Momentum Energy Projects ApS

Københavnsvej 81, 4000 Roskilde

Annual report

1 January - 31 December 2021

Company reg. no. 31 18 39 95

The annual report was submitted and approved by the general meeting on the 14 June 2022.

Kim Madsen
Chairman of the meeting

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Contents

Management's statement

Today, the Managing Director has approved the annual report of Momentum Energy Projects ApS for the financial year 1 January - 31 December 2021.

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

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

Further, in my opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Roskilde, 10 June 2022

Managing Director

Kim Madsen

Independent auditor's report

To the Shareholders of Momentum Energy Projects ApS

Opinion

We have audited the financial statements of Momentum Energy Projects 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, for the Company. 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 financial position of the Company 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’ International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 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.

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.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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.

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.

Independent auditor's report

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 Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 10 June 2022

Martinsen
State Authorised Public Accountants
Company reg. no. 32 28 52 01

Leif Tomasson
State Authorised Public Accountant
mne25346

Company information

The company	Momentum Energy Projects ApS Københavnsvej 81 4000 Roskilde	
	Company reg. no.	31 18 39 95
	Established:	16 January 2008
	Domicile:	Roskilde
	Financial year:	1 January - 31 December 14th financial year
Managing Director	Kim Madsen	
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Øster Allé 42 2100 København Ø	
Parent company	Momentum Energy Group A/S	
Subsidiary	Momentum Energy Planungs GmbH, Tyskland	

Management´s review

The principal activities of the company

The principal activities are development, management and consultation of wind turbine and solar energy projects.

Development in activities and financial matters

The gross profit for the year totals DKK 1.494.000 against DKK 46.000 last year. Income or loss from ordinary activities after tax totals DKK -157.000 against DKK -127.000 last year.

Accounting policies

The annual report for Momentum Energy Projects ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external expenses comprise expenses incurred for distribution, sales, administration and premises.

Accounting policies

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, debt and transactions in foreign currency.

Results from investments in subsidiariesequity investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual group enterprises are recognised in the income statement as a proportional share of the group enterprises' post-tax profit or loss.
After full elimination of intercompany profit or loss less amortised consolidated goodwill, the investment in the individual subsidiaries are recognised in the income statement as a proportional share of the subsidiaries' post-tax profit or loss.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

Accounting policies

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Investments

Investments in subsidiaries

Investments in subsidiaries are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in subsidiaries are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Investments in subsidiaries with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover an negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

Accounting policies

To the extent the equity exceeds the cost, the net revaluation of equity investments in subsidiaries transferred to the reserve under equity for net revaluation according to the equity method. Dividends from subsidiaries expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in subsidiaries.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. impairment takes place at the net realisable value.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual work in progress. The stage of completion is calculated as the share of costs incurred in proportion to the estimated total costs of the individual work in progress.

When the selling price of the individual work in progress can not be determined reliably, the selling price is measured at the costs incurred or at net realisable value, if this is lower.

The individual work in progress is recognised in the statement of financial position under accounts receivables or liabilities. Net assets consist of the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the work in progress, where invoicing on account exceeds the selling price.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

Liabilities other than provisions

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Accounting policies

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2021	2020
	Gross profit	**1.494.470**	**45.661**
1	Staff costs	-2.731.865	-132.797
	Depreciation and writedown relating to fixed assets	-20.000	0
	Operating profit	**-1.257.395**	**-87.136**
	Income from investments in subsidiaries	971.227	0
	Other financial income	107.273	138.267
	Other financial expenses	-298.466	-184.171
	Pre-tax net profit or loss	**-477.361**	**-133.040**
	Tax on net profit or loss for the year	320.818	5.786
	Net profit or loss for the year	**-156.543**	**-127.254**
	Proposed appropriation of net profit:		
	Reserves for net revaluation according to the equity method	971.227	0
	Allocated from retained earnings	-1.127.770	-127.254
	Total allocations and transfers	**-156.543**	**-127.254**

Balance sheet at 31 December

All amounts in DKK.

Note	Assets	2021	2020
	Non-current assets		
2	Other fixtures and fittings, tools and equipment	80.000	100.000
	Total property, plant, and equipment	80.000	100.000
3	Investments in subsidiaries	971.234	0
	Total investments	971.234	0
	Total non-current assets	**1.051.234**	**100.000**
	Current assets		
	Trade debtors	132.188	0
	Contract work in progress	141.138	305.400
	Receivables from subsidiaries	4.108.843	5.313.256
	Tax receivables from subsidiaries	320.818	5.786
	Other receivables	13.471	58.479
	Total receivables	4.716.458	5.682.921
	Cash and cash equivalents	26.347	108.585
	Total current assets	**4.742.805**	**5.791.506**
	Total assets	**5.794.039**	**5.891.506**

Balance sheet at 31 December

All amounts in DKK.

Note	Equity and liabilities	2021	2020
	Equity		
	Contributed capital	125.000	125.000
	Reserve for net revaluation according to the equity method	971.227	0
	Retained earnings	-1.118.792	8.978
	Total equity	**-22.565**	**133.978**
	Liabilities other than provisions		
4	Bank loans	3.906.756	4.820.000
	Total long term liabilities other than provisions	3.906.756	4.820.000
	Current portion of long term liabilities	908.000	430.000
	Trade creditors	45.366	471.550
	Other payables	956.482	35.978
	Total short term liabilities other than provisions	1.909.848	937.528
	Total liabilities other than provisions	**5.816.604**	**5.757.528**
	Total equity and liabilities	**5.794.039**	**5.891.506**

5 Charges and security

6 Contingencies

7 Related parties

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Reserve for net revaluation according to the equity method	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2020	125.000	0	136.232	4.500.000	4.761.232
Distributed dividend	0	0	0	-4.500.000	-4.500.000
Share of results	0	0	-127.254	0	-127.254
Equity 1 January 2021	125.000	0	8.978	0	133.978
Share of results	0	971.227	-1.127.770	0	-156.543
	125.000	**971.227**	**-1.118.792**	**0**	**-22.565**

Notes

All amounts in DKK.

		2021	2020
1.	**Staff costs**		
	Salaries and wages	2.570.358	121.883
	Pension costs	130.444	10.062
	Other costs for social security	31.063	852
		2.731.865	**132.797**
	Average number of employees	5	1
2.	**Other fixtures and fittings, tools and equipment**		
	Cost 1 January 2021	100.000	0
	Additions during the year	0	100.000
	Cost 31 December 2021	**100.000**	**100.000**
	Depreciation and writedown 1 January 2021	0	0
	Depreciation for the year	-20.000	0
	Depreciation and writedown 31 December 2021	**-20.000**	**0**
	Carrying amount, 31 December 2021	**80.000**	**100.000**
3.	**Investments in subsidiaries**		
	Additions during the year	7	0
	Cost 31 December 2021	**7**	**0**
	Results for the year before goodwill amortisation	971.227	0
	Revaluation 31 December 2021	**971.227**	**0**
	Carrying amount, 31 December 2021	**971.234**	**0**

Subsidiaries:

	Domicile	**Equity interest**
Momentum Energy Planungs GmbH	Tyskland	100 %

Notes

All amounts in DKK.

		31/12 2021	31/12 2020
4.	**Bank loans**		
	Total bank loans	4.814.756	5.250.000
	Share of amount due within 1 year	-908.000	-430.000
		3.906.756	**4.820.000**
	Share of liabilities due after 5 years	571.000	850.000

5. Charges and security

As collateral for bank debt, amounting to DKK 4.814.756, the company has granted a company charge of nominally DKK 5.250.000. The company charge comprises the following assets: goodwill, domain names and rights, operating equipment, inventories and trade receivables. On the reporting date, the carrying assets below, stating the carrying amounts:

	DKK in thousands
Inventories	0
Goodwill	0
Trade receivables	132
Operating equipment	80
Contract work in progress	141
Stock	0
Fuels and other excipients	0

6. Contingencies

Joint taxation

With AEIF2 DK HoldCo ApS, company reg. no 42855928 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The jointly taxed companies' total known net liability regarding corporation tax appears from the finansial statements of the management company.

Notes

All amounts in DKK.

7. Related parties

Consolidated financial statements

The company is included in the consolidated financial statements of Momentum Energy Group A/S, Københavnsvej 81, 4000 Roskilde.