

Svindbaek Vindkraft Holdco ApS

**Gyngemose Parkvej 50
2860 Søborg**

CVR no. 40 98 28 84

**Annual report for the period
1 January to 31 December 2021
(2nd Financial year)**

Adopted at the annual general
meeting on 29 April 2022

Emil Overby Stephensen
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 at 31 December 2021	13
Statement of changes in equity	15
Notes to the annual report	16

Statement by management on the annual report

The supervisory and executive boards have today discussed and approved the annual report of Svindbaek Vindkraft Holdco 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, 29 April 2022

Directors

Nicole Zimmermann

Supervisory board

Guillaume Lasserre
Chairman

Andrew Wojtjek

Independent auditor's report

To the shareholder of Svindbaek Vindkraft Holdco ApS

Opinion

We have audited the financial statements of Svindbaek Vindkraft Holdco ApS for the financial year 1 January - 31 December 2021, 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 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.

København Ø, 29 April 2022

KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Martin Eiler
statsaut. revisor
MNE no. mne32271

Company details

The company

Svindbaek Vindkraft Holdco ApS
Gyngemose Parkvej 50
2860 Søborg

CVR no.: 40 98 28 84

Reporting period: 1 January - 31 December 2021

Incorporated: 28 November 2019

Domicile: Gladsaxe

Supervisory board

Guillaume Lasserre, chairman
Andrew Wojtjek

Directors

Nicole Zimmermann

Auditors

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø

Consolidated financial statements

The company is reflected in the group report for the parent company Tesseract Holdings Limited, Mermaid House, 2 Puddle Dock, London EC4V 3DB

Management's review

Business review

The objective of the company is to act as a holding company for companies within the wind industry, including acquiring, operating and alien-ation of wind turbines and businesses related here to.

Financial review

The company's income statement for the year ended 31 December 2021 shows a loss of EUR 2.071.714, and the balance sheet at 31 December 2021 shows negative equity of EUR 2.299.698.

The result for the period is in accordance with expectation.

The management expects positive growth in the company's profit through operation.

The equity is expected to be re-established by profit through operation.

The Owner has made a letter of support to ensure the company has sufficient funds to fulfill its obligations and to observe capital requirements.

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 Svindbaek Vindkraft Holdco ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The annual report for 2021 is presented in EUR

Pursuant to sections §110 subsection 1, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

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.

Accounting policies

Income statement

Other operating income

Other operating income comprises items of a secondary nature relative to the company's activities.

Other external expenses

Other external expenses include expenses incurred in the period for company management and administration, including expenses relating to auditing fee, legal assistance, administrative service fee 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.

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 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

Fixed asset investments

Investments in subsidiaries

Investments in subsidiaries 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 intragroup gains or losses and plus any remaining value of positive goodwill stated according to the purchase method.

Goodwill on consolidation is amortised over the expected useful economic life based on management's experience from each individual business segment. Goodwill on consolidation is amortised on a straight-line basis over the amortisation period, which is 23 years, corresponding to the estimated useful lifetime of the underlying Wind plants in the Company's subsidiaries. The amortisation period is fixed based on the assessment that the strategically acquired entities have a strong market position and a long-term earnings profile.

Investments in subsidiaries with a negative net asset value are measured at EUR 0, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the receivable, the balance is recognised under provisions.

Net revaluations of investments in subsidiaries are taken to the net revaluation reserve according to the equity method in so far as that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be declared before the annual report of Svindbaek Vindkraft Holdco ApS is adopted are not taken to the net revaluation reserve.

Acquirees are accounted for using the purchase method, see the above description of consolidated financial statements and calculation of goodwill.

Impairment of fixed assets

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

Receivables

Receivables are measured at amortised cost.

Accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Equity

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method in the company's financial statements comprises net revaluation of investments in subsidiaries relative to the cost.

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.

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.

Income tax and deferred tax

According to the joint taxation rules the groups supreme parent company, as the administrative company, takes over the liability for the Company's corporate taxes to the tax authorities, in line with the payment of joint taxation contribution.

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'.

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.

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'.

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.

Income statement 1 January 2021 - 31 December 2021

	<u>Note</u>	<u>2021</u> EUR	<u>2019/2020</u> EUR
Revenue		0	0
Other operating income		0	668.459
Other external expenses	1	<u>-33.461</u>	<u>-678.065</u>
Gross result		-33.461	-9.606
Income from investments in subsidiaries	2	-633.057	-1.756.533
Financial income	3	1.705.716	1.733.269
Financial costs	4	<u>-2.705.275</u>	<u>-2.642.421</u>
Loss before tax		-1.666.077	-2.675.291
Tax on loss for the year		<u>-405.637</u>	<u>356.424</u>
Loss for the year		<u>-2.071.714</u>	<u>-2.318.867</u>
 Recommended appropriation of loss			
Retained earnings		<u>-2.071.714</u>	<u>-2.318.867</u>
		<u>-2.071.714</u>	<u>-2.318.867</u>

Balance sheet at 31 December 2021

	<u>Note</u>	<u>31/12/2021</u> EUR	<u>31/12/2020</u> EUR
Assets			
Investments in subsidiaries	5	9.271.169	10.144.289
Receivables from subsidiaries	6	<u>21.238.665</u>	<u>21.371.440</u>
Fixed asset investments		<u>30.509.834</u>	<u>31.515.729</u>
Total non-current assets		<u>30.509.834</u>	<u>31.515.729</u>
Other receivables		2.740	253
Deferred tax asset		<u>3.274.123</u>	<u>3.364.488</u>
Receivables		<u>3.276.863</u>	<u>3.364.741</u>
Cash at bank and in hand		<u>28.994</u>	<u>62.455</u>
Total current assets		<u>3.305.857</u>	<u>3.427.196</u>
Total assets		<u><u>33.815.691</u></u>	<u><u>34.942.925</u></u>

Balance sheet at 31 December 2021

	<u>Note</u>	<u>31/12/2021</u> EUR	<u>31/12/2020</u> EUR
Equity and liabilities			
Share capital		2.012.515	2.012.515
Reserve for current value of hedging		78.368	-201.746
Retained earnings		<u>-4.390.581</u>	<u>-2.318.867</u>
Equity	7	<u>-2.299.698</u>	<u>-508.098</u>
Provision for deferred tax		<u>22.104</u>	<u>0</u>
Total provisions		<u>22.104</u>	<u>0</u>
Payables to group entities		<u>35.675.357</u>	<u>34.722.649</u>
Total non-current liabilities	8	<u>35.675.357</u>	<u>34.722.649</u>
Trade payables		12.725	0
Joint taxation contributions payable		331.574	0
Other payables		<u>73.629</u>	<u>728.374</u>
Total current liabilities		<u>417.928</u>	<u>728.374</u>
Total liabilities		<u>36.093.285</u>	<u>35.451.023</u>
Total equity and liabilities		<u>33.815.691</u>	<u>34.942.925</u>
Contingent liabilities	9		
Related parties and ownership structure	10		

Statement of changes in equity

	<u>Share capital</u>	<u>Reserve for current value of hedging</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2021	2.012.515	-201.746	-2.318.867	-508.098
Fair value adjustment of hedging instruments	0	359.121	0	359.121
Deferred tax on fair value of hedging instruments	0	-79.007	0	-79.007
Net profit/loss for the year	0	0	-2.071.714	-2.071.714
Equity at 31 December 2021	<u>2.012.515</u>	<u>78.368</u>	<u>-4.390.581</u>	<u>-2.299.698</u>

Notes

	<u>2021</u> EUR	<u>2019/2020</u> EUR
1 Staff costs		
Average number of employees	<u>0</u>	<u>0</u>
<p>The Company has outsourced all its administrative and technical services. The Company's management does not receive salary or other remuneration.</p>		
2 Income from investments in subsidiaries		
Share of results of subsidiaries	<u>-633.057</u>	<u>-1.756.533</u>
	<u>-633.057</u>	<u>-1.756.533</u>
3 Financial income		
Interest received from subsidiaries	1.705.715	1.733.268
Exchange adjustments	<u>1</u>	<u>1</u>
	<u>1.705.716</u>	<u>1.733.269</u>
4 Financial costs		
Financial expenses, group entities	2.702.708	2.622.072
Other financial costs	2.455	1.866
Exchange adjustments costs	112	1
Exchange loss	<u>0</u>	<u>18.482</u>
	<u>2.705.275</u>	<u>2.642.421</u>

Notes

	31/12/2021	31/12/2020
	EUR	EUR
5 Investments in subsidiaries		
Cost at 1 January 2021	15.110.633	0
Additions for the year	<u>0</u>	<u>15.110.633</u>
Cost at 31 December 2021	<u>15.110.633</u>	<u>15.110.633</u>
Revaluations at 1 January 2021	-4.966.344	0
Transferred to Deffered tax asset	0	-2.951.161
Net profit/loss for the year	-137.089	-1.108.858
Received dividend	-599.183	0
Fair value adjustment of hedging instruments for the year	359.120	-258.649
Amortisation of goodwill	<u>-495.968</u>	<u>-647.676</u>
Revaluations at 31 December 2021	<u>-5.839.464</u>	<u>-4.966.344</u>
Carrying amount at 31 December 2021	<u>9.271.169</u>	<u>10.144.289</u>

Investments in subsidiaries are specified as follows:

Name	Registered office	Ownership interest	Equity	Profit/loss for the year
K/S Svindbæk WTG 8-9	Søborg	99,99%	-396.174	-118.616
K/S Svindbæk Vindkraft	Søborg	100%	-153.756	14.707
EE Svindbæk Køberretsselskab ApS	Søborg	100%	<u>36.135</u>	<u>-33.197</u>
			<u>-513.795</u>	<u>-137.106</u>

Carrying value of goodwill amounts to EUR 9.785 thousand as at 31 December 2021.

Notes

6 Receivables from Subsidiaries

	<u>Receivables from subsidiaries</u>
Cost at 1 January 2021	21.185.440
Additions for the year	1.705.716
Disposals for the year	<u>-1.652.491</u>
Cost at 31 December 2021	<u>21.238.665</u>
Carrying amount at 31 December 2021	<u><u>21.238.665</u></u>

7 Equity

The share capital consists of 40.000 shares of a nominal value of DKK 1. No shares carry any special rights.

8 Long term debt

	<u>Debt at 1 January 2021</u>	<u>Debt at 31 December 2021</u>	<u>Instalment next year</u>	<u>Debt outstanding after 5 years</u>
Payables to group entities	<u>34.722.649</u>	<u>35.675.357</u>	<u>0</u>	<u>35.675.357</u>
	<u><u>34.722.649</u></u>	<u><u>35.675.357</u></u>	<u><u>0</u></u>	<u><u>35.675.357</u></u>

Notes

9 Contingent liabilities

The Company is jointly taxed with Holmen II Wind Park ApS, (management company), and are jointly and severally liable with the other jointly taxed entities.

Obligations relating to outsourcing services represent EUR 4.034,16.

The company has granted security in 1.000 shares of DKK 1.000 to the credit institution in the subsidiary K/S Svindbæk Vindkraft.

10 Related parties and ownership structure

Controlling interest

Tesseract Holdings Limited, Mermaid House, 2 Puddle Dock, London EC4V 3DB

Consolidated financial statements

The company is reflected in the group report for the parent company Tesseract Holdings Limited, Mermaid House, 2 Puddle Dock, London EC4V 3DB