

# **Better Energy Stevning P/S**

Gammel Kongevej 60, 14th floor

1850 Frederiksberg C

Business Registration No. 40769889

## **Annual Report 2022**

The annual report was presented and  
adopted at the Annual General Meeting  
on 21 April 2023

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Ho Kei Au  
Chair of the Annual General Meeting

## Better Energy Stevning P/S

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## Better Energy Stevning P/S

### Company information

<b>Company</b>	Better Energy Stevning P/S Gammel Kongevej 60, 14th floor 1850 Frederiksberg C Business Registration No.: 40769889 Date of formation: 4 September 2019
<b>Board of Directors</b>	Mark Augustenborg Ødum Rasmus Lildholdt Kjær Ho Kei Au
<b>Executive Board</b>	Kevin Ross Wilkinson, Director
<b>General partner</b>	Better Energy Impact Komplementar I ApS
<b>Auditors</b>	Deloitte Statsautoriseret Revisionspartnerselskab Egtved Alle 4 6000 Kolding Business Registration No.: 33963556

## **Better Energy Stevning P/S**

### **Management's statement**

Today, the Executive Board and the Board of Directors have considered and adopted the annual report of Better Energy Stevning P/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 Stevning P/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, 21 April 2023

#### **Executive Board**

Kevin Ross Wilkinson  
Director

#### **Board of Directors**

Mark Augustenborg Ødum  
Chairman

Rasmus Lildholdt Kjær  
Board member

Ho Kei Au  
Board member

## **Independent Auditors' Report**

### **To the shareholders of Better Energy Stevning P/S**

#### **Opinion**

We have audited the financial statements of Better Energy Stevning P/S for the financial year 1 January 2022 - 31 December 2022, which comprise an income statement, balance sheet, statement of changes in equity and notes. 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 Company'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 responsibility under those standards and requirements are further described in our auditors' report under "Auditors' responsibility for the audit of the financial statements". As required by the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, we are independent of the Company, 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 responsibility 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 considers 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 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

#### **The auditor's responsibility for the audit of the financial statements**

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

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

- \* Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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.

## **Independent Auditors' Report**

- \* Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- \* Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- \* Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which 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 opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements 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 with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Kolding, 21 April 2023

**Deloitte**

**Statsautoriseret Revisionspartnerselskab**

CVR-no. 33963556

Lars Ørum Nielsen

State Authorised Public Accountant

mne26771

## **Better Energy Stevning P/S**

### **Management's review**

#### **The company's main activities**

The main activities of Better Energy Stevning P/S are directly or indirectly to acquire, own and operate solar parks and related activities.

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

Better Energy Stevning P/S' income statement of the financial year 1 January 2022 - 31 December 2022 shows a result of DKK -46,879 and the balance sheet at 31 December 2022 a balance sheet total of DKK 154,480,295 and an equity of DKK 52,396,387.

During 2022 the construction of the solar park was finished and production of power has commenced. Capitalised expenses until grid connection amount to DKK 147,551,780.

## Better Energy Stevning P/S

### Income statement

	Note	2022 DKK	2021 DKK
<b>Gross profit</b>		<b>-166,840</b>	<b>-3,986</b>
Depreciation, amortisation and impairment losses		-400,914	0
<b>Operating profit</b>		<b>-567,754</b>	<b>-3,986</b>
Financial income	1	790,209	0
Financial expenses	2	-269,334	-5,211
<b>Profit from ordinary activities before tax</b>		<b>-46,879</b>	<b>-9,197</b>
Tax on profit for the year	3	0	-179
<b>Profit</b>		<b>-46,879</b>	<b>-9,376</b>
<b>Proposed distribution of results</b>			
Retained earnings		-46,879	-9,376
<b>Distribution of profit</b>		<b>-46,879</b>	<b>-9,376</b>



**Better Energy Stevning P/S****Balance sheet as of 31 December**

	<b>Note</b>	<b>2022 DKK</b>	<b>2021 DKK</b>
<b>Assets</b>			
Solar parks	4	147,150,866	0
Property, plant and equipment in progress	5	0	4,048,390
<b>Property, plant and equipment</b>		<b>147,150,866</b>	<b>4,048,390</b>
<b>Fixed assets</b>		<b>147,150,866</b>	<b>4,048,390</b>
Trade receivables		312,470	0
Other receivables		42,409	1,003,675
<b>Receivables</b>		<b>354,879</b>	<b>1,003,675</b>
<b>Cash and cash equivalents</b>		<b>6,974,550</b>	<b>329,183</b>
<b>Current assets</b>		<b>7,329,429</b>	<b>1,332,858</b>
<b>Assets</b>		<b>154,480,295</b>	<b>5,381,248</b>

Better Energy Stevning P/S

Balance sheet as of 31 December

	Note	2022 DKK	2021 DKK
<b>Liabilities and equity</b>			
Contributed capital		400,000	400,000
Retained earnings		51,996,387	-8,062
<b>Equity</b>		<b>52,396,387</b>	<b>391,938</b>
Asset retirement obligations		5,127,082	0
<b>Provisions</b>		<b>5,127,082</b>	<b>0</b>
Debt to other credit institutions		81,424,663	0
<b>Long-term liabilities other than provisions</b>	6	<b>81,424,663</b>	<b>0</b>
Trade payables		237,242	6,247
Payables to group enterprises		15,294,921	4,983,063
<b>Short-term liabilities other than provisions</b>		<b>15,532,163</b>	<b>4,989,310</b>
<b>Liabilities other than provisions</b>		<b>96,956,826</b>	<b>4,989,310</b>
<b>Equity and liabilities</b>		<b>154,480,295</b>	<b>5,381,248</b>
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## Better Energy Stevning P/S

### Statement of changes in Equity

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Total</b>
Equity 1 January 2022	400,000	-8,062	391,938
Increase of capital	0	52,051,328	52,051,328
Profit/loss for the year	0	-46,879	-46,879
<b>Equity 31 December 2022</b>	<b>400,000</b>	<b>51,996,387</b>	<b>52,396,387</b>

The company was established on 4 September 2019 with a contributed capital of DKK 40,000.  
On 5 July 2021 the contributed capital was increased by DKK 360,000 to DKK 400,000.

Notes

	2022	2021
<b>1. Financial income</b>		
Other financial income	789,205	0
Exchange rate gains	1,004	0
	<u>790,209</u>	<u>0</u>

	2022	2021
<b>2. Financial expenses</b>		
Financial expenses from group enterprises	94,522	3,909
Other financial expenses	174,425	1,302
Exchange rate losses	387	0
	<u>269,334</u>	<u>5,211</u>

	2022	2021
<b>3. Tax on profit for the year</b>		
Current tax for the year	0	179
	<u>0</u>	<u>179</u>

The company was in 2021 transformed from a public limited company ("Aktieselskab") to a limited partnership company ("Partnerselskab") which is transparent for tax purposes.

Expensed tax is related to the period before transformation.

	2022	2021
<b>4. Solar parks</b>		
Additions for the year	143,503,390	0
Transfer from property, plant and equipment in progress	4,048,390	0
<b>Cost at the end of the year</b>	<u>147,551,780</u>	<u>0</u>
Depreciations for the year	-400,914	0
<b>Depreciations at the end of the year</b>	<u>-400,914</u>	<u>0</u>
<b>Carrying amount at the end of the year</b>	<u>147,150,866</u>	<u>0</u>

Interests included in cost of assets	343,109	0
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	2022	2021
<b>5. Property, plant and equipment in progress</b>		
Cost at the beginning of the year	4,048,390	250,919
Additions for the year	0	3,797,471
Transfers during the year to other items	-4,048,390	0
<b>Cost at the end of the year</b>	<u>0</u>	<u>4,048,390</u>
<b>Carrying amount at the end of the year</b>	<u>0</u>	<u>4,048,390</u>

## Notes

### 6. Long-term liabilities other than provisions

	Due after 1 year	Due within 1-5 years	Due after 5 years
Debt to credit institutions	81,424,663	11,213,215	70,211,448
	<u>81,424,663</u>	<u>11,213,215</u>	<u>70,211,448</u>

### 7. 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.

### 8. Contingent liabilities

The company is exposed to pay compensation or buy properties located within 200 meters of the solar park (Danish renewable energy legislation).

The company has entered into a long-term physical contract to deliver power at a fixed price. The contract term is 6 years from 01.01.2023 and covers approx. 52% of the volume.

### 9. Assets charged and collateral

On 31 December 2022, the value of assets charged as collateral is DKK 147.2 million. The debt to credit institutions secured by mortgaged assets was DKK 81.5 million.

In the event that the company defaults on its obligations regarding its mortgage loan, the right to collect income under power purchase agreements (PPAs) and from an energy company is transferred to the lender.

### 10. Group relations

No parent company submits consolidated financial statements.

### 11. Liabilities under off-balance sheet leases

	2022	2021
Liabilities under rental or lease agreements until maturity in total	19,302,493	19,613,047

## **Better Energy Stevning P/S**

### **Accounting policies**

#### **Reporting class**

The annual report of Better Energy Stevning P/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).

#### **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.

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.

### **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.

## **Accounting policies**

### **Other receivables**

Other receivables comprise non-financial assets, which are measured at cost.

### **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**

#### **Asset retirement obligations**

Asset retirement obligations comprise the present value of the estimated expenses related to the retirement of solar plants 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 amortised cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortised 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.

### **Off-balance sheet items**

Contingent liabilities comprise obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not fully within the control of the company; or present obligations that arise from past events but are not recognised because the outflow of resources embodying economic benefits will probably not be required to settle the obligation or because the amount of the obligation cannot be measured with sufficient reliability.

Lease commitments are measured at the nominal value of the remaining lease payments.