

Better Energy Impact International A/S

C/O Better Energy A/S
Gammel Kongevej 60, 14th floor
1850 Frederiksberg C

Business Registration No. 42894788

Annual Report 2023

The annual report was presented and
adopted at the Annual General Meeting
on 25 April 2024

Ho Kei Au
Chair of the Annual General Meeting

Better Energy Impact International A/S

Contents

Company information	3
Management's statement	4
Independent auditor's report	5
Management's review	7
Income statement	8
Balance sheet	9
Statement of changes in equity	11
Notes	12
Accounting policies	14

Better Energy Impact International A/S

Company information

Company	Better Energy Impact International A/S C/O Better Energy A/S Gammel Kongevej 60, 14th floor 1850 Frederiksberg C Business Registration No.: 42894788 Date of formation: 9 December 2021
Board of Directors	Mark Augustenborg Ødum Nikolaj Kristian Qvade Rasmusen Rasmus Lildholdt Kjær
Executive Board	Nikolaj Kristian Qvade Rasmusen, Director
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Egtved Allé 4 6000 Kolding Business Registration No.: 33963556

Management's statement

Today, the Executive Board and the Board of Directors have considered and adopted the annual report of Better Energy Impact International A/S for the financial year 1 January 2023 - 31 December 2023.

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

In our opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of Better Energy Impact International A/S at 31 December 2023 and of the results of the company's operations for the financial year 1 January 2023 - 31 December 2023.

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, 25 April 2024

Executive Board

Nikolaj Kristian Qvade Rasmussen
Director

Board of Directors

Mark Augustenborg Ødum
Chairman

Nikolaj Kristian Qvade Rasmussen
Board member

Rasmus Lildholdt Kjær
Board member

Independent auditor's report

To the shareholders of Better Energy Impact International A/S

Opinion

We have audited the financial statements of Better Energy Impact International A/S for the financial year 1 January 2023 - 31 December 2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31 December 2023 and of the results of its operations for the financial year 1 January 2023 - 31 December 2023 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 financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the 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 financial statements unless Management either intends to liquidate the Entity 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 Entity's internal control.

Independent auditor's report

- * 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 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 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 Entity to cease to continue as a going concern.
- * Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's review

Management is responsible for the Management's review.

Our opinion on the 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 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 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's review provides the information required by the relevant law and regulations.

Based on the work we have performed, we conclude that the Management's review is in accordance with the 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.

Kolding, 25 April 2024

Deloitte Statsautoriseret Revisionspartnerselskab

Business Registration No. 33963556

Lars Ørum Nielsen

State Authorised Public Accountant

mne26771

Management's review

The company's main activities

The main activities of Better Energy Impact International A/S are to be a holding company for foreign acquisitions including directly and indirectly to develop, construct, operate, own, acquire and sell energy producing assets in corporate form.

Development in activities and financial matters

Better Energy Impact International A/S' income statement of the financial year 1 January 2023 - 31 December 2023 shows a result of DKK 5,386,839 and the balance sheet at 31 December 2023 a balance sheet total of DKK 1,285,170,999 and an equity of DKK 23,165,395.

Better Energy Impact International A/S

Income statement

	Note	2023 DKK	2022 DKK
Gross profit		-1,092,860	-48,982
Operating profit		-1,092,860	-48,982
Income from investments in group enterprises and associates		13,411,159	-8,587,074
Financial income	1	38,803,687	22,140,675
Financial expenses	2	-46,299,281	-22,521,277
Profit from ordinary activities before tax		4,822,705	-9,016,658
Tax on profit for the year	3	564,134	-334,775
Profit		5,386,839	-9,351,433
Proposed distribution of results			
Reserve for net revaluation according to equity method		13,411,159	-8,587,074
Retained earnings		-8,024,320	-764,359
Distribution of profit		5,386,839	-9,351,433

Better Energy Impact International A/S

Balance sheet as of 31 December

	Note	2023 DKK	2022 DKK
Assets			
Investments in group enterprises	4, 5	171,461,207	141,154,969
Long-term receivables from group enterprises	6	1,076,144,661	741,584,108
Investments		1,247,605,868	882,739,077
Fixed assets		1,247,605,868	882,739,077
Deferred tax		2,961,325	577,304
Tax receivables		372,372	168,957
Receivables		3,333,697	746,261
Cash and cash equivalents		34,231,434	7,623,382
Current assets		37,565,131	8,369,643
Assets		1,285,170,999	891,108,720

Better Energy Impact International A/S

Balance sheet as of 31 December

	Note	2023 DKK	2022 DKK
Liabilities and equity			
Contributed capital		400,000	400,000
Reserve for net revaluation according to equity method		39,974,724	0
Retained earnings		-17,209,329	-18,672,405
Equity		23,165,395	-18,272,405
Debt to other credit institutions		441,448,230	0
Payables to group enterprises		775,524,956	791,960,455
Long-term liabilities other than provisions	7	1,216,973,186	791,960,455
Debt to other credit institutions		26,271,473	0
Trade payables		62,749	8,337,700
Other payables		14,615,594	109,082,970
Derivatives		4,082,602	0
Short-term liabilities other than provisions		45,032,418	117,420,670
Liabilities other than provisions		1,262,005,604	909,381,125
Equity and liabilities		1,285,170,999	891,108,720
Significant events occurring after end of reporting period	8		
Assets charged and collateral	9		
Group relations	10		

Statement of changes in equity

	Contributed capital	Reserve for net reval- uation ac- cording to equity method	Reserve for current value of hedging	Retained earnings	Total
Equity 1 January 2023	400,000	0	0	-18,672,405	-18,272,405
Change of investments through net exchange differences	0	39,235,391	0	0	39,235,391
Other adjustments of equity		-12,671,826	3,184,430	9,487,396	0
Profit (loss)	0	13,411,159	0	-8,024,320	5,386,839
Tax on changes in equity	0	0	898,172	0	898,172
Adjustments of hedging instruments at fair value	0	0	-4,082,602	0	-4,082,602
Equity 31 December 2023	400,000	39,974,724	0	-17,209,329	23,165,395

The company was established on 9 December 2021 with a share capital of DKK 400,000.

Notes

	2023	2022
	DKK	DKK
1. Financial income		
Financial income from group enterprises	36,258,354	17,497,170
Other financial income	1,002,248	48,759
Exchange rate gains	1,543,085	4,594,746
	38,803,687	22,140,675
2. Financial expenses		
Financial expenses from group enterprises	29,785,536	17,551,868
Other financial expenses	16,513,745	0
Exchange rate losses	0	4,969,409
	46,299,281	22,521,277
3. Tax on profit for the year		
Corporation tax - other jurisdiction	582,517	912,079
Withholding tax	339,198	0
Change in deferred tax - Denmark	-1,889,460	-498,119
Adjustment of deferred tax, previous years	403,611	-79,185
	-564,134	334,775
4. Investments in group enterprises		
Cost at the beginning of the year	158,703,083	23,876,716
Addition during the year, incl. improvements	4,455,639	134,826,367
Disposal during the year	-26,795,951	0
Cost at the end of the year	136,362,771	158,703,083
Revaluations at the beginning of the year	-17,548,114	-1,386,265
Change due to a foreign currency translation adjustment	39,235,391	-7,574,775
Revaluations for the year	13,411,159	-8,587,074
Revaluations at the end of the year	35,098,436	-17,548,114
Carrying amount at the end of the year	171,461,207	141,154,969

Additional purchase price of DKK -22,340,313 is recognised during the financial year. The carrying amount of additional purchase price is DKK 159,773,747 as per 31 December 2023.

Notes

5. Disclosure of investments in group enterprises and associates

Group enterprises

Name	Registered office	Share held in %
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 Solar Park 80 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

6. Long-term receivables from group enterprises

Cost at the beginning of the year	741,584,108	40,975,435
Addition during the year	329,291,353	700,608,673
Cost at the end of the year	1,070,875,461	741,584,108
Carrying amount at the end of the year	1,070,875,461	741,584,108

7. Long-term liabilities

	Due after 1 year DKK	Due within 1-5 years DKK	Due after 5 years DKK
Debt to other credit institutions	441,448,230	107,321,760	334,166,470
Payables to group enterprises	775,524,956	0	775,524,956
	1,216,973,186	107,321,760	1,109,691,426

8. Significant events occurring after end of reporting period

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

9. Assets charged and collateral

Debt to credit institutions of EUR 65 million is secured by capital interest in subsidiaries with net assets of DKK 171.5 million.

In the event that the company defaults on its obligations regarding its mortgage loans, the rights to collect shareholder loans (DKK 1,076 million) from the individual subsidiary and rights to a bank hedge contract is transferred to the lender.

10. Group relations

Name and registered office of the parent company preparing consolidated statements for the smallest group: Better Energy Impact K/S, Business Registration No. 41680768, Frederiksberg.

Accounting policies

Reporting class

The annual report of Better Energy Impact International A/S for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with addition of certain provisions for reporting class C.

The accounting policies applied remain unchanged from last year, except reclassification of payables to group enterprises from short to long term liabilities and receivables from group enterprises from current assets to fixed assets.

Reporting currency

The annual report is presented in Danish kroner (DKK).

Consolidated financial statements

With reference to § 112 of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared because the Group enterprises are subsidiaries of a higher-ranking group.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the company, and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when the company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the company, and the value of the liabilities can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is affected as described below for each financial statement item. Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date.

Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit/loss

The company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit or loss comprises other external expenses.

Other external expenses

Other external expenses include expenses for operation and administration.

Accounting policies

Income from investments in group enterprises and associates

The items 'Income from investments in group enterprises and associates' 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 and proportionately for associates.

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, fair value adjustments of financial interests as well as tax relief under the Danish Tax Prepayment Scheme etc.

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, fair value adjustments of financial interests as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Financial fixed assets

Equity investments in group enterprises and associates

Enterprises in which the Company, directly or indirectly, holds more than 50% of the voting rights and exercises controlling influence are regarded as subsidiaries. Enterprises in which the Company, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

Investments in subsidiaries and associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value and additional purchase price plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Company has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation is imminent, a provision is recognised that is measured at present value of the costs deemed necessary to incur to settle the obligation.

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.

Current assets

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

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

Accounting policies

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.

Equity

Proposed dividends

Proposed dividends for the year are recognised as a separate item under equity. Proposed dividends are recognised as a liability when approved by the Annual General Meeting.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Current tax liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

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.

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