GreenGo Energy Group A/S

Frydenlundsvej 30, DK-2950 Vedbæk

Annual Report for 2022

CVR No. 36 04 96 18

The Annual Report was presented and adopted at the Annual General Meeting of the company on 26/4 2023

Jan Henrik Christiansen
Chairman of the general meeting

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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Consolidated Financial Statements and Parent Company Financial Statements of GreenGo Energy Group A/S for the financial year 1 January - 31 December 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2022.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Consolidated Financial Statements and Parent Company Financial Statements be adopted at the Annual General Meeting.

Vedbæk, 26 April 2023

Executive Board

Karsten Nielsen CEO	Johnny Rask Jensen Executive officer	Jean-Christophe Girouard Executive officer

Board of Directors

Jan Henrik Christiansen Chairman	Morten Skovfoged Tinggaard Vice chairman	Karsten Nielsen
Annemette Færch	Pernille Fabricius	

Independent Auditor's report

To the shareholders of GreenGo Energy Group A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2022 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of GreenGo Energy Group A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

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 Group 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.

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, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 Group´s and the Parent 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 Group or the Parent 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.

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 Group´s and the Parent 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 Group´s and the Parent 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 Group and the Parent 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Independent Auditor's report

Hellerup, 26 April 2023

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Niels Henrik B. Mikkelsen
State Authorised Public Accountant
mne16675

Martin Birch
State Authorised Public Accountant
mne42825

Company information

The Company	GreenGo Energy Group A/S Frydenlundsvej 30 DK-2950 Vedbæk CVR No: 36 04 96 18 Financial period: 1 January - 31 December Municipality of reg. office: Rudersdal
Board of Directors	Jan Henrik Christiansen, chairman Morten Skovfoged Tinggaard, vice chairman Karsten Nielsen Annemette Færch Pernille Fabricius
Executive board	Karsten Nielsen Johnny Rask Jensen Jean-Christophe Girouard
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup
Bankers	Sydbank Kgs. Nytorv 30 1050 Copenhagen

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	Group				
	2022	2021	2020	2019	2018
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Gross profit/loss	98,771	65,171	48,672	27,693	27,919
EBITDA	72,219	35,438	13,088	7,407	11,579
Profit/loss before financial income and expenses	69,310	32,472	7,792	2,097	8,528
Profit/loss of financial income and expenses	-7,885	-5,315	-4,394	-2,102	-1,217
Net profit/loss	45,933	20,624	1,959	-375	7,278
Balance sheet					
Balance sheet total	306,399	209,545	161,114	132,857	105,560
Investment in property, plant and equipment	44	0	170	201	130
Equity	153,261	105,058	78,265	79,184	64,875
Cash flows					
Cash flows from:					
- operating activities	57,792	-15,413	-20,465	-18,763	-15,923
- investing activities	-82	-140	-170	-201	-230
- financing activities	2,941	8,982	32,936	18,311	22,466
Change in cash and cash equivalents for the year	60,650	-6,570	12,300	-653	6,313
Number of employees	43	41	31	24	23
Ratios					
Return on assets	22.6%	15.5%	4.8%	1.6%	8.1%
Solvency ratio	50.0%	50.1%	48.6%	59.6%	61.5%
Return on equity	35.6%	22.5%	2.5%	-0.5%	22.4%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, refer to the accounting policies.

Management's review

Key activities

The Company's main activity is being parent company of the GreenGo Energy Group which originates, develops, constructs, and manages tailored renewable energy solutions in partnership with industry leading investors in the renewable energy sector.

Development in the year

The income statement of the Group for 2022 shows an EBITDA of MDKK 72, a profit of MDKK 46, and at 31 December 2022 a Group equity of MDKK 153.

The past year and follow-up on development expectations from last year

2022 was a transformative year for GreenGo Energy, where we doubled EBITDA and generated a solid positive cashflow, despite significant market uncertainty based on supply chain turbulence, energy crisis and the impacts of the grim war in Europe.

We successfully implemented our transformation from a solar and storage focused solution provider, to a renewable energy solutions provider focusing on the instrumental energy transformation technologies; Solar PV, wind energy, storage, and P2X/Hydrogen solutions.

The transformation was successfully kicked off by the launch of the Megaton project as a new product platform. Megaton-I in Ringkøbing-Skjern municipality in Denmark will be one of the world's largest integrated green energy parks based on 4GW of hybrid wind/solar generation and 2GW of electrolysis enabling up to 1 million tons of green fuels annually. The new product platform enables GreenGo Energy to drive the energy transformation in full in our key markets, and will provide a significant growth platform going forward.

Globally, through 2022 the energy transformation accelerated further by strengthened NetZero and Paris agreement commitments at Governments and in most industries. The demand for solar and wind generation towards 2050 is expected to be 30-40TW to implement NetZero in all key sectors (transport, buildings/heating, manufacturing) or more than 15 times compared to the current installed capacity globally.

Throughout 2022 the Hydrogen economy also became real, with significant investments and commitments to decarbonize, this now also among key oil majors.

Despite the general market conditions, we successfully expanded across key markets in the US and Northern Europe, with a global project pipeline accumulating to 19GW by the end of 2022, across solar PV, on-shore wind, offshore wind and P2X technologies.

Our client contracted pipeline increased by more than 2GW to reach a total of 4GW. Instrumental in this expansion was two new GW scale portfolio agreements with Tier1 investors in the renewable energy sector, one in the US and one in Europe. We see this development as proof of and trust in our business platform, where partners can access and get control of tailored renewable energy solutions at a significant scale.

In Europe, we successfully entered Germany and Poland as new markets, both high potential energy transition markets over the next decade.

In the US, we expanded to the MISO Energy area, which manage the flow electricity across 15 US States and the Canadian province of Manitoba, and early-stage pipeline of 0.4GW has been attained.

Management's review

In 2022, construction of the four projects commenced in Ringkøbing-Skjern, Lemvig and Fjerritslev, and Odense municipalities with a total capacity of 120MW.

During the year, the on-shore solar and wind project pipeline in Denmark increased to 5GW or 10.000 hectares in development. At the same time, we had good progress in advancing the contracted pipeline with 500MW achieving municipality approval with zoning permits, and an additional 140MW reaching ready to build status.

For Denmark we signed a new 1GW partnership agreement with a Tier1 investment group within the renewable sector. Partnership agreement volume in Denmark thereby reached a total of 2.3GW by the end of 2022.

A significant strategic development was the 4GW Megaton Energy Park with the vision of creating a green energy park based on fully integrated solar, on-shore wind, offshore wind and electrolysis at GW scale, enabling the lowest cost of green fuels in Denmark and Northern Europe. This landmark project for Denmark, which will generate 11.5TWh of renewable energy on the west coast of Jutland and produce 1 million ton of green energy, was launched in a co-operation with Ringkøbing-Skjern municipality in January 2023.

We expanded our footprint in Sweden significantly and reached a pipeline of 1.5GW or 3,000 hectares in development, by the end of 2022. We expect the first partnership agreement with Tier1 investor to close through the first half of 2023 for our Swedish project portfolio.

Baltics, Poland and Germany are still earlier stage markets for GreenGo Energy, but with significant potential over the next decade as broad electrification and decarbonization accelerates across all sectors. Total pipeline in these new markets accumulated to 0.5GW end of the year, with first partnership agreements processes initiated in both Germany and the Baltics.

In the US, the Inflation Reduction Act (IRA) was launched, ensuring more than USD 350bn in decarbonization incentives to the renewable and hydrogen economies. This landmark deal puts US in the drivers seat when compared to Europe, which still struggles in converging NetZero visions and headline politics in to actual working regulatory frameworks. We intend to fully leverage the potential of the IRA based on our seven year of experience and deep footprint in the US market.

Our project portfolio in the Tennessee Valley Authority (TVA), which covers the state of Tennessee and parts of the states of Alabama, Mississippi and Kentucky has expanded successfully during 2022 to 1.9GW.

A new GW scale partnership agreement was executed for this market with a new Tier1 investor, one of the largest investors in infrastructure and renewable energy in the world.

Our project portfolio in Texas expanded to 2.8GW, with 800MW in late stage development. Our efforts to market a 500MW ready-to-build project faced delays due to grid and market conditions in the area, however we still pursue ongoing opportunities with an expectation to transact the project through 2023.

An additional partnership agreement for at least 0.5GW in Texas is in process and expected to be executed in 2023.

The income statement of the Group for 2022 shows an EBITDA of MDKK 72 or a 100% increase compared to last year, which is in line with expectations for the year.

Capital resources

The Group's capital resources have developed very satisfactorily during the year. Total working capital increased with MDKK 54, which reflects the strong progress in project development and the new partner contracts compared to last year, and follows the expectations of the management.

Development in working capital, which predominantly consists of project work in progress followed the activity growth of the Group and showed MDKK 220 (2021: MDKK 187).

At the same time, a rise of long-term financing of MDKK 15 was attained, and alongside a reduction in payables to suppliers of goods and services of MDKK 7.

As a consequence of the above, the Group's cash flow in 2022 showed a positive operational cash flow of MDKK 57, and cash and cash equivalents was during 2022 strengthened to MDKK 75 at year end (2021: MDKK -15).

Special risks - operating risks and financial risks

Foreign exchange risks

Currency risks are to a very large extent limited to currency adjustment on current assets in EUR and USD, where the underlying operational cash flow provides a natural hedge of the predominant part of the exposure.

Targets and expectations for the year ahead

In total, the GreenGo Energy Group now has a project pipeline of 20GW of solar, wind and P2X projects in various development stages and construction. This in seven US States and in Northern Europe. 4GW has been contracted through partnership agreements with Tier 1 investors from the renewable space.

Based on this foundation Management looks at 2023 as a year with broad expansion of our development pipeline and contracted pipeline with partners, and with strong focus on contract execution with development and construction of projects on behalf of our existing partners.

Management expects the newly established Megaton product platform to contribute with significant growth going forward from 2024 and beyond.

Financial results for 2023 will be affected by investments in the project portfolio, significant organizational investments, but also potential delays and market uncertainties which can have a significant impact.

On this basis, management expects earnings (EBITDA) in the range of MDKK 100-175 for 2023.

The range reflects the continued uncertainties driven by the current market situation with the supply chains still not stable, potential regulatory changes, geopolitical instability, and the usual uncertainties on 3rd party delays in permitting and grid connection processes.

External environment

GreenGo Energy is built around technology and have a strong passion for leading the energy transformation on a grand scale for the benefit of the climate.

The mark to the external environment is remarkable, and when commissioned, our current contracted portfolio will impact the climate by a yearly savings of 1.5 million tons of CO_2 and produce 5 TWh (terawatt hours) of green energy, similar to the electricity consumption of 1.2 million homes.

Intellectual capital resources

The most important knowledge resources are related to competencies within engineering and development of solar projects.

Management's review

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have been subject to uncertainty relating to work in progress. See note 1 for a description of this.

Unusual events

The financial position at 31 December 2022 of the Group and the results of the activities and cash flows of the Group for the financial year for 2022 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

		Group		Parent company	
	Note	2022	2021	2022	2021
		DKK	DKK	DKK	DKK
Gross profit		**98,770,692**	**65,171,104**	**-182,579**	**188,879**
Staff expenses	2	-26,551,468	-29,733,084	-7,363,542	-7,530,148
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	3	-2,909,497	-2,965,910	-20,242	-22,447
Profit/loss before financial income and expenses		**69,309,727**	**32,472,110**	**-7,566,363**	**-7,363,716**
Income from investments in subsidiaries		0	0	55,455,409	29,522,793
Financial income	4	70,759	958,974	2,077,544	1,994,561
Financial expenses	5	-7,956,003	-6,274,145	-6,536,082	-6,039,417
Profit/loss before tax		**61,424,483**	**27,156,939**	**43,430,508**	**18,114,221**
Tax on profit/loss for the year	6	-15,491,258	-6,532,832	2,502,717	2,509,886
Net profit/loss for the year	7	**45,933,225**	**20,624,107**	**45,933,225**	**20,624,107**

Balance sheet 31 December

Assets

		Group		Parent company	
	Note	2022	2021	2022	2021
		DKK	DKK	DKK	DKK
Goodwill		3,567,772	6,415,072	0	0
Development projects in progress		0	0	0	0
Intangible assets	8	**3,567,772**	**6,415,072**	**0**	**0**
Other fixtures and fittings, tools and equipment		176,183	211,554	0	20,241
Property, plant and equipment	9	**176,183**	**211,554**	**0**	**20,241**
Investments in subsidiaries	10	0	0	163,078,825	103,815,985
Deposits	11	159,337	121,200	0	0
Fixed asset investments		**159,337**	**121,200**	**163,078,825**	**103,815,985**
Fixed assets		**3,903,292**	**6,747,826**	**163,078,825**	**103,836,226**
Trade receivables		1,921,333	24,578	0	0
Contract work in progress	12	224,422,403	187,318,158	0	0
Receivables from group enterprises		0	0	64,423,205	63,379,463
Other receivables		850,393	838,218	75,334	191,249
Deferred tax asset	15	0	0	13,198,048	10,695,331
Corporation tax		0	177,152	0	0
Prepayments	13	573,576	361,895	0	0
Receivables		**227,767,705**	**188,720,001**	**77,696,587**	**74,266,043**
Cash at bank and in hand		**74,728,114**	**14,077,662**	**493,751**	**387,285**
Current assets		**302,495,819**	**202,797,663**	**78,190,338**	**74,653,328**
Assets		**306,399,111**	**209,545,489**	**241,269,163**	**178,489,554**

Balance sheet 31 December

Liabilities and equity

		Group		Parent company	
	Note	2022	2021	2022	2021
		DKK	DKK	DKK	DKK
Share capital	14	1,496,443	1,496,443	1,496,443	1,496,443
Reserve for net revaluation under the equity method		0	0	97,150,653	41,111,653
Other reserves		276,281	14,877	0	14,877
Retained earnings		151,488,271	103,546,730	54,613,899	62,435,077
Equity		**153,260,995**	**105,058,050**	**153,260,995**	**105,058,050**
Provision for deferred tax	15	11,446,313	8,450,213	0	0
Provisions relating to investments in group enterprises		0	0	1,316,733	375,395
Other provisions	16	1,735,000	1,735,000	0	0
Provisions		**13,181,313**	**10,185,213**	**1,316,733**	**375,395**
Credit institutions		22,324,866	21,191,502	22,324,866	21,191,502
Convertible and profit-yielding instruments of debt		1,000,000	1,000,000	1,000,000	1,000,000
Payables to owners and Management		42,573,082	42,774,088	42,573,082	42,774,088
Other payables		0	212,833	0	0
Long-term debt	17	**65,897,948**	**65,178,423**	**65,897,948**	**64,965,590**
Trade payables		23,567,035	14,397,760	245,724	173,179
Payables to group enterprises		0	0	440,611	426,742
Payables to owners and Management		14,000,000	0	14,000,000	0
Corporation tax		11,767,954	0	0	0
Other payables	17	24,723,866	14,726,043	6,107,152	7,490,598
Short-term debt		**74,058,855**	**29,123,803**	**20,793,487**	**8,090,519**
Debt		**139,956,803**	**94,302,226**	**86,691,435**	**73,056,109**
Liabilities and equity		**306,399,111**	**209,545,489**	**241,269,163**	**178,489,554**

Balance sheet 31 December

Statement of changes in equity

Group

	Share capital	Other reserves	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	1,496,443	14,877	103,546,730	105,058,050
Exchange adjustments	0	261,404	0	261,404
Sale of treasury shares	0	0	1,701,006	1,701,006
Other equity movements	0	0	307,310	307,310
Net profit/loss for the year	0	0	45,933,225	45,933,225
Equity at 31 December	**1,496,443**	**276,281**	**151,488,271**	**153,260,995**

Parent company

	Share capital	Reserve for net revaluation under the equity method	Other reserves	Retained earnings	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	1,496,443	41,111,653	14,877	62,435,077	105,058,050
Exchange adjustments	0	261,404	0	0	261,404
Sale of treasury shares	0	0	0	1,701,006	1,701,006
Other equity movements	0	307,310	0	0	307,310
Transfers, reserves	0	14,877	-14,877	0	0
Net profit/loss for the year	0	55,455,409	0	-9,522,184	45,933,225
Equity at 31 December	**1,496,443**	**97,150,653**	**0**	**54,613,899**	**153,260,995**

Cash flow statement 1 January - 31 December

		Group	
	Note	2022	2021
		DKK	DKK
Result of the year		45,933,225	20,624,107
Adjustments	18	26,538,431	15,001,055
Change in working capital	19	-6,057,758	-45,276,254
Cash flow from operations before financial items		**66,413,898**	**-9,651,092**
Financial income		70,759	958,972
Financial expenses		-7,956,003	-6,274,139
Cash flows from ordinary activities		**58,528,654**	**-14,966,259**
Corporation tax paid		-736,504	-446,505
Cash flows from operating activities		**57,792,150**	**-15,412,764**
Purchase of property, plant and equipment		-44,235	0
Fixed asset investments made etc		-38,137	-139,529
Cash flows from investing activities		**-82,372**	**-139,529**
Repayment of other long-term debt		-14,000,000	0
Raising of loans from credit institutions		1,133,364	0
Raising of other long-term debt		13,798,994	8,982,198
Sale of treasury shares		1,701,006	0
Other equity entries		307,310	0
Cash flows from financing activities		**2,940,674**	**8,982,198**
Change in cash and cash equivalents		**60,650,452**	**-6,570,095**
Cash and cash equivalents at 1 January		14,077,662	20,647,757
Exchange adjustment of current asset investments		0	0
Cash and cash equivalents at 31 December		**74,728,114**	**14,077,662**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		74,728,114	14,077,662
Cash and cash equivalents at 31 December		**74,728,114**	**14,077,662**

Notes to the Financial Statements

1. Uncertainty relating to recognition and measurement

Contract work in progress

The Company recognizes and measures work in progress related to the design and development of the solar plants based on an estimated completion rate, which the management assesses best reflects the value-added of the company's deliveries to clients based on the entered contracts.

The completion rate estimate is based on project progress according to established assumptions, and the estimate depends on a number of prerequisites and assumptions about the future. In addition, the estimate includes assumptions for the future operational returns of the developed solar projects.

The use of estimates in determining the value of the company's services means that there is some uncertainty associated with this calculation. The uncertainty is partly due to contractual conditions and partly to market specific conditions. Both can have a bearing on the final settlement to the company, both in relation to the amount of the final settlement and the time at which the value can be finally determined.

Management has chosen to manage this risk by maintaining ongoing contact with clients as well as for selected projects to involve experts in assessing the state of the projects.

The value of the recognised variable fees is determined based project specific milestones as well as macroeconomic conditions, which can be negatively impacted.

	Group		**Parent company**	
	2022	2021	2022	2021
	DKK	DKK	DKK	DKK
2. Staff Expenses				
Wages and salaries	26,134,613	29,336,821	7,119,642	7,346,694
Other social security expenses	205,449	131,959	32,494	31,692
Other staff expenses	211,406	264,304	211,406	151,762
	26,551,468	**29,733,084**	**7,363,542**	**7,530,148**
Including remuneration to the Executive Board and Board of Directors:				
Executive board	6,576,931	3,185,307	6,576,931	3,185,307
Board of directors	479,156	7,186,728	479,156	7,186,728
	7,056,087	**10,372,035**	**7,056,087**	**10,372,035**
Average number of employees	**43**	**41**	**4**	**4**

	Group		Parent company	
	2022	2021	2022	2021
	DKK	DKK	DKK	DKK
3. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment				
Amortisation of intangible assets	2,847,300	2,847,300	0	0
Depreciation of property, plant and equipment	62,197	118,610	20,242	22,447
	2,909,497	**2,965,910**	**20,242**	**22,447**

	Group		Parent company	
	2022	2021	2022	2021
	DKK	DKK	DKK	DKK
4. Financial income				
Interest received from group enterprises	0	0	2,077,544	1,994,561
Other financial income	70,759	478,165	0	0
Exchange gains	0	480,809	0	0
	70,759	**958,974**	**2,077,544**	**1,994,561**

	Group		Parent company	
	2022	2021	2022	2021
	DKK	DKK	DKK	DKK
5. Financial expenses				
Interest paid to group enterprises	0	0	13,869	12,429
Other financial expenses	7,446,153	6,274,145	6,522,009	6,025,182
Exchange adjustments, expenses	509,850	0	204	1,806
	7,956,003	**6,274,145**	**6,536,082**	**6,039,417**

Notes to the Financial Statements

	Group		Parent company	
	2022	2021	2022	2021
	DKK	DKK	DKK	DKK

6. Income tax expense

Current tax for the year	12,485,668	99,487	0	0
Deferred tax for the year	2,862,829	6,433,345	-2,645,478	-2,509,886
Adjustment of deferred tax concerning previous years	142,761	0	142,761	0
	15,491,258	**6,532,832**	**-2,502,717**	**-2,509,886**

	Parent company	
	2022	2021
	DKK	DKK

7. Profit allocation

Reserve for net revaluation under the equity method	55,455,409	29,522,793
Retained earnings	-9,522,184	-8,898,686
	45,933,225	**20,624,107**

8. Intangible fixed assets

Group

	Goodwill	Development projects in progress
	DKK	DKK
Cost at 1 January	28,777,754	10,329,632
Cost at 31 December	28,777,754	10,329,632
Impairment losses and amortisation at 1 January	22,362,682	10,329,632
Amortisation for the year	2,847,300	0
Impairment losses and amortisation at 31 December	25,209,982	10,329,632
Carrying amount at 31 December	**3,567,772**	**0**
Amortised over	10 years	

Notes to the Financial Statements

The development project concern the development of GoSense technology for improved operation and maintenance of the company's solar power plants. The project has not been completed and an impairment corresponding to the carrying amount of the project has been recognized.

Development projects in progress are supported by public subsidies. The total received subsidies are recognized in the income statement by DKK 2,873,483 in 2020.

9. Property, plant and equipment

Group

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	1,208,317
Exchange adjustment	-17,409
Additions for the year	44,235
Cost at 31 December	1,235,143
Impairment losses and depreciation at 1 January	996,763
Depreciation for the year	62,197
Impairment losses and depreciation at 31 December	1,058,960
Carrying amount at 31 December	**176,183**
Amortised over	3 years

Notes to the Financial Statements

Parent company

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	67,340
Cost at 31 December	67,340
Impairment losses and depreciation at 1 January	67,340
Impairment losses and depreciation at 31 December	67,340
Carrying amount at 31 December	**0**
Amortised over	3 years

Notes to the Financial Statements

	Parent company	
	2022	2021
	DKK	DKK

10. Investments in subsidiaries

	2022 DKK	2021 DKK
Cost at 1 January	60,918,436	60,900,107
Additions for the year	2,572,980	18,329
Cost at 31 December	63,491,416	60,918,436
Value adjustments at 1 January	41,126,530	11,434,919
Exchange adjustment	261,404	168,818
Net profit/loss for the year	58,302,709	32,370,093
Other equity movements, net	307,310	0
Amortisation of goodwill	-2,847,300	-2,847,300
Value adjustments at 31 December	97,150,653	41,126,530
Equity investments with negative net asset value amortised over receivables	1,120,023	1,395,624
Equity investments with negative net asset value transferred to provisions	1,316,733	375,395
Carrying amount at 31 December	**163,078,825**	**103,815,985**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership
GreenGo Energy A/S	Vedbæk	DKK 559.980	100%
GreenGo Energy Latin America ApS	Vedbæk	DKK 80.000	100%
GreenGo Energy US Inc.	USA	USD 2.000	100%
GreenGo Energy Sweden AB	Sweden	SEK 25.000	100%
GreenGo Energy Poland sp. z o.o	Poland	PLZ 5.000	100%
GreenGo Energy Germany GmbH	Germany	EUR 25.000	100%

Notes to the Financial Statements

11. Other fixed asset investments

Group

	Deposits
	DKK
Cost at 1 January	121,200
Additions for the year	38,137
Cost at 31 December	159,337
Carrying amount at 31 December	**159,337**

	Group		Parent company	
	2022	2021	2022	2021
	DKK	DKK	DKK	DKK
12. Contract work in progress				
Selling price of work in progress	416,639,865	245,931,003	0	0
Payments received on account	-192,217,462	-58,612,845	0	0
	224,422,403	**187,318,158**	**0**	**0**

With reference to the disclosure in note 1, there is uncertainty relating to when payments from contract work in progress are due as it depends on the progress of the ongoing projects. Is it Management's assessment that DKK 178,968k are due within 1 year.

13. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums and subscriptions.

14. Share capital

The share capital consists of 1,496,443 shares of a nominal value of DKK 1. No shares carry any special rights.

The company has acquired treasury shares as a result of previous shareholders' desire to resign from the group of owners. At 31 December 2022 the company holds a total of 59,426 treasury shares with a nominal value of DKK 59,426, corresponding to 4% of the share capital.

15. Provision for deferred tax

	Group		Parent company	
	2022	2021	2022	2021
	DKK	DKK	DKK	DKK
Deferred tax liabilities at 1 January	8,450,213	2,016,868	-10,695,331	-8,185,445
Amounts recognised in the income statement for the year	2,996,100	6,433,345	-2,502,717	-2,509,886
Deferred tax liabilities at 31 December	**11,446,313**	**8,450,213**	**-13,198,048**	**-10,695,331**

16. Other provisions

Other provisions include service and maintenance obligations in respect of solar panels sold in prior year's. Provisions are measured and recognised based on experience.

17. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	Group		Parent company	
	2022	2021	2022	2021
	DKK	DKK	DKK	DKK
Credit institutions				
After 5 years	0	0	0	0
Between 1 and 5 years	22,324,866	21,191,502	22,324,866	21,191,502
Long-term part	22,324,866	21,191,502	22,324,866	21,191,502
Within 1 year	0	0	0	0
	22,324,866	**21,191,502**	**22,324,866**	**21,191,502**
Convertible and profit-yielding instruments of debt				
After 5 years	0	0	0	0
Between 1 and 5 years	1,000,000	1,000,000	1,000,000	1,000,000
Long-term part	1,000,000	1,000,000	1,000,000	1,000,000
Within 1 year	0	0	0	0
	1,000,000	**1,000,000**	**1,000,000**	**1,000,000**

Notes to the Financial Statements

Payables to owner and Management

After 5 years	0	0	0	0
Between 1 and 5 years	42,573,082	42,774,088	42,573,082	42,774,088
Long-term part	42,573,082	42,774,088	42,573,082	42,774,088
Within 1 year	0	0	0	0
Other short-term debt to owners and Management	14,000,000	0	14,000,000	0
Short-term part	14,000,000	0	14,000,000	0
	56,573,082	**42,774,088**	**56,573,082**	**42,774,088**

Other payables

After 5 years	0	0	0	0
Between 1 and 5 years	0	212,833	0	0
Long-term part	0	212,833	0	0
Other short-term payables	24,723,866	14,726,043	6,107,152	7,490,598
	24,723,866	**14,938,876**	**6,107,152**	**7,490,598**

	Group	
	2022	2021
	DKK	DKK

18. Cash flow statement - Adjustments

Financial income	-70,759	-958,974
Financial expenses	7,956,003	6,274,145
Depreciation, amortisation and impairment losses, including losses and gains on sales	2,909,497	2,965,906
Tax on profit/loss for the year	15,491,258	6,532,832
Other adjustments	252,432	187,146
	26,538,431	**15,001,055**

19. Cash flow statement - Change in working capital

	Group 2022	Group 2021
	DKK	DKK
Change in receivables	-39,224,856	-57,669,250
Change in trade payables, etc	33,167,098	12,392,996
	-6,057,758	**-45,276,254**

20. Contingent assets, liabilities and other financial obligations

	Group 2022	Group 2021	Parent company 2022	Parent company 2021
	DKK	DKK	DKK	DKK
Charges and security				
Floating charge (virksomhedspant)	3,000,000	3,000,000	3,000,000	3,000,000
Rental and lease obligations				
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	1,556,875	18,144	638,709	0
Between 1 and 5 years	532,258	0	532,258	0
	2,089,133	**18,144**	**1,170,967**	**0**

Other contingent liabilities

GreenGo Energy Group A/S has provided a letter of support to it's subsidiary GreenGo Energy Latin America ApS which ensures that the subsidiary has the sufficient cash flow to continue it's operations in the coming financial year. Furthermore the receivable from the subsidiary will not be collected unless the liquidity is sufficient.

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable by the Group amounts to DKK 0. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Group’s liability.

21. Related parties

	Basis
Related parties	
GreenGo Energy Group companies	Subsidiaries
Executive board and Board of directors	Key management personnel

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

22. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

23. Accounting policies

The Annual Report of GreenGo Energy Group A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2022 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, GreenGo Energy Group A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement

Notes to the Financial Statements

Income statements of foreign subsidiaries and associates that are separate legal entities are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date. Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Income statements of enterprises that are integrated entities are translated at transaction date rates or approximated average exchange rates; however, items derived from non-monetary balance sheet items are translated at the transaction date rates of the underlying assets or liabilities. Monetary balance sheet items are translated at the exchange rates at the balance sheet date, whereas non-monetary items are translated at transaction date rates. Exchange adjustments arising on the translation are recognised in financial income and expenses in the income statement.

Income statement

Net sales

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Group.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Direct expenses

Direct expenses primarily include operating expenses for the year used to achieve revenue for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, direct expenses and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

Notes to the Financial Statements

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with the Danish group companies. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life of 10 years, determined on the basis of Management's experience with the individual business areas.

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 5 year.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Notes to the Financial Statements

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Notes to the Financial Statements

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Treasury shares

Purchase and sales prices for treasury shares are recognised directly in retained earnings under equity. A reduction of capital by cancellation of treasury shares reduces the share capital by an amount equal to the nominal value of the shares and increases retained earnings. Dividend on treasury shares is recognised directly in equity under retained earnings.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-5 years. Provisions are measured and recognised based on experience with guarantee work.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial debts

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Notes to the Financial Statements

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Cash Flow Statement

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand".

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Return on assets	Profit before financials x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity