

## **Holsted Solar Park ApS**

**Gyngemose Parkvej 50  
2860 Søborg**

**CVR no. 42 77 03 29**

**Annual report for the period  
1 January to 31 December 2023  
(2nd Financial year)**

Adopted at the annual general  
meeting on 17 April 2024

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Jan Paulsen  
chairman

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

The executive board has today discussed and approved the annual report of Holsted Solar Park ApS for the financial year 1 January - 31 December 2023.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

In my 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 April 2024

### **Executive board**

Knud Erik Andersen  
CEO

## **Independent auditor's report**

### ***To the Shareholder of Holsted Solar Park ApS***

#### **Opinion**

We have audited the financial statements of Holsted Solar Park ApS for the financial year 1 January - 31 December 2023, 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 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023 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 and IESBA Code. 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 April 2024

KPMG  
Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98

Kenn Wolff Hansen  
State Authorized Public Accountant  
MNE no. mne30154

Christian Miltersen Sørensen  
State Authorized Public Accountant  
MNE no. mne50702

## Company details

### **The company**

Holsted Solar Park ApS  
Gyngemose Parkvej 50  
2860 Søborg

CVR no.: 42 77 03 29

Reporting period: 1 January - 31 December 2023

Incorporated: 20 October 2021

Financial year: 2nd financial year

Domicile: Gladsaxe

### **Executive board**

Knud Erik Andersen, CEO

### **Auditors**

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
2100 København

### **Consolidated financial statements**

The company is included in the group report for European Energy A/S

The group report of European Energy A/S can be obtained at the following address:

[www.europeanenergy.com](http://www.europeanenergy.com)

## **Management's review**

### **Business review**

The purpose of the company is projecting, development and operation of a solar park as well as other related activities.

### **Financial review**

The company's income statement for the year ended 31 December 2023 shows a loss of DKK 212.451, and the balance sheet at 31 December 2023 shows negative equity of DKK 1.712.942.

### ***Financing***

The company's assets and liabilities have been assessed with continued operations in mind. Management is aware that the company has lost its capital. In accordance with section 119 in the Danish Company Act, the management will at the ordinary general meeting explain the financial situation of the company and the plans for future financing.

The Company is building a solar park which is expected to be finalised and operating throughout 2024. Managements expects the Company to restore its equity from future operations once the project is operating.

The primary owner of the company have provided a letter of support to secure sufficient financing to finalize the construction of the plant. In addition, the Company have received construction financing in 2023 to realize the project.

### **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 Holsted Solar Park ApS for 2023 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 accounting policies applied are consistent with those of last year.

The annual report for 2023 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.

## **Accounting policies**

### **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.

#### **Direct costs**

Direct costs include costs necessary in generating the year's revenue.

#### **Other external expenses**

Other external expenses include expenses related to 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.

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 in progress are measured at cost less 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.

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 non-current 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.

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

#### **Receivables**

Receivables are measured at amortised cost.

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

#### **Prepayments**

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

#### **Cash and cash equivalents**

Cash and cash equivalents comprise deposits at banks.

## **Accounting policies**

### **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'.

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 financial liabilities, 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'.

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.

## **Accounting policies**

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

**Income statement**  
**1 January 2023 - 31 December 2023**

	<u>Note</u>	<u>2023</u> DKK	<u>2021/2022</u> DKK
<b>Revenue</b>		<b>0</b>	<b>0</b>
Direct costs		-143.861	0
Other external expenses	2	<u>-153.152</u>	<u>-1.989.660</u>
<b>Gross profit</b>		<b>-297.013</b>	<b>-1.989.660</b>
Financial income	3	24.848	14.870
Financial costs	4	<u>0</u>	<u>-198</u>
<b>Profit/loss before tax</b>		<b>-272.165</b>	<b>-1.974.988</b>
Tax on profit/loss for the year		<u>59.714</u>	<u>434.497</u>
<b>Profit/loss for the year</b>		<b><u>-212.451</u></b>	<b><u>-1.540.491</u></b>
 <b>Distribution of profit</b>			
Retained earnings		<u>-212.451</u>	<u>-1.540.491</u>
		<b><u>-212.451</u></b>	<b><u>-1.540.491</u></b>

**Balance sheet 31 December**

	<u>Note</u>	<u>2023</u> DKK	<u>2021/2022</u> DKK
<b>Assets</b>			
Property, plant and equipment in progress	5	704.279.343	18.048.214
<b>Tangible assets</b>		<b><u>704.279.343</u></b>	<b><u>18.048.214</u></b>
<b>Total non-current assets</b>		<b><u>704.279.343</u></b>	<b><u>18.048.214</u></b>
Other receivables		386.249	4.962.810
Deferred tax asset		110.978	434.497
Prepayments		43.313	20.641.433
<b>Receivables</b>		<b><u>540.540</u></b>	<b><u>26.038.740</u></b>
<b>Cash at bank and in hand</b>		<b><u>0</u></b>	<b><u>35.262</u></b>
<b>Total current assets</b>		<b><u>540.540</u></b>	<b><u>26.074.002</u></b>
<b>Total assets</b>		<b><u><u>704.819.883</u></u></b>	<b><u><u>44.122.216</u></u></b>

**Balance sheet 31 December**

	<u>Note</u>	<u>2023</u> DKK	<u>2021/2022</u> DKK
<b>Equity and liabilities</b>			
Share capital		40.000	40.000
Retained earnings		<u>-1.752.942</u>	<u>-1.540.491</u>
<b>Equity</b>	<b>6</b>	<b><u>-1.712.942</u></b>	<b><u>-1.500.491</u></b>
Payables to group entities		104.582.793	45.622.707
Payables to participating interests		<u>10.947.953</u>	<u>0</u>
<b>Total non-current liabilities</b>	<b>7</b>	<b><u>115.530.746</u></b>	<b><u>45.622.707</u></b>
Banks		590.995.187	0
Trade payables		<u>6.892</u>	<u>0</u>
<b>Total current liabilities</b>		<b><u>591.002.079</u></b>	<b><u>0</u></b>
<b>Total liabilities</b>		<b><u>706.532.825</u></b>	<b><u>45.622.707</u></b>
<b>Total equity and liabilities</b>		<b><u>704.819.883</u></b>	<b><u>44.122.216</u></b>
Capital resources	1		
Contingent liabilities	8		
Related parties and ownership structure	9		



**Statement of changes in equity**

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2023	40.000	-1.540.491	-1.500.491
Net profit/loss for the year	0	-212.451	-212.451
<b>Equity at 31 December 2023</b>	<b><u>40.000</u></b>	<b><u>-1.752.942</u></b>	<b><u>-1.712.942</u></b>

## Notes

### 1 Capital resources

The company's assets and liabilities have been assessed with continued operations in mind. Management is aware that the company has lost its capital. In accordance with section 119 in the Danish Company Act, the management will at the ordinary general meeting explain the financial situation of the company and the plans for future financing.

The Company is building a solar park which is expected to be finalised and operating throughout 2024. Managements expects the Company to restore its equity from future operations once the project is operating.

The primary owner of the company have provided a letter of support to secure sufficient financing to finalize the construction of the plant. In addition, the Company have received construction financing in 2023 to realize the project.

	<u>2023</u> DKK	<u>2021/2022</u> DKK
<b>2 Staff costs</b>		
Number of fulltime employees on average	<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.

### 3 Financial income

Exchange adjustments	192.730	14.870
Capitalised financial income	<u>-167.882</u>	<u>0</u>
	<b><u>24.848</u></b>	<b><u>14.870</u></b>

### 4 Financial costs

Financial expenses, group entities	10.527.003	182.097
Other financial costs	14.121.744	198
Exchange adjustments costs	301.079	0
Capitalised financial expenses	<u>-24.949.826</u>	<u>-182.097</u>
	<b><u>0</u></b>	<b><u>198</u></b>

## Notes

### 5 Tangible assets

	Property, plant and equipment in progress
Cost at 1 January 2023	18.048.214
Additions for the year	<u>686.231.129</u>
Cost at 31 December 2023	<u>704.279.343</u>
<b>Carrying amount at 31 December 2023</b>	<b><u><u>704.279.343</u></u></b>
Net interest expenses recognised as part of cost of assets during the year	<u>24.781.944</u>

### 6 Equity

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

### 7 Long term debt

	Debt at 1 January 2023	Debt at 31 December 2023	Instalment next year	Debt outstanding after 5 years
Payables to group entities	45.622.707	104.582.793	0	0
Payables to participating interests	<u>0</u>	<u>10.947.953</u>	<u>0</u>	<u>0</u>
	<b><u><u>45.622.707</u></u></b>	<b><u><u>115.530.746</u></u></b>	<b><u><u>0</u></u></b>	<b><u><u>0</u></u></b>

## Notes

### 8 Contingent liabilities

#### Joint taxation

The company is jointly taxed with its parent company, KEA Holding III ApS (management company), and jointly and severally liable with other jointly taxed entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest and royalties which fall due for payment from the date entering of the joint taxation group.

### 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:

EE PV Holding ApS, Gyngemose Parkvej 50, 2860 Søborg  
Dansk Erhvervsbørs A/S, Østergade 60, 7900 Nykøbing M

#### Consolidated financial statements

The company is included in the group report for  
European Energy A/S

The group report of European Energy A/S can be obtained at the following address:

[www.europeanenergy.com](http://www.europeanenergy.com)