opinion

We have audited the financial statements of Better Energy Solar Parks A/S for the financial year 1 January 2022 - 31 December 2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31 December 2022 and of the results of its operations for the financial year 1 January 2022 - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis of opinion

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

Management's responsibilities for the financial statements

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

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

The auditor's responsibilities for the audit of the financial statements

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

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

- * Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- * Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

Independent auditor's report

- * Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- * Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- * Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management's Review

Management is responsible for the Management's Review.

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

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

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

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

Kolding, 28 April 2023

Deloitte Statsautoriseret Revisionspartnerselskab

Business Registration No. 33963556

Lars Ørum Nielsen

State Authorised Public Accountant

mne26771

Better Energy Solar Parks A/S

Management's review

The company's main activities

The main activities of Better Energy Solar Parks A/S are directly or indirectly to acquire, own, develop and operate Danish solar parks and activities in connection with this.

Development in activities and financial matters

Better Energy Solar Parks A/S's income statement of the financial year 1 January 2022 - 31 December 2022 shows a result of DKK 3,002,026 and the balance sheet at 31 December 2022 a balance sheet total of DKK 47,199,821 and an equity of DKK 43,288,934.

Better Energy Solar Parks A/S

Income statement

	Note	2022 DKK	2021 DKK
Gross profit		-32,891	-19,024
Operating profit		-32,891	-19,024
Income from investments in group enterprises and associates		2,923,415	2,113,208
Financial income	1	907,271	861,095
Financial expenses	2	-29,778	-7,386
Profit from ordinary activities before tax		3,768,017	2,947,893
Tax on profit for the year	3	-765,991	-596,471
Profit		3,002,026	2,351,422
Proposed distribution of results			
Retained earnings		3,002,026	2,351,422
Distribution of profit		3,002,026	2,351,422

Better Energy Solar Parks A/S

Balance sheet as of 31 December

	Note	2022 DKK	2021 DKK
Assets			
Investments in group enterprises	4, 5	22,851,025	19,905,599
Investments		<u>22,851,025</u>	<u>19,905,599</u>
Fixed assets		<u>22,851,025</u>	<u>19,905,599</u>
Receivables from group enterprises		23,872,663	22,432,163
Joint taxation receivables		0	1,042
Other receivables		473,480	375,000
Receivables		<u>24,346,143</u>	<u>22,808,205</u>
Cash and cash equivalents		<u>2,653</u>	<u>1,787</u>
Current assets		<u>24,348,796</u>	<u>22,809,992</u>
Assets		<u>47,199,821</u>	<u>42,715,591</u>

Better Energy Solar Parks A/S

Balance sheet as of 31 December

	Note	2022 DKK	2021 DKK
Equity and liabilities			
Contributed capital		500,000	500,000
Reserve for net revaluation according to equity method		10,021,025	7,075,599
Reserve for unpaid contributed capital		375,000	375,000
Retained earnings		32,392,909	32,337,790
Equity		43,288,934	40,288,389
Deferred tax		2,816,554	2,109,008
Provisions		2,816,554	2,109,008
Trade payables		16,919	18,000
Payables to group enterprises		1,060,148	300,194
Joint taxation payables		17,266	0
Short-term liabilities other than provisions		1,094,333	318,194
Liabilities other than provisions		1,094,333	318,194
Equity and liabilities		47,199,821	42,715,591
Significant events occurring after end of reporting period	6		
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Better Energy Solar Parks A/S

Statement of changes in equity

	Contributed capital	Reserve for net reval- uation ac- cording to equity method	Reserve for unpaid contributed capital	Retained earnings	Total
Equity 1 January 2022	500,000	7,075,599	375,000	32,337,790	40,288,389
Other adjustments of equity	0	-1,481	0	0	-1,481
Equity transfers to reserves	0	23,492	0	-23,492	0
Profit (loss)	0	2,923,415	0	78,611	3,002,026
Equity 31 December 2022	500,000	10,021,025	375,000	32,392,909	43,288,934

There has been no changes in the contributed capital for the last 5 years.

Notes

	2022	2021
1. Financial income		
Financial income from group enterprises	907,199	860,348
Other financial income	5	0
Exchange rate gains	67	747
	907,271	861,095
2. Financial expenses		
Financial expenses from group enterprises	21,981	6,652
Other financial expenses	7,602	316
Exchange rate losses	195	418
	29,778	7,386
3. Tax on profit for the year		
Current tax for the year	17,266	24,567
Change in deferred tax - Denmark	707,546	574,948
Adjustment of corporation tax, previous years	41,179	0
Adjustment of deferred tax, previous years	0	-3,044
	765,991	596,471
4. Investments in group enterprises		
Cost at the beginning of the year	12,829,999	12,750,001
Additions for the year	0	79,998
Cost at the end of the year	12,829,999	12,829,999
Revaluations at the beginning of the year	7,075,600	4,917,325
Change due to a foreign currency translation adjustment	-1,481	-1,524
Revaluations for the year	2,923,415	2,113,208
Other revaluations	23,492	46,591
Revaluations at the end of the year	10,021,026	7,075,600
Carrying amount at the end of the year	22,851,025	19,905,599

Notes

5. Disclosure of investments in group enterprises and associates

Group enterprises

Name	Registered office	Share held in %
Better Energy Solar Park Nees ApS	Frederiksberg	100.00
Better Energy General Partner ApS	Frederiksberg	100.00
P&B Partner I ApS	Frederiksberg	100.00
P&B Solarparks DK GmbH & Co KG	Germany	100.00
Better Energy Horslunde K/S	Frederiksberg	100.00
Better Energy Horslunde Komplementar ApS	Frederiksberg	100.00
Better Energy Cofoco Solpark ApS	Frederiksberg	100.00
Solpark Nees Entreprise ApS	Frederiksberg	100.00
BE 22 P/S	Frederiksberg	100.00
Better Energy Partner DE GmbH	Germany	100.00

6. Significant events occurring after end of reporting period

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

7. Contingent liabilities

The company participates in a Danish joint taxation arrangement where Better Energy Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the company is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

8. Assets charged and collateral

75% of the shares in a group enterprise is placed as collateral for the group enterprise's debt to bank. The carrying amount of pledged shares is DKK 14,7 million at 31 December 2022.

9. Group relations

Name and registered office of the parent company preparing consolidated statements for the smallest group: Better Energy Holding A/S, Business Registration No. 31865883, Frederiksberg.

Better Energy Solar Parks A/S

Accounting policies

Reporting class

The annual report of Better Energy Solar Parks A/S for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with addition of certain provisions for reporting class C.

The accounting policies applied remain unchanged from last year.

Reporting currency

The annual report is presented in Danish kroner (DKK).

Consolidated financial statements

With reference to § 110(1) of the Danish Financial Statements act, no consolidated financial statements have been prepared.

Recognition and measurement

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

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

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is affected as described below for each financial statement item. Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

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

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date.

Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit/loss

The company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit or loss comprises revenue and other external expenses.

Other external expenses

Other external expenses include expenses for operation and administration.

Income from investments in group enterprises and associates

The items 'Income from investments in group enterprises and associates' in the income statement include the proportionate share of the profit or loss for the year and amortisation of goodwill on consolidation. Internal

Accounting policies

profits/losses are eliminated in full for subsidiaries and proportionately for associates.

Financial income

Financial income comprises interest income, including interest income on receivables from group enterprises, amortisation of financial assets, payables and transactions in foreign currencies, fair value adjustments of financial interests as well as tax relief under the Danish Tax Prepayment Scheme etc.

Financial expenses

Financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, amortisation of financial liabilities, payables and transactions in foreign currencies, fair value adjustments of financial interests as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The company is jointly taxed with all Danish group entities. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Financial fixed assets

Equity investments in group enterprises and associates

Enterprises in which the company, directly or indirectly, holds more than 50% of the voting rights and exercises controlling influence are regarded as subsidiaries. Enterprises in which the company, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

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

Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the company has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation is imminent, a provision is recognised that is measured at present value of the costs deemed necessary to incur to settle the obligation.

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

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

Current assets

Receivables

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

Impairment of accounts receivables past due is established on individual assessment of receivables.

Other receivables

Other receivables are measured at cost, usually corresponding to nominal value, less write-downs for bad and doubtful debts.

Accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity

Proposed dividends

Proposed dividends for the year are recognised as a separate item under equity. Proposed dividends are recognised as a liability when approved by the Annual General Meeting.

Provisions

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets within each legal entity.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Other liabilities

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