

Solar Park Holmen ApS

**Gyngemose Parkvej 50
2860 Søborg**

CVR no. 40 91 24 79

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

Adopted at the annual general
meeting on 3 March 2022

Frédéric Stéphane Serge Palanque
chairman

Table of contents

	Page
Statements	
Statement by management on the annual report	1
Independent auditor's report	2
Management's review	
Company details	5
Management's review	6
Financial statements	
Accounting policies	7
Income statement 1 January 2021 - 31 December 2021	12
Balance sheet 31 December	13
Statement of changes in equity	15
Notes to the annual report	16

Statement by management on the annual report

The executive board has today discussed and approved the annual report of Solar Park Holmen 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, 3 March 2022

Executive board

Frédéric Stéphane Serge
Palanque
Director

Stéphane Philippe Wattez-
Richard
Director

Independent auditor's report

To the shareholders of Solar Park Holmen ApS

Opinion

We have audited the financial statements of Solar Park Holmen 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, 3 March 2022

Mazars
Statsautoriseret Revisionspartnerselskab
CVR no. 31 06 17 41

Nicklas Rasmussen
State-Authorized Public Accountant
MNE no. mne43474

Company details

The company

Solar Park Holmen ApS
Gyngemose Parkvej 50
2860 Søborg

CVR no.: 40 91 24 79

Reporting period: 1 January - 31 December 2021

Incorporated: 4 November 2019

Domicile: Gladsaxe

Executive board

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

Auditors

Mazars
Statsautoriseret Revisionspartnerselskab
Midtermolen 2, 2.tv
2100 Copenhagen

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 2021 shows a profit of DKK 2.818.349, and the balance sheet at 31 December 2021 shows negative equity of DKK 19.454.979.

The company has entered into Baseload PPAs (Power Purchase Agreement) regarding sale of electricity generated from the company's solar farms for the period 2022-2023 and from 2024-2030.

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.

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 Holmen 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 power 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 distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

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.

Income from investments in subsidiaries

The proportionate share of the profit/loss for the year of subsidiaries is recognised in the company's income statement after full elimination of intra-group profits/losses.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

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.

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 property, plant 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 %

Investments in subsidiaries

Investments in subsidiaries and associates are measured in the parent company financial statements using the equity method.

Investments in subsidiaries, associates and participating interests are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, plus or less unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method. Negative goodwill is recognised in the income statement on acquisition. Where the negative goodwill relates to contingent liabilities having been taken over, the negative goodwill is not recognised until the contingent liabilities have been settled or no longer exist.

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.

Accounting policies

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.

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.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

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.

Accounting policies

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.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Positive and negative fair values of derivative financial instruments are included in 'Other receivables' or 'Derivatives', respectively.

Fair value adjustments of derivative financial instruments designated as and qualifying for hedging of future cash flows are recognised in other receivables or derivatives and in the fair value reserve under 'Equity'. If the future transaction results in recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or the liability, respectively. If the future transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

Income statement 1 January 2021 - 31 December 2021

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Revenue		8.216.230	0
Other external expenses		-782.022	-11.656
Gross profit		7.434.208	-11.656
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-1.395.505	0
Profit/loss before net financials		6.038.703	-11.656
Income from investments in subsidiaries		150.354	0
Financial income	2	26.069	0
Financial costs	3	-2.559.450	-50
Profit/loss before tax		3.655.676	-11.706
Tax on profit/loss for the year		-837.327	2.575
Profit/loss for the year		2.818.349	-9.131
 Recommended appropriation of profit/loss			
Reserve for net revaluation under the equity method		150.354	0
Retained earnings		2.667.995	-9.131
		2.818.349	-9.131

Balance sheet 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Assets			
Solar farms		89.740.603	0
Property, plant and equipment in progress		<u>0</u>	<u>71.113.664</u>
Tangible assets	4	<u>89.740.603</u>	<u>71.113.664</u>
Investments in subsidiaries	5	2.486.400	0
Deferred tax assets		<u>4.049.558</u>	<u>2.575</u>
Fixed asset investments		<u>6.535.958</u>	<u>2.575</u>
Total non-current assets		<u>96.276.561</u>	<u>71.116.239</u>
Trade receivables		348.954	0
Other receivables		1.142.764	1.238.343
Prepayments		<u>59.203</u>	<u>11.417</u>
Receivables		<u>1.550.921</u>	<u>1.249.760</u>
Cash at bank and in hand		<u>11.981.297</u>	<u>7.918.708</u>
Total current assets		<u>13.532.218</u>	<u>9.168.468</u>
Total assets		<u>109.808.779</u>	<u>80.284.707</u>

Balance sheet 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Equity and liabilities			
Share capital		50.000	50.000
Reserve for current value of hedging		-22.314.197	0
Retained earnings		2.809.218	-9.131
Equity		<u>-19.454.979</u>	<u>40.869</u>
Other provisions	6	1.854.000	0
Total provisions		<u>1.854.000</u>	<u>0</u>
Banks		0	35.276.841
Payables to group companies		98.431.818	39.456.467
Derivative financial instruments, liabilities		11.959.563	0
Total non-current liabilities	7	<u>110.391.381</u>	<u>74.733.308</u>
Short-term part of long-term debt	7	16.648.382	0
Trade payables		369.705	5.505.932
Other payables		290	4.598
Total current liabilities		<u>17.018.377</u>	<u>5.510.530</u>
Total liabilities		<u>127.409.758</u>	<u>80.243.838</u>
Total equity and liabilities		<u>109.808.779</u>	<u>80.284.707</u>
Contingent liabilities	8		

Statement of changes in equity

	Share capital	Reserve for net revalua- tion under the equity method	Reserve for current value of hedging	Retained earnings	Total
Equity at 1 January 2021	50.000	0	0	-9.131	40.869
Fair value adjustment of hedging instruments	0	0	-28.607.945	0	-28.607.945
Net profit/loss for the year	0	150.354	0	2.667.995	2.818.349
Changes in equity of tax	0	0	6.293.748	0	6.293.748
Distributed dividends from investments in subsidiaries	0	-150.354	0	150.354	0
Equity at 31 December 2021	50.000	0	-22.314.197	2.809.218	-19.454.979

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 no employees besides the management. The company does not pay salary to the management.

2 Financial income		
Exchange adjustments	29.914	228.097
Capitalization of interest income	<u>-3.845</u>	<u>-228.097</u>
	<u>26.069</u>	<u>0</u>

3 Financial costs		
Financial expenses, group entities	3.441.887	551.787
Other financial costs	659.669	709.970
Exchange adjustments costs	60.527	13.595
Exchange loss	3.468	327.493
Capitalization of interest expenses	<u>-1.606.101</u>	<u>-1.602.795</u>
	<u>2.559.450</u>	<u>50</u>

Notes

4 Tangible assets

	Solar farms	Property, plant and equipment in progress
Cost at 1 January 2021	0	71.113.664
Additions for the year	0	22.513.644
Disposals for the year	0	-2.491.200
Transfers for the year	91.136.108	-91.136.108
Cost at 31 December 2021	<u>91.136.108</u>	<u>0</u>
Depreciation for the year	<u>1.395.505</u>	<u>0</u>
Impairment losses and depreciation at 31 December 2021	<u>1.395.505</u>	<u>0</u>
Carrying amount at 31 December 2021	<u>89.740.603</u>	<u>0</u>
Interest expenses recognised as part of cost of assets	<u>0</u>	<u>1.602.256</u>

5 Investments in subsidiaries

	2021 DKK	2020 DKK
Cost at 1 January 2021	0	0
Additions for the year	<u>2.486.400</u>	<u>0</u>
Cost at 31 December 2021	<u>2.486.400</u>	<u>0</u>
Revaluations at 1 January 2021	0	0
Net profit/loss for the year	150.354	0
Received dividend	<u>-150.354</u>	<u>0</u>
Revaluations at 31 December 2021	<u>0</u>	<u>0</u>
Carrying amount at 31 December 2021	<u>2.486.400</u>	<u>0</u>

Notes

	<u>2021</u>	<u>2020</u>
	DKK	DKK
6 Other provisions		
Provision in year	1.854.000	0
Balance at 31 December	<u>1.854.000</u>	<u>0</u>

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

7 Long term debt

	Debt at 1 January 2021	Debt at 31 December 2021	Instalment next year	Debt outstanding after 5 years
Banks	35.276.841	0	0	0
Payables to group companies	39.456.467	98.431.818	0	0
Derivative financial instruments, liabilities	<u>0</u>	<u>28.607.945</u>	<u>16.648.382</u>	<u>3.634.198</u>
	<u>74.733.308</u>	<u>127.039.763</u>	<u>16.648.382</u>	<u>3.634.198</u>

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

Solar Park Holmen ApS hedges electricity price cash flow risks in respect of sales of electricity through a forward PPA (Power Purchase Agreement) contract. The contract secures cash flows from power sales for a fixed quantity sold at an agreed price.

The value of the hedging instruments are calculated with assumptions of expected future prices at a discount rate of 5%.

8 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 61.

The company has entered into operational agreements with a binding period of up to 15 years. Amounts related to binding operational agreements amounts to TDKK 1.520.

Notes

8 Contingent liabilities (continued)

Joint taxation

Up until 30 June 2021, the company was jointly taxed with KEA Holding I A/S (management company) and other companies within the joint taxation group. The company is jointly and severally liable with the other jointly taxed entities for the period.

From 30 June 2021 and onwards, the company is jointly taxed with Solar Park Næssundvej ApS and is jointly and severally liable with with the other jointly taxed entity.