

Company Registration No. 13569939 (England and Wales)

**ARISE RENEWABLE ENERGY UK LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2023**

**PAGES FOR FILING WITH REGISTRAR**



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Stratford Business & Technology Park  
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Stratford-upon-Avon  
Warwickshire  
United Kingdom  
CV37 7GZ

## **ARISE RENEWABLE ENERGY UK LIMITED**

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## **ARISE RENEWABLE ENERGY UK LIMITED**

### **COMPANY INFORMATION**

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<b>Directors</b>	Mr P Eriksson Mr M Larsson Mr N Pascoe Mr D P Cambridge
<b>Secretary</b>	Amesto Corporate Secreterial Limited
<b>Company number</b>	13569939
<b>Registered office</b>	78 York Street London United Kingdom W 1H 1DP
<b>Auditor</b>	TC Group Celixir House Stratford Business & Technology Park Innovation Way, Banbury Road Stratford-upon-Avon Warwickshire United Kingdom CV37 7GZ

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# **ARISE RENEWABLE ENERGY UK LIMITED**

## **STRATEGIC REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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The directors present the strategic report for the year ended 31 December 2023.

### **Review of the Business**

Arise Renewable Energy UK Limited is a wholly owned subsidiary of Arise Wind HoldCo 5 AB. The company is part of the Arise Group, which develops, constructs and sells solar and wind farms and asset management of these farms. Arise AB (publ) is a Swedish public limited liability company listed on Nasdaq Stockholm.

The results for the year and financial position of the Company are shown in the annexed financial statements.

During the second year of operation the company incurred development costs for future sales and thus shows a negative result of £1,111,711 (2022: Loss £361,357).

The start-up company has required intra-group loans, which at the end of the year amounts to £3,840,156 (2022: £456,002)

### **Principal Risks and Uncertainties**

The company's principal risk is external risks. Arise believes there will be demand for electricity produced from wind and solar power for the foreseeable future. However, continuing technological development could mean that technologies other than wind and solar power become more competitive in the future.

Furthermore, Arise is dependent on income from divesting operational and construction-ready projects to external investors. Through its comprehensive project portfolio and its platform for construction and asset management, Arise is, in terms of its competitive advantages, one of few players in the market able to provide landowners and investors with a complete concept for solar and wind farm construction, including project rights, grid connections and large scale procurement of panels and turbines. The market is competitive and there is the risk that Arise will not be able to adapt its projects to industrial and technological developments to thereby ensure its future competitiveness. An industrial perspective, combined with the company's own control over the expansion of the operations, are some of the most important prerequisites for the Group's future competitiveness.

The Company is also exposed to the following risks:

#### **Financial risks**

As a result of the following factors - energy price movements, certificate price, currency, interest rate, financing, capital, liquidity and credit

#### **Operational risks**

As a result of the following factors - operations, operating expenses and capital expenditures, permits and other rights, key individuals, sub-contractors, contracts, disputes, insurance, IT environment and other risk management'

#### **Future Developments**

##### **Solar -**

Comprising DCO scale solar and storage scheme, and 3 smaller scale TCPA solar and storage schemes. DCO scheme – grid accepted, anchor land under exclusivity and additional land parcels in process of being signed into exclusivity to expand the size of the scheme. TCPA schemes – land under exclusivity and grid connection offers received for Arise to accept.

##### **Onshore Wind -**

*100MW scheme - land under exclusivity, grid accepted and EIA expected to be submitted in Q1 2024. 28MW scheme – land under exclusivity, planning feasibility assessed and grid connection application submitted.*

**ARISE RENEWABLE ENERGY UK LIMITED**

**STRATEGIC REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2023***

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On behalf of the board

**Markus Larsson**

Mr M Larsson  
**Director**

22 January 2024

**ARISE RENEWABLE ENERGY UK LIMITED**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2023**

		2023	2022
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	5	2,464,572	250,475
<b>Current assets</b>			
Debtors	6	74,416	9,776
Cash at bank and in hand		183,090	18,152
		<u>257,506</u>	<u>27,928</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(354,990)</u>	<u>(639,760)</u>
<b>Net current liabilities</b>		<u>(97,484)</u>	<u>(611,832)</u>
<b>Total assets less current liabilities</b>		<u>2,367,088</u>	<u>(361,357)</u>
<b>Creditors: amounts falling due after more than one year</b>	8	<u>(3,840,156)</u>	<u>-</u>
<b>Net liabilities</b>		<u><u>(1,473,068)</u></u>	<u><u>(361,357)</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	100	100
Profit and loss reserves		<u>(1,473,168)</u>	<u>(361,457)</u>
<b>Total equity</b>		<u><u>(1,473,068)</u></u>	<u><u>(361,357)</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 22 January 2024 and are signed on its behalf by:

**Markus Larsson**

Mr M Larsson  
Director

**Company Registration No. 13569939**

# ARISE RENEWABLE ENERGY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1 Accounting policies

#### Company information

Arise Renewable Energy UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is 78 York Street, London, United Kingdom, W 1H 1DP.

#### 1.1 Accounting convention

##### Basis of preparing the financial statements

Arise Renewable Energy UK Limited operates in renewable energy production.

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Arise AB. These consolidated financial statements are available from its registered office, Box 808, 301 18 Halmstad, Sweden

**ARISE RENEWABLE ENERGY UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**1 Accounting policies**

**(Continued)**

**1.2 Going concern**

The financial statements have been prepared on the going concern basis, which assumes that the company will continue in operational existence for the foreseeable future.

During the year the company made a loss of £1,111,711 (2022: £361,357), and as at 31 December 2023 the company had net current liabilities of £97,484 (2022: £611,832) and net liabilities of £1,473,068 (2022: £361,357), which could indicate that the company has insufficient resources to continue trading for the foreseeable future. However, the directors believe that it is appropriate to prepare the financial statements on the going concern basis due to the ongoing financial support of its ultimate parent entity, Arise AB.

**1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

**1.4 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Assets in the course of construction are not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**1.5 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.6 Financial instruments**

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.



**1 Accounting policies**

**(Continued)**

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**1.7 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**ARISE RENEWABLE ENERGY UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**1 Accounting policies**

**(Continued)**

**1.8 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**Holiday Pay**

Holiday pay is recognised as an expense in the period in which the service is received.

**1.9 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

**1.10 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

**2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**3 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Directors	2	2
Administration	3	-
	<hr/>	<hr/>
Total	5	2
	<hr/>	<hr/>

**ARISE RENEWABLE ENERGY UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**4 Directors' remuneration**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	417,948	268,715
Company pension contributions to defined contribution schemes	18,355	6,960
	<u>436,303</u>	<u>275,675</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2022 - 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	295,409	232,000
Company pension contributions to defined contribution schemes	10,855	6,960
	<u>306,264</u>	<u>238,960</u>

**5 Tangible fixed assets**

	<b>Assets under construction</b>
	<b>£</b>
<b>Cost</b>	
At 1 January 2023	250,475
Additions	2,214,097
	<u>2,464,572</u>
At 31 December 2023	<u>2,464,572</u>
<b>Depreciation and impairment</b>	
At 1 January 2023 and 31 December 2023	-
	<u>-</u>
<b>Carrying amount</b>	
At 31 December 2023	2,464,572
	<u>2,464,572</u>
At 31 December 2022	<u>250,475</u>

**ARISE RENEWABLE ENERGY UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**6 Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Other debtors	74,416	9,776
	<u>74,416</u>	<u>9,776</u>

**7 Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	63,580	15,809
Amounts owed to group undertakings	-	456,002
Taxation and social security	20,100	9,896
Other creditors	4,198	1,114
Accruals and deferred income	267,112	156,939
	<u>354,990</u>	<u>639,760</u>

**8 Creditors: amounts falling due after more than one year**

	<b>Notes</b>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
Other borrowings	9	3,840,156	-
		<u>3,840,156</u>	<u>-</u>

**9 Loans and overdrafts**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Loans from group undertakings	3,840,156	-
	<u>3,840,156</u>	<u>-</u>
Payable after one year	3,840,156	-
	<u>3,840,156</u>	<u>-</u>

**ARISE RENEWABLE ENERGY UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**9 Loans and overdrafts**

**(Continued)**

At 31 December 2023 the creditor due to the ultimate parent undertaking, Arise AB, was converted into an unsecured long-term loan.

The maximum drawn down of the loan is £20 million.

The loan agreement states that interest is charged at the 3 month EURIBOR rate plus 750 bps or any other rate agreed by the borrower and lender. For each amount drawn down interest accrues on a daily basis from the date of the draw down.

For the period ended 31 December 2023 the actual interest rate used was 10%.

The loan including compounded interest is repayable in full on 31 December 2028.

**10 Share capital**

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
100 of £1 each	100	100	100	100

**11 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Mark Bullock FCA and the auditor was TC Group.

**12 Operating lease commitments**

**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Within one year	-	9,360