

Better Energy Impact K/S

Gammel Kongevej 60

1850 Frederiksberg C

CVR No. 41680768

Annual Report 2024

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 30 June 2025

Mark Augustenborg Ødum
Chair of the Annual General Meeting

Better Energy Impact K/S

Contents

Company Information	3
Management's Statement	4
Independent Auditors' Report	5
Management's Review	8
Key Figures and Financial Ratios	10
Income Statement	11
Balance Sheet	12
Statement of changes in Equity	14
Cash Flow Statement	15
Notes	16
Accounting Policies	24

Better Energy Impact K/S

Company details

Company	Better Energy Impact K/S Gammel Kongevej 60 1850 Frederiksberg C
CVR No.	41680768
Date of formation	16 September 2020
Financial year	1 January 2024 - 31 December 2024
Board of directors	Mark Augustenborg Ødum (Chairman) Jan Dybdahl Østergaard Mikkel Allen Kjærsgaard Rasmus Lildholdt Kjær, Manager
Executive Board	Rasmus Lildholdt Kjær
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Egtved Allé 4 6000 Kolding CVR-no.: 33963556

Management's Statement

Today, the the Executive Board and Board of Directors have considered and adopted the Annual Report of Better Energy Impact K/S for the financial year 1 January 2024 - 31 December 2024.

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

In our opinion, the Consolidated Financial Statements and the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2024 and of the results of the Group's and the Company's operations and the Group's cash flows for the financial year 1 January 2024 - 31 December 2024.

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

We recommend that the Annual Report be adopted at the Annual General Meeting.

Frederiksberg, 30 June 2025

Executive Board

Rasmus Lildholdt Kjær
Manager

Board of directors

Mark Augustenborg Ødum
Chairman

Jan Dybdahl Østergaard
Member

Mikkel Allen Kjærsgaard
Member

Rasmus Lildholdt Kjær
Member

Independent Auditors' Report

To the shareholders of Better Energy Impact K/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Better Energy Impact K/S for the financial year 1 January 2024 - 31 December 2024, which comprise the income statement, balance sheet, statement of changes in equity, and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, consolidated financial statements and the financial statements give a true and fair view of the Group's and the Parent's financial position at 31 December 2024 and of the results of their operations and the consolidated cash flows for the financial year 1 January 2024 - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements" section of this auditor's 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.

Management's responsibility for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those

Independent Auditors' Report

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 Entity'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 consolidated financial statements and the parent 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 Entity'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 consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.
- * Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- * Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements and the parent financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

Statement on the Management's Review

Management is responsible for the management's review.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management's review and, in doing so, consider whether the management's review is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management's review is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management's review.

Better Energy Impact K/S

Independent Auditors' Report

Kolding, 30 June 2025

Deloitte Statsautoriseret Revisionspartnerselskab

CVR-no. 33963556

Lars Ørum Nielsen

State Authorised Public Accountant

mne26771

Management's Review

The Group's principal activities

The Group and Better Energy Impact K/S principal activities consist of directly or indirectly buying, owning, and operating solar parks.

Uncertainty regarding recognition or measurement

In 2024 production from solar power plants in Denmark has suffered from both lower solar irradiation and an increased amount of negative spot prices, leading to curtailed production. Uncertainty regarding recognition and measurement relates to estimation of the value of solar parks, the financial contracts and loss making contracts.

Reference is made to note 18.

Development in activities and the financial situation

The Group's Income Statement of the financial year 1 January 2024 - 31 December 2024 shows a result of DKK -447,616 thousand and the Balance Sheet of the Group at 31 December 2024 a balance sheet total of DKK 4,339,123 thousand and an equity of DKK 719,951 thousand.

As the Group owns subsidiaries operating solar parks their value is affected by weather conditions and fluctuations in electricity prices. In 2024 production from solar power plants in Denmark has suffered from both lower irradiation and an increased amount of negative spot prices, leading to curtailed production.

In 2024 the Group has recognised an impairment of DKK 362 million in solar parks, DKK 220 million compose of additional purchase price of solar parks.

The result for the solar parks was significantly affected, due to lower irradiation and an increased amount of negative spot prices, leading to curtailed production during the year and higher than expected cost to satisfy the Power Purchase Agreements.

As a result of the poor performance the Group has breached covenants on 13 long-term mortgage debt as per December 31, 2024. The breached long-term mortgage loans are classified as short-term. In three solar parks (Navnsø, Mejls & Svendborg) the Group has not been able to cure the breach. Measures have been initiated to improve liquidity and ensure payment of debt obligations.

Reference is made to note 18.

Risk management

Financial risk covers risk of shrinking revenues, financial losses and limitations in access to capital on sound commercial terms. It also covers risk of incorrect VAT/tax handling in the markets the Group operates in.

Regulatory changes, including changes in public subsidies, potential power price caps and potential power market reform, may impact the marginal revenue and the financial viability of projects and operational assets.

Changes in commodity prices, interest rates, currency fluctuations and general market volatility may impact the liquidity and bankability of assets and the Group's financial standing. This includes credit risks, which may impact the finances, budgets and capital structure of the Group.

The Group's main exposure to commodities is the price of power sales. This is managed primarily via power purchase agreements (PPAs) securing a high certainty on the value of the power sales. The counterparty risk is reduced by spreading the power sales on the PPAs across multiple companies, with the majority being "blue chip" or "utility" companies in the Group's home market.

Interest rate risk is reduced by utilising long-term fixed interest loans on the final project financing.

Liquidity is managed by recurring internal forecasting for future expenses, sales and financing. Access to financing on sound commercial terms is done utilising diverse funding sources.

Better Energy Impact K/S

Management's Review

Long-term financing of existing plants is secured with fixed term loans.

The company has sought to mitigate volatility in revenue from power sales by entering into a portfolio of various types of PPAs. In 2024, the PPAs have not been sufficient to mitigate risks of curtailment, capture and negative prices, and revenues from power sales are lower than budgeted on portfolio and entity level. The company will continue to work towards mitigating revenue risk from power sales.

Impact on the external environment

The Group acknowledges its critical role in mitigating climate risks and supporting biodiversity recovery. Many of the Group's largest projects have large land plots dedicated to making space for nature and recreational initiatives, enabling both renewable energy production and ecological conservation.

We strive to curtail the unsustainable consumption of resources. Our operational philosophy integrates the regenerative use of land and aims to diminish our dependence on fossil fuels. We are committed to safeguarding land, air, and water quality, thereby preventing pollution and fostering planetary health.

Events after the reporting period

After the balance sheet date, the Group processed Equity cures except for three loan contracts, relieving the Group from any breaches of the loan covenants as of December 31, 2024, which has influenced the subsequent events disclosed in the financial statements.

Reference is made to note 17.

Financial outlook

The Gross profit and profit before tax for 2024 is significant lower than the financial outlook due to market conditions and impairment on valuation of solar parks and PPA contracts.

The Group's gross profit for 2025 is expected to increase to DKK 210 million and loss before tax is expected to be DKK 90-95 million.

Key Figures and Financial Ratios

The development in the Group's key figures and financial ratios can be described as follows:

Numbers appear in thousands

	2024	2023	2022	2020/21
Gross profit	192,725	290,128	191,737	44,626
Operating profit/loss	-296,749	150,109	122,072	10,451
Net financials	-179,104	-103,468	-40,774	-26,029
Profit/loss for the year	-447,616	34,040	83,948	-52,214
Total assets	4,339,123	4,831,191	4,724,180	2,084,255
Investment in property, plant and equipment	9,031	292	3,006,289	1,488,164
Total equity	719,951	1,057,299	683,110	118,773
Return on equity (%)	-50.37	3.91	20.94	-87.92
Return on assets (%)	-6.47	3.14	3.59	1.00
Current ratio	0.19	1.27	0.52	2.33
Solvency ratio (%)	16.59	21.88	14.46	5.70

Definitions of key ratios:

Return on equity (%):

$(\text{Profit/loss for the year}) / (\text{Avg. equity})$

Return on assets (%):

$((\text{Operating profit} \times 100) / (\text{Avg. assets}))$

Current ratio:

$(\text{Total current assets}) / (\text{Short-term liabilities})$

Solvency ratio (%):

$(\text{Total equity} \times 100) / \text{Total liabilities}$

Better Energy Impact K/S

Income Statement

		Group		Parent	
	Note	2024	2023	2024	2023
		tDKK	tDKK	tDKK	tDKK
Gross profit (loss)		192,725	290,128	-847	-1,269
Depreciation, amortisation and impairment losses		-489,474	-140,019	0	0
Operating profit (loss)		-296,749	150,109	-847	-1,269
Income from investments in group enterprises and associates		0	0	-446,325	21,865
Finance income	1	7,598	14,606	56,543	57,229
Finance expenses	2	-186,702	-118,074	-56,987	-43,785
Profit (loss) before tax		-475,853	46,641	-447,616	34,040
Tax on profit for the year	3	28,237	-12,601	0	0
Profit (loss)	4	-447,616	34,040	-447,616	34,040

Balance Sheet as of 31 December

	Note	Group 2024 tDKK	2023 tDKK	Parent 2024 tDKK	2023 tDKK
Assets					
Land and buildings		98,492	104,291	0	0
Solar parks		3,998,829	4,458,857	0	0
Solar parks under construction		4,081	7,962	0	0
Property, plant and equipment	5	4,101,402	4,571,110	0	0
Investments in group enterprises		0	0	933,055	1,062,939
Long-term receivables from group enterprises		0	0	1,189,211	1,346,179
Investments	6, 7	0	0	2,122,266	2,409,118
Fixed assets		4,101,402	4,571,110	2,122,266	2,409,118
Trade receivables		7,404	15,649	0	0
Current deferred tax	8	8,021	4,787	0	0
Corporate tax receivable		5,745	4,083	0	0
Other receivables	9	9,570	22,429	26	40
Prepayments	10	3,315	3,816	0	0
Receivables		34,055	50,764	26	40
Cash and cash equivalents		203,666	210,317	25,241	19,230
Current assets		237,721	261,081	25,267	19,270
Assets		4,339,123	4,832,191	2,147,533	2,428,388

Balance Sheet as of 31 December

	Note	Group 2024 tDKK	2023 tDKK	Parent 2024 tDKK	2023 tDKK
Liabilities and equity					
Contributed capital	11	1,065,311	1,065,311	1,065,311	1,065,311
Reserve for current value of hedging		-159,082	-251,641	-159,082	-251,641
Retained earnings		-186,278	243,629	-186,278	243,629
Equity		719,951	1,057,299	719,951	1,057,299
Provisions for deferred tax	12	15,694	33,062	0	0
Other provisions	13	94,296	86,947	0	0
Provisions		109,990	120,009	0	0
Mortgage debt		637,282	1,879,255	0	0
Payables to shareholders and management		1,426,983	1,370,920	1,426,983	1,370,920
Derivatives	14	163,687	199,445	0	0
Long-term liabilities other than provisions	15	2,227,952	3,449,620	1,426,983	1,370,920
Current portion of mortgage debt	15	1,210,251	92,901	0	0
Trade payables		21,214	39,522	175	162
Payables to group enterprises		0	0	424	4
Corporate tax payable		2,083	552	0	0
Other payables		15,961	20,377	0	3
Derivatives	14, 15	31,721	51,911	0	0
Short-term liabilities other than provisions		1,281,230	205,263	599	169
Liabilities other than provisions		3,509,182	3,654,883	1,427,582	1,371,089
Equity and liabilities		4,339,123	4,832,191	2,147,533	2,428,388
Staff costs	16				
Significant events occurring after end of reporting period	17				
Uncertainty connected with recognition or measurement	18				
Contingent liabilities	19				
Assets charged and collateral	20				
Unrecognised rental and lease commitments	21				
Related parties	22				

Better Energy Impact K/S

Statement of changes in Equity

Parent

	Contributed capital	Retained earnings	Reserve for net re- valuation ac- cording to equity method	Reserve for current value of hedging	Total
Equity 1 January 2024	1,065,311	243,629	0	-251,641	1,057,299
Change of investments through net exchange differences	0	0	17,709	0	17,709
Other adjustments of equity	0	-428,616	428,616	0	0
Profit (loss)	0	-1,291	-446,325	0	-447,616
Tax on changes in equity	0	0	0	318	318
Adjustments of hedging instruments at fair value	0	0	0	92,241	92,241
Equity 31 December 2024	1,065,311	-186,278	0	-159,082	719,951

Group

	Contributed capital	Retained earnings	Reserve for current value of hedging	Total
Equity 1 January 2024	1,065,311	243,629	-251,641	1,057,299
Other adjustments of equity	0	17,709	0	17,709
Profit (loss)	0	-447,616	0	-447,616
Tax on changes in equity	0	0	318	318
Adjustments of hedging instruments at fair value	0	0	92,241	92,241
Equity 31 December 2024	1,065,311	-186,278	-159,082	719,951

Better Energy Impact K/S

Cash Flow Statement

Cash flow statement is prepared for the group.

	2024	2023
	tDKK	tDKK
Profit	-447,616	34,040
Adjustments	648,228	256,088
Decrease (increase) in receivables	21,605	56,184
Decrease (increase) in trade payables	-12,355	-333,507
Cash flow from operating activities before financial items	209,862	12,805
Interest received	7,598	4,567
Interest paid	-89,677	-112,915
Cash flow from ordinary operating activities	127,783	-95,543
Income taxes paid	-4,729	-17,624
Cash flows from operating activities	123,054	-113,167
Purchase of property, plant and equipment	-9,031	-274,644
Sales of property, plant and equipment	8,175	0
Other components of cash flows from investing activities	0	3,651
Cash flows from investing activities	-856	-270,993
Proceeds from long-term liabilities	0	467,472
Repayments of long-term liabilities	0	-55,681
Repayment of debt to credit institutions	-128,620	-180,547
Cash capital increase	0	188,284
Cash flows from financing activities	-128,620	419,528
Net increase (decrease) in cash and cash equivalents	-6,422	35,368
Cash and cash equivalents, beginning balance	210,317	167,006
Exchange rate adjustments	-229	7,943
Cash and cash equivalents, ending balance	203,666	210,317

Cash totalling DKK 53.4 million is placed as collateral for banking facilities.

Notes

1. Finance income

	Group		Parent	
	2024	2023	2024	2023
Other financial income	3,299	4,567	295	343
Currency gains	725	10,039	1,421	1,107
Finance income from group enterprises	0	0	54,827	55,779
Interest income	3,574	0	0	0
	7,598	14,606	56,543	57,229

2. Finance expenses

Other finance expenses	4,003	115,045	55,762	40,415
Currency losses	1,999	3,029	1,225	41
Finance expenses to group enterprises	0	0	0	3,329
Interest expenses	143,141	0	0	0
Value adjustments	37,559	0	0	0
	186,702	118,074	56,987	43,785

3. Tax expense

Tax on profit for the year	3,809	-13,589	0	0
Deferred tax adjustment for the year	25,571	1,730	0	0
Withholding tax for the year	920	-339	0	0
Tax adjustments, prior years	-2,063	-403	0	0
	28,237	-12,601	0	0

4. Distribution of profit

Reserve for net revaluation according to equity method	0	0	-446,325	21,865
Retained earnings	-447,616	34,040	-1,291	12,175
	-447,616	34,040	-447,616	34,040

Notes

5. Property, plant and equipment

Group

	Land and buildings	Solar parks	Solar parks under construction
Cost at the beginning of the year	104,291	4,704,145	7,962
Change due to a foreign currency translation adjustment	0	17,573	0
Addition during the year, incl. improvements	2,376	2,574	4,081
Disposal during the year	-8,175	0	0
Transfers during the year to other items	0	7,962	-7,962
Cost at the end of the year	98,492	4,732,254	4,081
Depreciation and amortisation at the beginning of the year	0	-245,288	0
Change due to foreign currency translation adjustment	0	-504	0
Amortisation for the year	0	-161,239	0
Impairment losses for the year	0	-326,394	0
Impairment losses and amortisation at the end of the year	0	-733,425	0
Carrying amount at the end of the year	98,492	3,998,829	4,081
Residual value	0	95,629	0

Notes

6. Investments

Parent

	Investments in group enterprises	Receivables from group enterprises
Cost at the beginning of the year	1,249,814	1,352,056
Addition during the year	104,909	80,103
Disposal during the year	0	-130,808
Cost at the end of the year	1,354,723	1,301,351
Revaluations at the beginning of the year	-186,875	0
Value adjustment of hedging instruments	92,560	0
Change due to a foreign currency translation adjustment	17,709	0
Profit for the year	-446,325	0
Dividend received	-5,000	0
Investments with negative equity value depreciated over receivables	106,263	0
Revaluations at the end of the year	-421,668	0
Depreciation and amortisation at the beginning of the year	0	-5,877
Impairment losses for the year	0	-112,140
Reversal of prior years' impairment losses and amortisation	0	5,877
Impairment losses and amortisation at the end of the year	0	-112,140
Carrying amount at the end of the year	933,055	1,189,211

The carrying amount of additional purchase price is DKK 341.7 thousand as per 31 December 2024.

Of the total long-term receivables from group enterprises, the receivable from the Better Energy International A/S amounting to DKK 781.7 million is classified as long-term, as the loan is subordinated to other long-term credit institutions in the subsidiary. Once the subsidiary's debt to these credit institutions has been repaid, the receivable will be reclassified as a short-term receivable.

7. Disclosure of Investments in group enterprises

Parent

Group enterprises

Name	Registered office	Share held in %
Better Energy Slagelse P/S	Frederiksberg C, Denmark	100.00
Better Energy Rejstrup P/S	Frederiksberg C, Denmark	100.00
Better Energy Gimminge P/S	Frederiksberg C, Denmark	100.00
Better Energy Norddjurs P/S	Frederiksberg C, Denmark	100.00
Better Energy Næstved P/S	Frederiksberg C, Denmark	100.00
Better Energy Impact Komplementar I ApS	Frederiksberg C, Denmark	100.00
Better Energy Impact Komplementar II ApS	Frederiksberg C, Denmark	100.00
Better Energy Væggerløse P/S	Frederiksberg C, Denmark	100.00
Better Energy Navnsø P/S	Frederiksberg C, Denmark	100.00
Better Energy Mejls P/S	Frederiksberg C, Denmark	100.00

Better Energy Impact K/S

Notes

Better Energy Svendborg P/S	Frederiksberg C, Denmark	100.00
Better Energy Impact Komplementar III ApS	Frederiksberg C, Denmark	100.00
Better Energy Impact International A/S	Frederiksberg C, Denmark	100.00
Better Energy Bjerndrup P/S	Frederiksberg C, Denmark	100.00
Better Energy Nørre Aaby P/S	Frederiksberg C, Denmark	100.00
Better Energy Ebberup P/S	Frederiksberg C, Denmark	100.00
Better Energy Ådum P/S	Frederiksberg C, Denmark	100.00
Better Energy Stoholm P/S	Frederiksberg C, Denmark	100.00
Better Energy Stevning P/S	Frederiksberg C, Denmark	100.00
Better Energy Voldby P/S	Frederiksberg C, Denmark	100.00
Better Energy Solar Park 81 sp. z.o.o.	Gdansk, Poland	100.00
Better Energy Solar Park 82 sp. z.o.o.	Gdansk, Poland	100.00
Better Energy Sadlogosz Estate Sp. z.o.o.	Gdansk, Poland	100.00
Better Energy Wierzchowo sp. z.o.o.	Gdansk, Poland	100.00
Better Energy Solar Park 80 sp. z.o.o.	Gdansk, Poland	100.00

8. Current deferred tax

Deferred tax assets relates to losses carried forward.

	Group		Parent	
	2024	2023	2024	2023
Deferred tax assets at 1 January	4,787	6,649	0	0
Recognised in the income statement	3,548	-2,555	0	0
Tax equity transactions	-318	0	0	0
Tax adjustments, prior year	4	693	0	
Balance at the end of the year	8,021	4,787	0	0

9. Other receivables

	Group		Parent	
	2024	2023	2024	2023
Other receivables	9,570	22,429	26	40
	9,570	22,429	26	40

10. Prepayments

Prepayments comprise prepaid land & premises, insurance and rent.

11. Share capital

Analysis of the share capital:

No. of shares	Description	Nominal value	2024	2023
1.065.310.740	A shares of DKK	1	1,065,311	1,065,311
			1,065,311	1,065,311

Each share carries one voting right.

Notes

12. Provision for deferred tax

Deferred tax comprises deferred tax regarding solar parks.

	Group		Parent	
	2024	2023	2024	2023
Deferred tax at 1 January	33,062	38,236	0	0
Deferred tax regarding purchase price of solar parks	0	-5,999	0	0
Deferred tax for the year	-19,727	825	0	0
Prior year adjustments	2,359	0	0	0
Deferred tax at 31 December	15,694	33,062	0	0

13. Other provisions

Provisions comprises tDKK 7,887 of provisions regarding loss-making contracts and tDKK 86,409 regarding other provisions. Other provisions comprises expected future costs for decommissioning and reestablishing areas in relation to solar parks. Other provisions are expected to be long term.

The Group has entered into long-term physical contracts to deliver power at a fixed price, of which 3 out of 39 are loss-making contracts. The contract terms are 10 years from 01.04.2022 and covers approx. 69-79 % of the volume produced by the solar parks. For the remaining contracts reference is made to note 19 as no provision has been recognised.

Some of the entered physical contracts are baseload contracts. Baseload contracts are settled at the agreed fixed price adjusted for solar power capture rates, i.e. the difference between the spot price at the specific time of production of power and the average spot price for the given month.

If the power production of the solar park for a specific month is lower than the average contracted volume over the year and the average spot price for the relevant year exceed the fixed price the Group is required to settle the excess of the average price over the fixed price for the volume not delivered.

In 2024 production from solar power plants in Denmark has been suffering from both lower irradiation and higher capture rate adjustments. As a consequence, the estimated future cash flow from the Power Purchase Agreements are negative. Management has recognised a provision of the estimated discounted cash flow from the contract.

For uncertainty in recognition and measurement reference is made to note 18

14. Derivatives

The Group has entered into financial hedging contracts in order to reduce risks related to fluctuations in the price of electricity. In 2024 the effectiveness of the financial hedging contracts are approx. 80-84 %. The contracts are considered to qualify as a cash flow hedge and the effective parts of the changes in the fair value are recognised in equity in reserve for fair value of hedging instruments. The ineffective parts of the changes in the fair value are recognised in financial expenses

The calculation of the fair value of the financial contract is subject to uncertainty, refer to note 18. In relation to effectiveness of hedging refer to accounting policies.

Changes in fair value	Derivates
Fair value beginning of the period	-252,539
Value adjustments recognised in income statement	-35,110
Changes, recognised in equity	92,241
Fair value end of the period	-195,408

Notes

15. Long term liabilities

Group

	Due within 1 year	Due within 1-5 years	Due after 5 years
Mortgage debt	1,210,251	149,586	487,696
Payables to shareholders and management	0	0	1,426,983
Derivative financial instruments	31,721	108,923	54,764
	<u>1,241,972</u>	<u>258,509</u>	<u>1,969,443</u>

Parent

	Due within 1 year	Due within 1-5 years	Due after 5 years
Payables to shareholders and management	0	0	1,426,983
	<u>0</u>	<u>0</u>	<u>1,426,983</u>

16. Staff costs

The Group has no employees and the management has not received any remuneration.

The Parent Company has no employees and the management has not received any remuneration.

17. Significant events occurring after end of reporting period

After the balance sheet date, the Group processed Equity cures, relieving the Group from breaches of the loan covenants in Bjernstrup, Rejstrup, Norddjurs, Gimminge, Nørre Aaby, Ådum, Næstved and Voldby as of December 31, 2024, which has influenced the subsequent events disclosed in the financial statements.

This amounts to tDKK 121.638 being reclassified as long-term debt again.

18. Uncertainty connected with recognition or measurement

As the Group owns and operates a solar park, the Group is affected by weather conditions and fluctuations in electricity prices including solar power capture rates.

In 2024, production from solar power plants in Denmark has been suffering from both lower irradiation, an increased amount of negative spot prices, leading to curtailed production and higher capture rate adjustments. As a consequence, management has performed an impairment assessment of the solar park resulting in a write down. Furthermore, management has estimated the future cash flow of three Power Purchase Agreements to be negative resulting in a provision for loss-making contracts reference is made to note 13.

When estimating the value-in-use of the solar park and provision for loss-making contracts, management has used assumptions and estimates on, among other things, energy yield, the future development of spot prices, solar power capture rates and interest rates, which form the basis for the calculation.

Changes in the applied assumptions and parameters could potentially have a significant effect on the estimated recoverable amount of the solar park and estimated provision for loss-making contracts.

Notes

19. Contingent liabilities

Group

The Group is exposed to buy properties located within 200 meters of a Better Energy solar park if claimed through the assessment authorities.

The Group's banks have issued performance guarantees of tDKK 5,968 and tDKK 9,500 regarding the fulfillment of its obligations under power purchase agreements (PPA) and issued reestablishment guarantees of tDKK 1,200 regarding the fulfillment of its obligations under the land lease contract.

The Group has entered 39 long-term physical contracts to deliver a fixed volume of power at a fixed price. The contract term is 3-12 years from 01.01.2020 and covers approx. 10-100 % of the volume produced by the solar park.

Some of the entered physical contracts are baseload contracts. Baseload contracts are settled at the agreed fixed price adjusted for solar power capture rates, i.e. the difference between the spot price at the specific time of production of power and the average spot price for the given month.

If the power production of the solar park for a specific month is lower than the average contracted volume and the average spot price for the month exceeds the contracted price, the Company is required to settle the difference between the average spot price over the contracted price for volume not delivered.

Parent

Better Energy Impact K/S has issued a guarantee to Better Energy Næstved P/S's lender for Better Energy Næstved P/S's fulfillment of the obligations under its loan agreement.

20. Assets charged and collaterals

Group

As securities for the Company's debt to credit institutions, assets worth a total of DKK 2,609.1 million have been pledged as collateral. The nominal amount of the collateral is DKK 1,475.1 million.

Cash totalling DKK 53.4 million is placed as collateral for banking facilities.

Parent

The Parent Company's shares in Better Energy Næstved P/S, Better Energy Gimminge P/S, Better Energy Norddjurs P/S, Better Energy, Rejstrup P/S, Better Energy Slagelse P/S, Better Energy Væggerløse P/S, Better Energy Navnsø P/S, Better Energy Mejls P/S, Better Energy Svendborg P/S, Better Energy Nørre Aaby P/S, Better Energy Ebberup P/S, Better Energy Bjerndrup P/S, Better Energy Ådum P/S, Better Energy Stoholm P/S, Better Energy Stevning P/S, Better Energy Voldby P/S, Better Impact Komplementar I ApS and Better Energy Impact Komplementar II ApS and Better Energy Impact International A/S have been pledged as collateral to the lenders in the mentioned subsidiaries. The carrying amount of pledged shares is tDKK 933,055 at 31 December 2024.

In the event that one of the abovementioned subsidiaries defaults on its obligations regarding its mortgage loans, the right to any profits and dividends from the individual subsidiary is transferred to one of the lenders.

21. Liabilities under leases

Group

The Group has entered leasing agreements with a carrying amount of unrecognised leasing value of DKK 173,119 thousand.

Notes

22. Related parties

The group solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c(7) of the Danish Financial Statements Act.

All transactions have been carried out on an arm's length basis.

Better Energy Impact K/S

Accounting Policies

Reporting Class

The Annual Report of Better Energy Impact K/S for 2024 has been presented 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.

Change in accounting estimates

The Group applies estimates and judgments in preparing the annual financial statements, which affect the recognized assets, liabilities, income, and expenses. These estimates are based on historical experience and other factors that are considered reasonable under the circumstances and are expected to be relevant at the time the financial statements are prepared. Actual results may differ from these estimates.

Fair value of financial instruments:

In the financial statement for 2024, the external provider of price curves used for valuing certain financial instruments has been changed. This adjustment was primarily driven by an updated assessment of the capture rate, reflecting a revised outlook on market dynamics and their impact on future prices of which management considered the updated price curve to be the most accurate historically. The change in price curves results in a positive adjustment of the fair value of derivatives. The change of external provider of price curves has increased the Equity of DKK 5,043 thousand and decreased in the liability for derivatives of DKK 5,043 thousand.

Effective/ineffective hedging:

As a consequence of the change in the price curve including estimated future capture rates, the part of the contracts previously designated as hedging instruments no longer fully meet the criteria for effective hedging. This has resulted in a financial impact of DKK 35,110 thousand equivalent to the ineffective share of the financial instruments, which has been recognized in the income statement under financial expenses. The changed estimate has affected the profit for the year by DKK 35,110 thousand and the equity by DKK 35,110 thousand.

Reporting currency

The Annual Report is presented in Danish kroner (DKK'000).

Consolidated Financial Statements

The Consolidated Financial Statements comprise the parent company Better Energy Impact K/S and subsidiaries in which Better Energy Impact K/S directly or indirectly holds more than 50% of the voting rights or in other ways has control. Enterprises in which the Group holds between 20% and 50% of the voting rights and exercises significant but not controlling influence are considered associates.

For the consolidation, intercompany income and costs, shareholdings, intercompany balances and dividends as well as realised and unrealised profit and loss are eliminated in connection with transactions between the consolidated enterprises.

Equity investments in subsidiaries are eliminated by the proportionate share of the subsidiaries' market value of net assets and liabilities at the time of acquisition.

Newly acquired or established enterprises are recognised in the Consolidated Financial Statements from the date of acquisition. Enterprises sold or liquidated are recognised in the Consolidated Income Statement up to the date of disposal. Comparative figures are not corrected for enterprises newly acquired, sold or liquidated.

Accounting Policies

Derivative financial instruments

Derivative financial instruments are measured at cost and subsequently at fair value at initial recognition in the Balance Sheet. Positive and negative fair values of derivative financial instruments are included in other receivables and other payables, respectively.

Changes in the fair value of derivative financial instruments classified as and fulfilling the criteria for hedging the fair value of a recognised asset or liability are recognised in the Income Statement together with any changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments classified as and fulfilling the conditions for hedging future assets and liabilities are recognised in other receivables or other payables and in equity. In the event that the future transaction results in the recognition of assets or liabilities, any amounts previously recognised in equity will be transferred to the cost of the asset or the liability, respectively. In the event that the future transaction results in income or expenses, any amounts previously recognised in equity will be transferred to the Income Statement in the period in which the hedged item affects the Income Statement.

For derivative financial instruments that do not fulfil the conditions for treatment as hedging instruments, changes in the fair value will continually be recognised in the Income Statement.

General Information

Basis of recognition and measurement

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. 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 Group, 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 attributable to the asset will flow out of the Group, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income Statement

Gross profit/loss

The Group has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Better Energy Impact K/S

Accounting Policies

Revenue

Revenue from the sale of electricity is recognised in the income statement when delivery is made to the grid company.

Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other external expenses

Other external expenses comprise expenses regarding operation and administration.

Depreciation, amortisation and impairment of tangible and intangible assets

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Income from investments in group enterprises

The items 'Income from investments in group enterprises in the income statement include the proportionate share of the profit or loss for the year and depreciation of the additional purchase price depreciated over a period of 30 years. Internal profits/losses are eliminated in full for subsidiaries.

Financial income

Financial income comprises interest income, including interest income on receivables from group enterprises, amortisation of financial assets, payables and transactions in foreign currencies as well as fair value adjustments of financial interests.

Financial expenses

Financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, amortisation of financial liabilities, payables and transactions in foreign currencies as well as fair value adjustments of financial interests.

Tax on net profit/loss for the year

Tax for the year which comprises the current corporation tax for the year and any changes in deferred tax, including as a consequence of a change to the tax rate, is recognised by the part attributable to the profit/loss for the year and directly in equity by the part attributable to items directly in equity.

Balance Sheet

Property, plant and equipment

Land, buildings and solar parks are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

Interest expenses on loans for the manufacturing of property, plant and equipment are included in cost if they relate to the manufacturing period. All other financial expenses are recognised in the income statement.

The present value of the expected costs of dismantling a solar park after the end of its useful life is included in the cost of the solar park.

Accounting Policies

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings	50 years
Solar parks	30 years

The carrying amounts of intangible assets and property plant and equipment are tested annually to determine whether there is any indication of impairment other than what is expressed by amortisation and depreciation. If so, the assets are tested for impairment to determine whether the recoverable amounts are lower than the carrying amounts and the relevant assets are written down to such lower recoverable amounts. An impairment test is carried out annually of ongoing development projects, whether or not there is any indication of impairment.

The recoverable amount of an asset is determined as the higher of the net sales price and the value in use. Where the recoverable amount of the individual assets cannot be determined, the assets are grouped together into the smallest group of assets that can be estimated to determine an aggregate reliable recoverable amount for those units.

Investments in group enterprises

Investments in group enterprises are recognised in the balance sheet at the proportionate share of the equity value of the enterprises, calculated according to the parents accounting policies with the deduction or addition of unrealised intercompany profits or losses and with the addition or deduction of the remaining value of positive or negative goodwill and additional purchase price, calculated according to the purchase method.

Subsidiaries having a negative equity value are recognised at tDKK 0, and any amounts receivable from those enterprises are written down by the parents share of the negative equity value to the extent that the amounts are deemed to be uncollectible.

If the negative equity value exceeds receivables, the remaining amount is recognised as a provision to the extent that the parent has a legal or constructive obligation to cover the negative balance of the relevant subsidiary.

Upon distribution of profit or loss, net revaluation of investments in subsidiaries and associates is transferred to reserve for net revaluation according to the equity method under equity.

Investments in subsidiaries and associates are written down to the lower of recoverable amount and carrying amount

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Prepayments

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Accounting Policies

Equity

Reserve for net revaluation according to equity method

The reserve for revaluation according to the fair value method includes revaluations of equity interests in associated companies and equity interests in relation to cost. The reserve can be eliminated in case of losses, realization of equity interests, or changes in accounting estimates. The reserve cannot be recorded as a negative amount.

Provisions

Asset retirement obligations, the present value of the estimated expenses related to the retirement of solar plants at the end of their useful life. The provision is determined by discounting expected future cash flows.

Provisions are recognised when the Group has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the Income Statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortised cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortised cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities, comprising deposits, trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.

Derivatives are recognised at fair value on the balance date. The fair value is based on observable input to the extent possible. If relevant observable input is not available, non-observable input is used based on management's judgement.

Accounting Policies

Fair value

Fair value measurements assume that a transaction takes in the principal market, or in the absence of a principal market, the most advantageous market. The most advantageous market is the market that maximises the amount that would be received from selling the asset or minimises the amount that would be paid to transfer the liability, after taking into account transaction costs and transport costs.

All assets or liabilities measured at fair value, or for which the fair value is disclosed, are categorised according to the fair value hierarchy described below:

Level 1:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2:

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3:

Level 3 inputs are unobservable inputs for the asset or liability.

Off-balance sheet items

Contingent liabilities comprise obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not fully within the control of the Group; or present obligations that arise from past events but are not recognised because the outflow of resources embodying economic benefits will probably not be required to settle the obligation or because the amount of the obligation cannot be measured with sufficient reliability.

Lease commitments are measured at the nominal value of the remaining lease payments.

Accounting policies Cash Flow Statement

The Cash Flow Statement shows the Company'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 Company's cash and cash equivalents at the beginning and end of the year.

Cash flow from the operating activity is determined as the profit/loss for the year adjusted for changes in working capital and non-cash income statement items such as amortisation and impairment losses and provisions. The working capital comprises current assets less short-term liabilities, exclusive of the items that are included in cash and cash equivalents.

Cash flow from the investing activity comprises cash flows from purchase and sale of intangible-, tangible assets and investments.

Cash flow from the financing activity comprises cash flows from raising and repaying long-term liabilities and payments to and from the owners.