

Solar Park Ålbæk ApS

**Gyngemose Parkvej 50
2860 Søborg**

CVR no. 40 59 77 35

**Annual report for the period
1 January to 31 December 2021**

Adopted at the annual general
meeting on 17 May 2022

Emil Overby Stephensen
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 Ålbæk 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 company's financial position at 31 December 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

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, 17 May 2022

Executive board

Frank Grafe
Director

Christian Bertsch-Engel
Director

Independent auditor's report

To the shareholders of Solar Park Ålbæk ApS

Opinion

We have audited the financial statements of Solar Park Ålbæk ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. 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 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.

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, 17 May 2022

KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Martin Eiler
statsautoriseret revisor
MNE no. mne32271

Christian Møllegaard Larsen
statsautoriseret revisor
MNE no. mne46614

Company details

The company

Solar Park Ålbæk ApS
Gyngemose Parkvej 50
2860 Søborg

CVR no.: 40 59 77 35

Reporting period: 1 January - 31 December 2021

Incorporated: 14 June 2019

Domicile: Gladsaxe

Executive board

Frank Grafe, director
Christian Bertsch-Engel, director

Auditors

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København

Management's review

Business review

The purpose of the Company is, directly or through shares in other companies associated with the energy business, to develop, finance and operate and sell renewable energy.

Financial review

The company's income statement for the year ended 31 December 2021 shows a loss of DKK 5.088.691, and the balance sheet at 31 December 2021 shows negative equity of DKK 3.150.209.

During the year the Company has constructed a solar park. The park was connected and delivered its first kWh to the grid at the end of December 2021.

Financing and capital matters

The Company is financed by the parent company and positive cash flow is expected during 2022 as the solar park has been connected to the grid. Management assess no cash risk regarding continuing the Company's operation.

Management is aware that the Company has lost its capital. The management will at the ordinary general meeting explain the financial situation and capital loss and explain plans for future financing of the company. Management expects to reestablish the capital through future operations.

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 Ålbæk ApS for 2021 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 2021 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

Revenue

Income from the sale of electricity is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place 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.

Accounting policies

Other external expenses

Other external expenses include expenses related to rent of land, administration, 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, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions etc.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Balance sheet

Tangible assets

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

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.

Impairment of fixed assets

The carrying amount of items of property, plant and equipment 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.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Provisions

The provision relates to expected demolition costs to dismantle and remove solar farms. These provisions are recognised when the company has a legal and constructive obligation at the date of the statement of financial position and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation. Provisions that are expected to be settled more than a year from the date of the statement of financial position, are measured at net realisable value.

The value of the dismantling costs is recognised in the value of non-current assets and is depreciated together with the relevant assets. The financial statements include a provision for future costs arising from the demolition costs and removal of wind and solar farms.

Based upon management's expectations for the maturity of the provisions, the provision is recognised as a non-current liability.

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.

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Joint taxation contributions receivable' or 'Joint taxation contributions payable'.

Accounting policies

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.

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. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

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>2021</u> DKK	<u>2020</u> DKK
Revenue		81.399	0
Other external expenses		<u>-159.224</u>	<u>-62.884</u>
Gross profit		-77.825	-62.884
Financial income	2	0	499
Financial costs	3	<u>-6.390.085</u>	<u>-13</u>
Profit/loss before tax		-6.467.910	-62.398
Tax on profit/loss for the year		<u>1.379.219</u>	<u>13.728</u>
Profit/loss for the year		<u>-5.088.691</u>	<u>-48.670</u>
Retained earnings		<u>-5.088.691</u>	<u>-48.670</u>
		<u>-5.088.691</u>	<u>-48.670</u>

Balance sheet 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Assets			
Property, plant and equipment in progress		64.532.304	535.234
Tangible assets	4	<u>64.532.304</u>	<u>535.234</u>
Total non-current assets		<u>64.532.304</u>	<u>535.234</u>
Trade receivables		81.399	0
Other receivables		190.543	0
Deferred tax asset		0	13.263
Prepayments		11.704	0
Receivables		<u>283.646</u>	<u>13.263</u>
Cash at bank and in hand		<u>3.819.022</u>	<u>320.976</u>
Total current assets		<u>4.102.668</u>	<u>334.239</u>
Total assets		<u>68.634.972</u>	<u>869.473</u>

Balance sheet 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Equity and liabilities			
Share capital		60.000	60.000
Retained earnings		<u>-3.210.209</u>	<u>-49.068</u>
Equity	5	<u>-3.150.209</u>	<u>10.932</u>
Provision for deferred tax		123.400	0
Other provisions	6	<u>1.944.000</u>	<u>0</u>
Total provisions		<u>2.067.400</u>	<u>0</u>
Payable to group entities		<u>69.531.275</u>	<u>507.256</u>
Total non-current liabilities	7	<u>69.531.275</u>	<u>507.256</u>
Trade payables		186.506	241.842
Payables to group entities		0	49.825
Other payables		<u>0</u>	<u>59.618</u>
Total current liabilities		<u>186.506</u>	<u>351.285</u>
Total liabilities		<u>69.717.781</u>	<u>858.541</u>
Total equity and liabilities		<u>68.634.972</u>	<u>869.473</u>
Contingent liabilities	8		
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Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2021	60.000	-49.068	10.932
Net profit/loss for the year	0	-5.088.691	-5.088.691
Contribution from group	0	1.927.550	1.927.550
Equity at 31 December 2021	<u>60.000</u>	<u>-3.210.209</u>	<u>-3.150.209</u>

Notes

	<u>2021</u>	<u>2020</u>
	DKK	DKK
1 Staff costs		
Average number of employees	<u>0</u>	<u>0</u>

The Company has entered into administration agreements with group entities. The Company has no employees besides the management whom is not remunerated by the Company.

2 Financial income		
Interest received from group entities	708.530	0
Currency gains	14.274	499
Capitalised financial income	<u>-722.804</u>	<u>0</u>
	<u>0</u>	<u>499</u>

3 Financial costs		
Interest expenses, group entities	235.843	32.350
Termination fee to group entities on termination of financial instruments	6.387.201	0
Interest expenses on bank accounts	866.101	974
Currency losses	22.568	12
Capitalised financial expenses	<u>-1.121.628</u>	<u>-33.323</u>
	<u>6.390.085</u>	<u>13</u>

Notes

4 Tangible assets

	Property, plant and equipment in progress
Cost at 1 January 2021	535.233
Additions for the year	<u>63.997.071</u>
Cost at 31 December 2021	<u>64.532.304</u>
Carrying amount at 31 December 2021	<u><u>64.532.304</u></u>
Capitalized interest expenses included in asset cost during the year	<u>398.824</u>

5 Equity

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

6 Other provisions

Provision during the year	<u>1.944.000</u>	<u>0</u>
Provision at 31 December 2021	<u><u>1.944.000</u></u>	<u><u>0</u></u>

The provision is related to the estimated future costs for decommissioning of the solar plant. Based on the management's expectations on the maturity of the liability, the provision is recognised as a long-term liability.

Notes

7 Long term debt

	Debt at 1 January 2021	Debt at 31 December 2021	Instalment next year	Debt outstanding after 5 years
Payable to group entities	507.256	69.531.275	0	69.531.275
	507.256	69.531.275	0	69.531.275

8 Contingent liabilities

Joint taxation

The company was up until the takeover from CEE Holding RF7 S.å.r.l., effectuated per 28 december 2021, jointly taxed with its parent company, KEA Holding I A/S (management company). The company is jointly and severally liable with the other jointly taxed entities for the period.

Going onwards, the company is jointly taxed with other Danish group entities within the Danish joint taxation group and is limited and secondary liability together with other jointly taxed entities.

9 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:

CEE RF7 Holding S.å.r.l., 23 Am Scheerleck, 6868 Wecker, Luxembourg