

# **Better Energy Rejstrup P/S**

Gammel Kongevej 60, 14th floor

1850 Frederiksberg C

Business Registration No. 39949962

## **Annual Report 2021**

The annual report was presented and  
adopted at the Annual General Meeting  
on 25 April 2022



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Ho Kei Au  
Chair of the Annual General Meeting

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## **Better Energy Rejstrup P/S**

### **Company information**

<b>Company</b>	Better Energy Rejstrup P/S Gammel Kongevej 60, 14th floor 1850 Frederiksberg C Business Registration No.: 39949962 Date of formation: 10 October 2018
<b>Board of Directors</b>	Mark Augustenborg Ødum Ho Kei Au Rasmus Lildholdt Kjær
<b>Executive Board</b>	Kevin Ross Wilkinson, Managing Director
<b>General Partner</b>	Better Energy Impact Komplementar I ApS
<b>Auditors</b>	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 Rejstrup P/S for the financial year 1 January 2021 - 31 December 2021.

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 Rejstrup P/S at 31 December 2021 and of the results of the company's operations for the financial year 1 January 2021 - 31 December 2021.

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, 25 April 2022

### **Executive Board**



Kevin Ross Wilkinson  
Managing Director

### **Board of Directors**



Mark Augustenborg Ødum  
Chairman



Ho Kei Au  
Board member



Rasmus Lildholdt Kjær  
Board member

## **Independent auditor's report**

**To the shareholders of Better Energy Rejstrup P/S**

### **Opinion**

We have audited the financial statements of Better Energy Rejstrup P/S for the financial year 1 January 2021 - 31 December 2021, 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 2021 and of the results of its operations for the financial year 1 January 2021 - 31 December 2021 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, 25 April 2022

**Deloitte Statsautoriseret Revisionspartnerselskab**

Business Registration No. 33963556

  
Lars Ørum Nielsen  
State Authorised Public Accountant  
mne26771

## **Better Energy Rejstrup P/S**

### **Management's review**

#### **The company's principal activities**

The purpose of Better Energy Rejstrup P/S is directly or indirectly to acquire, own and operate solar parks and related activities.

#### **Development in activities and financial matters**

Better Energy Rejstrup P/S's income statement of the financial year 1 January 2021 - 31 December 2021 shows a result of DKK 285.596 and the balance sheet at 31 December 2021 a balance sheet total of DKK 122.433.407 and an equity of DKK -2.046.424.

#### **Expectations for the future**

Better Energy Rejstrup P/S has lost more than 50% of its share equity. The Executive Board and the Board of Directors expect that the share capital can be reestablished through operational profit.

**Income statement**

	Note	2021 DKK	2020 DKK
<b>Gross profit</b>		<b>7.065.133</b>	<b>2.719.560</b>
Depreciation, amortisation and impairment losses		-3.645.664	-2.126.636
<b>Operating profit</b>		<b>3.419.469</b>	<b>592.924</b>
Financial income	1	0	332.162
Financial expenses	2	-3.133.873	-1.711.721
<b>Profit from ordinary activities before tax</b>		<b>285.596</b>	<b>-786.635</b>
Tax for the year	3	0	-6.569.890
<b>Profit</b>		<b>285.596</b>	<b>-7.356.525</b>
<b>Proposed distribution of results</b>			
Retained earnings		285.596	-7.356.525
<b>Distribution of profit</b>		<b>285.596</b>	<b>-7.356.525</b>



Balance sheet as of 31 December

	Note	2021 DKK	2020 DKK
<b>Assets</b>			
Land and buildings	4	8.417.179	8.417.179
Solar parks	5	107.972.343	110.048.228
Property, plant and equipment in progress	6	0	0
<b>Property, plant and equipment</b>		<b>116.389.522</b>	<b>118.465.407</b>
<b>Fixed assets</b>		<b>116.389.522</b>	<b>118.465.407</b>
Trade receivables		390.978	609.403
Other receivables		105.706	63.899
<b>Receivables</b>		<b>496.684</b>	<b>673.302</b>
<b>Cash</b>		<b>5.547.201</b>	<b>430.242</b>
<b>Current assets</b>		<b>6.043.885</b>	<b>1.103.544</b>
<b>Assets</b>		<b>122.433.407</b>	<b>119.568.951</b>

**Better Energy Rejstrup P/S**

**Balance sheet as of 31 December**

	Note	2021 DKK	2020 DKK
<b>Equity and liabilities</b>			
Contributed capital		400.000	400.000
Reserve for current value of hedging		-1.914.771	-37.203
Retained earnings		-531.653	-817.249
<b>Equity</b>		<b>-2.046.424</b>	<b>-454.452</b>
Asset retirement obligations		4.374.779	2.805.000
<b>Provisions</b>		<b>4.374.779</b>	<b>2.805.000</b>
Mortgage debt		65.764.224	69.356.363
<b>Long-term liabilities other than provisions</b>	<b>7</b>	<b>65.764.224</b>	<b>69.356.363</b>
Current portion of long-term liabilities other than provisions		3.592.139	3.499.898
Trade payables		324.790	55.000
Payables to group enterprises		48.509.128	44.269.939
Derivatives	<b>8</b>	1.914.771	37.203
<b>Short-term liabilities other than provisions</b>		<b>54.340.828</b>	<b>47.862.040</b>
<b>Liabilities other than provisions</b>		<b>120.105.052</b>	<b>117.218.403</b>
<b>Equity and liabilities</b>		<b>122.433.407</b>	<b>119.568.951</b>
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Statement of changes in equity

	Contributed capital	Reserve for current value of hedging	Retained earnings	Total
Equity 1 January 2021	400.000	-37.203	-817.249	-454.452
Profit (loss)			285.596	285.596
Adjustments of hedging instruments at fair value		-1.877.568		-1.877.568
<b>Equity 31 December 2021</b>	<b>400.000</b>	<b>-1.914.771</b>	<b>-531.653</b>	<b>-2.046.424</b>

The company was established 10 October 2018 with a capital of DKK 1.  
 13 May 2019 the capital was increased by DKK 39.999 to DKK 40.000.  
 30 September 2020 the capital was increased by DKK 360.000 to 400.000 DKK

## Notes

	2021	2020
<b>1. Financial income</b>		
Other financial income	0	2
Exchange rate gains	0	332.160
	<b>0</b>	<b>332.162</b>

	2021	2020
<b>2. Financial expenses</b>		
Financial expenses from group enterprises	1.862.118	635.827
Other financial expenses	1.271.502	683.457
Exchange rate losses	253	392.437
	<b>3.133.873</b>	<b>1.711.721</b>

	2021	2020
<b>3. Tax for the year</b>		
Current tax for the year	0	6.668.351
Deferred tax for the year	0	-98.461
	<b>0</b>	<b>6.569.890</b>

Tax on profit for the year 2020 includes tax of DKK 6.538.655 which relates to the change in the tax status of the company. The company has in 2020 been transformed from an A/S to a partnership ("Partnerselskab") which is transparent for tax purposes.

	2021	2020
<b>4. Land and buildings</b>		
Cost at the beginning of the year	8.417.179	0
Additions for the year	0	8.417.179
<b>Cost at the end of the year</b>	<b>8.417.179</b>	<b>8.417.179</b>

<b>Carrying amount at the end of the year</b>	<b>8.417.179</b>	<b>8.417.179</b>
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	2021	2020
<b>5. Solar parks</b>		
Cost at the beginning of the year	112.174.864	0
Addition during the year	1.569.779	0
Transfers from property, plant and equipment in progress	0	112.174.864
<b>Cost at the end of the year</b>	<b>113.744.643</b>	<b>112.174.864</b>

Depreciation and amortisation at the beginning of the year	-2.126.636	0
Depreciations for the year	-3.645.664	-2.126.636
<b>Depreciations and impairment losses at the end of the year</b>	<b>-5.772.300</b>	<b>-2.126.636</b>

<b>Carrying amount at the end of the year</b>	<b>107.972.343</b>	<b>110.048.228</b>
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Interests included in cost of assets during the year	0	4.066.188
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## Notes

	2021	2020
<b>6. Property, plant and equipment in progress</b>		
Cost at the beginning of the year	0	15.433.239
Additions for the year	0	96.741.625
Transfers during the year to other items	0	-112.174.864
<b>Cost at the end of the year</b>	<b>0</b>	<b>0</b>
<b>Carrying amount at the end of the year</b>	<b>0</b>	<b>0</b>

## 7. Long-term liabilities other than provisions

	Due after 1 year	Due within 1-5 years	Due after 5 years
Debt to credit institutions	65.764.224	14.331.643	51.432.581
	<b>65.764.224</b>	<b>14.331.643</b>	<b>51.432.581</b>

## 8. Derivatives

The company has entered into a financial hedging contract in order to reduce risks related to fluctuations in the price of electricity.

On 31 December 2021, the fair value of the contract was DKK -1.914.771. The contract is considered a cash flow hedge and is recognized in equity.

The calculation of the fair value of the financial contract is subject to uncertainty, as contracts of this type are not traded in an efficient market. The calculation of fair value is made by an expert 3rd party.

## 9. 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.

## 10. Assets charged and collateral

On 31 December 2021, the value of assets charged and collateral is DKK 70,6 million. The carrying amount of mortgaged assets is DKK 116,4 million.

In the event that the company defaults on its obligations regarding its mortgage loan, the right to collect income from a power purchasing agreement (PPA) with a partner is transferred to the lender.

Cash totalling DKK 2.4 million is placed as collateral for banking facilities.

## 11. Group relations

No parent company submits consolidated financial statements.

## **Accounting policies**

### **Reporting class**

The annual report of Better Energy Rejstrup P/S for 2021 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).

### **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.

### **Revenue**

Revenue from the sale of electricity is recognised in the income statement when delivery is made to the grid company.

Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### **Other external expenses**

Other external expenses include expenses for operation and administration.

## **Accounting policies**

### **Depreciation, amortisation and impairment of tangible and intangible assets**

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

### **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.

## **Balance sheet**

### **Property, plant and equipment**

Land and buildings, solar parks, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

Interest expenses on loans for the manufacturing of property, plant and equipment are included in cost if they relate to the manufacturing period. All other financial expenses are recognised in the income statement.

The present value of the expected costs of dismantling a solar park after the end of its useful life is included in the cost of the solar park.

For group-manufactured assets, cost comprises direct and indirect costs of materials, components, sub-suppliers and labor costs.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings:	50 years
Solar parks:	30 years
Tools and equipment:	3-8 years
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period. Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

## Accounting policies

### 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.

#### 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

#### Reserve for fair value of hedging instruments

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of revenue/cost of the relevant financial statement items.

### Provisions

#### Asset retirement obligations

Asset retirement obligations comprise the present value of the estimated expenses related to the retirement of solar parks at the end of their useful life. The provision is determined by discounting expected future cash flows.

#### Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the Income Statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Derivatives are recognised at fair value on the balance date. The fair value is based on observable input to the extent possible. If relevant observable input is not available, non-observable input is used based on management's judgement.

Other liabilities, comprising deposits, trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.