

# **Solar Park Næssundvej ApS**

**Gyngemose Parkvej 50, 10.  
2860 Søborg**

**CVR no. 40 03 81 75**

**Annual report for the period  
1 January to 31 December 2020  
(2nd Financial year)**

Adopted at the annual general  
meeting on 26 April 2021

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Frédéric Stéphane Serge Palanque  
chairman

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## **Statement by management on the annual report**

The executive board has today discussed and approved the annual report of Solar Park Næssundvej ApS for the financial year 1 January - 31 December 2020.

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 company's financial position at 31 December 2020 and of the results of the company's operations for the financial year 1 January - 31 December 2020.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Søborg, 26 April 2021

### **Executive board**

Frédéric Stéphane Serge  
Palanque  
director

Stéphane Philippe Watez-  
Richard  
director

## **Independent auditor's report**

*To the shareholder of Solar Park Næssundvej ApS*

### **Opinion**

We have audited the financial statements of Solar Park Næssundvej ApS for the financial year 1 January - 31 December 2020, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2020 and of the results of the company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

### **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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 the 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, 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.

## **Independent auditor's report**

### **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.

### **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 Financial Statements Act.

Based on the work we have performed, we conclude that 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 management's review.

Copenhagen, 26 April 2021

Mazars  
Statsautoriseret Revisionspartnerselskab  
CVR no. 31 06 17 41

Nicklas Rasmussen  
state-authorized public accountant  
MNE no. mne43474

## Company details

### The company

Solar Park Næssundvej ApS  
Gyngemose Parkvej 50, 10.  
2860 Søborg

CVR no.: 40 03 81 75

Reporting period: 1 January - 31 December 2020

Incorporated: 16. November 2018

Financial year: 2nd financial year

Domicile: Gladsaxe

### Executive board

Frédéric Stéphane Serge Palanque, director  
Stéphane Philippe Wattez-Richard, director

### Auditors

Mazars  
Statsautoriseret Revisionspartnerselskab  
Midtermolen 1, 2. tv.  
2100 København Ø

## **Management's review**

### **Business review**

The purpose of the company is, directly or through ownership shares in other companies within the energy industry, to develop, finance, operate and sell renewable energy.

### **Financial review**

The company's income statement for the year ended 31 December 2020 shows a loss of DKK 226.733, and the balance sheet at 31 December 2020 shows negative equity of DKK 314.914.

In 2020 Denmark, and the rest of the world, has been significantly affected by COVID-19. The company's activities have not been significantly affected by the situation.

The company's operation is dependent on several factors. If unforeseen circumstances arise in the future, including e.g. initiatives from the government, this could affect the company's result and financial position.

The company has entered into a PPA (Power Purchase Agreement) regarding sale of electricity generated from the company's solar farms for the period from COD in december 2020 and the next 10 (ten) years.

The company participated in the technology-neutral tender scheme for wind and solar PV in 2018 and won right to receive a subsidy for 20 years from COD.

Through these agreements, the company has secured the future electricity sales price and cash flows from the operation.

### ***Financing***

The company's assets and liabilities have been assessed with continued operations in mind. The management is aware, that the company has capital losses. The company expects the company to restore its own capital base through its own operations.

Based on this, management considers the company's capital resources to be adequate.

### **Significant events occurring after the end of the financial year**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.



## **Accounting policies**

The annual report of Solar Park Næssundvej ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2020 is presented in DKK

### **Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

## **Income statement**

### **Gross profit**

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, direct costs and other external expenses.

## **Accounting policies**

### **Revenue**

Income from the sale of electricity is recognised in the income statement with the amount that is paid from the receiver of the electricity, as the electricity is produced and delivered to the receivers grid, provided the production has taken place before the end of the year and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

### **Direct costs**

Direct costs include the direct attributable costs used in generating the year's revenue.

### **Other external expenses**

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

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

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

## Accounting policies

### Balance sheet

#### Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Interest expenses on loans obtained specifically for the purpose of financing the manufacturing of items of property, plant and equipment are included in cost over the manufacturing period. All indirect, attributable borrowing costs are recognised in the income statement.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Solar Farms	30 years	0-5 %

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

#### Impairment of fixed assets

The carrying amount of intangible assets, items of property, plant and equipment and investments in subsidiaries, associates and participating interests is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets. Write-down is made to the lower of the recoverable amount and the carrying amount.

## **Accounting policies**

The recoverable amount is the higher of the net present value and the value in use less expected costs to sell. The net present value is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

### **Receivables**

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash and deposits at banks.

### **Provisions**

Provisions comprise expected expenses relating to warranty commitments, losses on work in progress, restructuring, etc. Provisions are recognised when, as a result of a past event, the company has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

### **Income tax and deferred tax**

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

## **Accounting policies**

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

### **Liabilities**

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

**Income statement 1 January - 31 December**

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
<b>Gross profit</b>		<b>1.733.650</b>	<b>2.034</b>
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-1.722.577</u>	<u>0</u>
<b>Profit/loss before net financials</b>		<b>11.073</b>	<b>2.034</b>
Financial costs	3	<u>-358.010</u>	<u>-100.528</u>
<b>Profit/loss before tax</b>		<b>-346.937</b>	<b>-98.494</b>
Tax on profit/loss for the year	4	<u>120.204</u>	<u>-49.687</u>
<b>Profit/loss for the year</b>		<b><u>-226.733</u></b>	<b><u>-148.181</u></b>
 <b>Distribution of profit</b>			
Retained earnings		<u>-226.733</u>	<u>-148.181</u>
		<b><u>-226.733</u></b>	<b><u>-148.181</u></b>

**Balance sheet 31 December**

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
<b>Assets</b>			
Solar farms		117.835.629	0
Property, plant and equipment in progress		<u>0</u>	<u>48.451.790</u>
<b>Tangible assets</b>	<b>5</b>	<b><u>117.835.629</u></b>	<b><u>48.451.790</u></b>
<b>Total non-current assets</b>		<b><u>117.835.629</u></b>	<b><u>48.451.790</u></b>
Trade receivables		124.418	7.954
Other receivables		460.749	692.433
Joint taxation contributions receivable		<u>848.994</u>	<u>0</u>
<b>Receivables</b>		<b><u>1.434.161</u></b>	<b><u>700.387</u></b>
<b>Cash at bank and in hand</b>		<b><u>3.748.405</u></b>	<b><u>43.178.882</u></b>
<b>Total current assets</b>		<b><u>5.182.566</u></b>	<b><u>43.879.269</u></b>
<b>Total assets</b>		<b><u>123.018.195</u></b>	<b><u>92.331.059</u></b>

**Balance sheet 31 December**

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
<b>Equity and liabilities</b>			
Share capital		60.000	60.000
Retained earnings		<u>-374.914</u>	<u>-148.181</u>
<b>Equity</b>	<b>6</b>	<b><u>-314.914</u></b>	<b><u>-88.181</u></b>
Provision for deferred tax		1.273.512	49.687
Other provisions	7	<u>2.700.000</u>	<u>2.700.000</u>
<b>Total provisions</b>		<b><u>3.973.512</u></b>	<b><u>2.749.687</u></b>
Payables to group companies		<u>114.089.054</u>	<u>0</u>
<b>Total non-current liabilities</b>	<b>8</b>	<b><u>114.089.054</u></b>	<b><u>0</u></b>
Short-term part of long-term debt to group companies	8	2.882.397	0
Trade payables		2.385.940	6.762.106
Payables to group companies		0	80.657.947
Other payables		<u>2.206</u>	<u>2.249.500</u>
<b>Total current liabilities</b>		<b><u>5.270.543</u></b>	<b><u>89.669.553</u></b>
<b>Total liabilities</b>		<b><u>119.359.597</u></b>	<b><u>89.669.553</u></b>
<b>Total equity and liabilities</b>		<b><u>123.018.195</u></b>	<b><u>92.331.059</u></b>
Contingent liabilities	9		
Related parties and ownership structure	10		



**Statement of changes in equity**

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2020	60.000	-148.181	-88.181
Net profit/loss for the year	0	-226.733	-226.733
<b>Equity at 31 December 2020</b>	<b><u>60.000</u></b>	<b><u>-374.914</u></b>	<b><u>-314.914</u></b>

## Notes

	<u>2020</u>	<u>2019</u>
	DKK	DKK
<b>1 Staff costs</b>		
Average number of employees	<u>0</u>	<u>0</u>
<p>The company has no employees besides the management. The company does not pay salary to the management.</p>		
<b>2 Financial income</b>		
Other financial income	0	91.878
Exchange adjustments	1.372.511	316.784
Financial income capitalised to fixed assets	<u>-1.372.511</u>	<u>-408.662</u>
	<u><b>0</b></u>	<u><b>0</b></u>
<b>3 Financial costs</b>		
Financial expenses, group entities	5.268.182	2.208.859
Other financial costs	138.819	101.324
Exchange adjustments costs	918.610	46.638
Financial expenses capitalised to fixed assets	<u>-5.967.601</u>	<u>-2.256.293</u>
	<u><b>358.010</b></u>	<u><b>100.528</b></u>
<b>4 Tax on profit/loss for the year</b>		
Current tax for the year	-848.994	0
Deferred tax for the year	772.668	49.687
Adjustment of tax concerning previous years	-495.035	0
Adjustment of deferred tax concerning previous years	<u>451.157</u>	<u>0</u>
	<u><b>-120.204</b></u>	<u><b>49.687</b></u>

## Notes

### 5 Tangible assets

	Solar farms	Property, plant and equipment in progress
Cost at 1 January 2020	0	48.451.790
Additions for the year	0	71.106.416
Transfers for the year	119.558.206	-119.558.206
Cost at 31 December 2020	<u>119.558.206</u>	<u>0</u>
Depreciation for the year	<u>1.722.577</u>	<u>0</u>
Impairment losses and depreciation at 31 December 2020	<u>1.722.577</u>	<u>0</u>
<b>Carrying amount at 31 December 2020</b>	<b><u>117.835.629</u></b>	<b><u>0</u></b>
Capitalised financial expenses	<u>8.223.894</u>	<u>0</u>
Capitalised financial income	<u>1.781.173</u>	<u>0</u>

### 6 Equity

The share capital consists of 60.000 shares of a nominal value of DKK 1. No shares carry any special rights.

### 7 Other provisions

Balance at beginning of year at 1 January 2020	2.700.000	0
Provision in year	<u>0</u>	<u>2.700.000</u>
<b>Balance at 31 December 2020</b>	<b><u>2.700.000</u></b>	<b><u>2.700.000</u></b>

The provision recognized in the Annual Report is related to future costs for decommissioning of the solar plant based on an estimation. Based on the management's expectations on the maturity of the liability, the provision is recognised as a long-term liability.

## Notes

### 8 Payables to group companies

	Debt at 1 January 2020	Debt at 31 December 2020	Instalment next year	Debt outstanding after 5 years
Payables to group companies	80.657.947	116.971.451	2.882.397	0
	<b><u>80.657.947</u></b>	<b><u>116.971.451</u></b>	<b><u>2.882.397</u></b>	<b><u>0</u></b>

The lender has stated that they will only require repayment of the debt if sufficient funds are available.

### 9 Contingent liabilities

The company has entered into land lease agreements with an agreed termination period of 6 months from the leaseholder. The rent in the termination period amounts to TDKK 161.

The company has entered into operation agreements with a binding period of up to 15 years. The operation agreements amounts to TDKK 14.504.

The company has provided guarantees to suppliers of services in total of TDKK 18.442 which relates to the completion of the solar park. The guarantees lapses at the time of the final testing of the solar park which still awaits and is expected to be completed in 2021.

#### Joint taxation

The company was up until the takeover from Conquest, effectuated per 23 december 2020, jointly taxed with its parent company, KEA Holding I A/S (management company). The company is jointly and severally liable with the other jointly taxated entities for the period.

### 10 Related parties and ownership structure

According to the company's register of shareholders, the following shareholder holds at least 5% of the votes or at least 5% of the share capital:

Conquest REYE Invest II Sàrl, 121 Avenue de la Faiencerie, LU-1511 Luxembourg