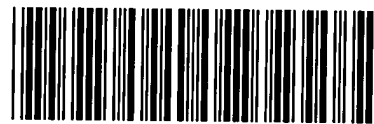


Registered Number: 03583567

SCH PROJECTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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SCH PROJECTS LIMITED

COMPANY INFORMATION

Directors	D Flood E J Torblaa B R Vartdal E E Voss
Company secretary	J Munis
Registered number	03583567
Registered office	19th Floor 22 Bishopsgate London EC2N 4BQ
Independent auditors	Deloitte LLP 2 New Street Square London EC4A 3BZ United Kingdom

SCH PROJECTS LIMITED

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SCH PROJECTS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

The Directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006 which requires the Company to present a fair review of its business along with a description of the principal risks and uncertainties facing the Company.

Principal activities

The principal activity of SCH Projects Limited (the "Company") is as a holding company which holds investments in subsidiaries to identify, develop and sell solar power plants in Europe.

Review of business

The Company made a profit after tax in the year of £6,637,288 (2021: loss after tax of £444,395).

The Company is in a net asset position of £57,966,00 (2021: £2,534,000) and continues to meet day-to-day liquidity needs through its cash resources. The Directors have reviewed cash flow forecasts and projections which cover a period of at least 12 months from the date of the approval of the financial statements, taking into account foreseeable changes in investment performance, which show that the Company has sufficient financial resources to continue in operation for at least the next 12 months from the date of approval of this financial statement.

The profit reported in the current year was principally due to the gain on disposal of shares in subsidiary. The Company increased its investment in several subsidiaries in the year to continue to develop renewable projects within Europe.

Given the nature of the business, the Company's Directors are of the opinion that the KPIs necessary for an understanding of the development and position of the business are results after tax and this is shown above.

Future outlook

The Company will continue to deliver development projects in Europe.

Corporate social responsibility

The Company strives to achieve an open and constructive dialogue with all stakeholders and the directors are working to develop the Company in a manner which increases the value for the ultimate parent and the local communities in which the Company operates.

Principal risks and uncertainties

The management of risks is based on a balance of risk and reward determined through careful assessment of both the potential likelihood and impact:

There is a risk that uncertainties arise from the unpredictable duration of local planning processes and development activities necessary to build-out solar projects and uncertainty associated with potential changes to energy incentive scheme which led to costs exceeding plan and reducing the return on investments. The Company, through its subsidiaries, monitors projects closely to ensure that they are delivered according to plan.

The Company faces a risk of reputational damage to itself and its ultimate parent, Statkraft SF. The Company ensures that all its investments operate in a manner appropriate to the values of the ultimate parent company.

SCH PROJECTS LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Operational and other risks

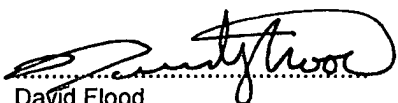
Russian invasion of Ukraine

Russia invaded Ukraine on 24 February 2022. The invasion has brought increased geopolitical risks to the global energy markets. The Company's liquidity risk as well as the counterparty risk has been reviewed in light of the new situation. The Company has ensured that no operations are in breach with the relevant sanctions set out by the EU or other authorities

The Company does not have operations nor employees in Russia or Ukraine and has not been directly impacted by the Russian invasion of Ukraine.

Management will continue to monitor the situation and adapt to market conditions going forward.

This report was approved by the Board of Directors and signed on its behalf by:



David Flood
Director

Date: 21/04/2023

SCH PROJECTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Directors present their report and the audited financial statements for the year ended 31 March 2022.

Company information

SCH Projects Limited (the "Company") is a private company limited by shares and registered in England and Wales with registered number 03583567. The Company is incorporated and domiciled in the United Kingdom under the Companies Act 2006. The address of the Company's registered office is 19th Floor, 22 Bishopsgate, London, EC2N 4BQ.

The immediate parent undertaking of SCH Projects Limited is Solar Century Holdings Ltd, a company incorporated in the United Kingdom, with a registered office at 19th floor, 22 Bishopsgate, London, EC2N 4BQ. Solar Century Holdings Ltd is owned by Statkraft AS, a company incorporated in Norway, which is the smallest group consolidating these financial statements. Under s401 of the Companies Act 2006 it is exempt from preparing consolidated accounts.

The largest group to consolidate these financial statements is Statkraft SF, a company incorporated in Norway. Statkraft SF owns Statkraft AS and is the ultimate controlling party and ultimate parent of SCH Projects Limited. Both of the group financial statements can be obtained from their registered offices which are at Lilleakerveien 6, Postboks 200, Lilleaker 0216, Oslo, Norway or www.statkraft.com.

Directors' responsibilities statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework".

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that year. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

SCH PROJECTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

Going concern

The principal activity of SCH Projects Limited (the "Company") is to identify, develop and sell solar power plants in Europe.

The Company is in a net asset position. Considering this and all other relevant factors, including review of the Company's cash flow forecasts, the Directors have reasonable expectation that the Company will have access to adequate resources to continue in existence for 12 months from the date of signing and the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the impact of COVID-19 can be found in the Strategic Report and in note 2 to the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 2 to the financial statements while further details of the future outlook of the Company can be found in the Strategic Report.

Results and dividends

The profit for the year, after tax, amounted to £6,637,288 (2021: loss of £444,395).

The Directors do not propose that a dividend be paid in relation to the current year (2021: nil).

Future developments

Details regarding the outlook of the Company is present in the Strategic Report.

SCH PROJECTS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Directors

The Directors who served during the year and up to the date of this report were:

F H N Van den Heuvel (resigned 4 May 2021)
N G Parry (resigned 27 November 2020)
A M Crawte (appointed 27 November 2020 / resigned 24 May 2021)
D Flood (appointed 24 May 2021)
E J Torblaa (appointed 10 November 2021)
B R Vartdal (appointed 24 May 2021)
E E Voss (appointed 24 May 2021)

Directors' and officers' liability

Directors' and officers' liability insurance has been purchased by Statkraft AS, and was in place Throughout the year for all subsidiaries. The insurance does not provide cover in the event that the Director is proved to have acted fraudulently.

Qualifying third-party indemnity provisions (as defined in section 234 of the Companies Act 2006) were in force during the year ended 31 March 2022 and remain in force.

Policy on financial risk management

The financial risk management of the Company is detailed in note 3 to the Company's financial statements.

Events after the balance sheet

Following the year end SolarCentury Mexico S.de R.L de C.V. has entered liquidation which has resulted in the write off of the loans. The write off is disclosed in administration expenses and amounts to £761,006.

In June 2022 the investment in Solarcentury OIE d.o.o. was divested and has been accounted for within these accounts.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

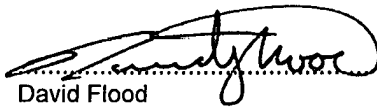
SCH PROJECTS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Auditors

The auditors, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Board of Directors and signed on its behalf by:



David Flood
Director

Date: 21/04/2023

SCH PROJECTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCH PROJECTS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of SCH Projects Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of profit or loss and other comprehensive income;
- statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 16.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

SCH PROJECTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCH PROJECTS LIMITED

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have 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 (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the policies and procedures relating to fraud and compliance with laws and regulations established by one of the Company's parent. We also enquired of management and the Directors about their own identification and assessment of the risks of irregularities, including those that are specific to the Company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

SCH PROJECTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCH PROJECTS LIMITED

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

SCH PROJECTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCH PROJECTS LIMITED

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

D. Winstone

Daryl Winstone FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

21/4/23

SCH PROJECTS LIMITED

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £000	2021 £000
Gain on disposal of subsidiaries	6	5,852	-
Administrative expenses		473	(10)
Foreign exchange gain/(losses)		367	(536)
Operating (loss)/profit		<u>6,692</u>	<u>(546)</u>
Finance income		7	-
Finance expense		(1)	-
Profit/(loss) before tax		<u>6,698</u>	<u>(546)</u>
Tax (charge)/credit	7	(61)	101
Total comprehensive income/(loss) for the year		<u><u>6,637</u></u>	<u><u>(445)</u></u>

The results for both years have been derived wholly from continuing operations.

SCH PROJECTS LIMITED
REGISTERED NUMBER: 03583567

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £000	2021 £000
Assets			
Non-current assets			
Investments in subsidiaries	8	45,519	5,339
		<u>45,519</u>	<u>5,339</u>
Current assets			
Trade and other receivables	9	168	3,539
Cash and equivalents	10	12,352	-
		<u>12,520</u>	<u>3,539</u>
Total assets		<u>58,039</u>	<u>8,878</u>
Liabilities			
Non-current liabilities			
Contingent consideration payable	12	-	4,693
Current liabilities			
Trade and other payables	11	73	1,651
		<u>73</u>	<u>6,344</u>
Total liabilities		<u>73</u>	<u>6,344</u>
Net current assets		<u>12,447</u>	<u>1,888</u>
Net assets		<u>57,966</u>	<u>2,534</u>
Equity			
Share capital	14	48,795	-
Retained earnings		9,171	2,534
TOTAL EQUITY		<u>57,966</u>	<u>2,534</u>

The financial statements of SCH Projects Limited (registered number 03583567) were approved by the Board of Directors and authorised for issue on 20 April 2023. They were signed on its behalf by:



David Flood
Director

Date: 21/04/2023

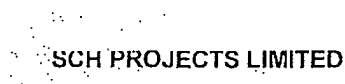
The notes on pages 16 to 24 form part of these financial statements.

SCH PROJECTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Share capital	Retained profit / (losses)	Total equity
At 1 April 2020		2,979	2,979
Loss for the year	-	(445)	(445)
Total comprehensive loss for the year	-	(445)	(445)
Issue of share capital		-	-
At 31 March 2021		2,534	2,534
	£000	£000	£000
At 1 April 2021		2,534	2,534
Profit for the year	-	6,637	6,637
Total comprehensive profit for the year	-	6,637	6,637
Issue of share capital	48,795	-	48,795
At 31 March 2022	48,795	9,171	57,966

The notes on pages 16-24 form part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. Corporate information

SCH Projects Limited (the "Company") is a private company limited by shares and registered in England and Wales with registered number 03583567. The Company is incorporated and domiciled in the United Kingdom under the Companies Act 2006. The address of the Company's registered office is 19th Floor, 22 Bishopsgate, London, EC2N 4BQ.

The immediate parent undertaking of SCH Projects Limited is Solar Century Holdings Limited, a company incorporated in the United Kingdom. The address of the Company's registered office is 19th Floor, 22 Bishopsgate, London, EC2N 4BQ.

Solar Century Holdings Limited is owned by Statkraft AS, a company incorporated in Norway, which is the smallest group consolidating these financial statements.

The largest group to consolidate these financial statements is Statkraft SF, a company incorporated in Norway.

Statkraft SF owns Statkraft AS and is the ultimate controlling party of SCH Projects Limited. Under s401 of the Companies Act 2006 it is exempt from preparing consolidated accounts.

Both of the group financial statements can be obtained from their registered offices which are at Lilleakerveien 6, Postboks 200, Lilleaker 0216, Oslo, Norway or www.statkraft.com.

2. Accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The Company meets the definition of a qualifying entity under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council as the results of the Company are consolidated into the financial statements of Wind UK Invest Limited which are publicly available, in the year ended 31 March 2022.

The recognition and measurement of assets, liabilities, equity, revenue and expense under IFRS and FRS101 are the same and therefore there is no material change in accounting policies or the recognition and measurement of the above items on moving to FRS101. The key difference is that the Company has now taken exemptions from the disclosure of certain items as set out further below.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of UK adopted International Accounting Standards ("Adopted IFRSs"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken:

SCH PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2.1 Basis of preparation (continued)

- IFRS 7, 'Financial instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers.
- The requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases.
- Paragraph 38 of IAS 1, 'Presentation of financial statements' – comparative information requirements in respect of: -
- paragraph 79(a)(iv) of IAS 1; -
- paragraph 73(e) of IAS 16, 'Property, plant and equipment';
- and - paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period).
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS); -
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B-D (additional comparative information); -
 - 111 (statement of cash flows information); and 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

The Company has adopted in the year all new IFRS accounting standards and amendments to existing standards including the amendments to IFRS4 Insurance Contracts, the amendments to IFRS9 Financial Instruments and IAS39 Financial Instruments: Recognition and Measurement relating to Interest Rate Benchmark Reform (Phase 2) and the amendments to IFRS16 Covid-19 related Rent concessions. None of these amendments had a material impact on the Company.

2.2 Going concern

The Company's business activities, together with the factors likely to affect its future development and performance are set out in the Strategic Report and the Directors' Report. The financial position of the Company is disclosed on page 12. Its financial risk management objectives and details of its exposure to liquidity risk are disclosed in note 3.

The Company is in a net asset position. Considering this and all other relevant factors, including review of the Company's cash flow forecasts and the relationship with its parent entity (who have undertaken to provide financial support to the Company to enable it to operate as a going concern and to discharge its obligations as and when they fall due), the directors have reasonable expectation that the Company will have access to adequate resources to continue in existence for the next 12 months from date of approval of the financial statements and the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2.3 Foreign currencies

(a) Functional and presentation currency

The functional currency for the Company is pounds sterling and is determined by the currency of the primary economic environment in which it operates. This is also the presentation currency of the Company.

(b) Transactions and balances

Transactions denominated in currencies other than the functional currency of the Company are initially recorded in the functional currency using the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-measured at the rate of exchange ruling at the balance sheet date. Exchange gains and losses on settlement of foreign currency transactions which are translated at the rate prevailing at the date of the transactions, or on the translation of monetary assets and liabilities which are translated at period-end exchange rates, are taken to the income statement. Non-monetary assets and liabilities denominated in foreign currencies that are stated at historical cost are not re-translated.

2.4 Taxation

Income tax comprises current and deferred tax. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the balance sheet date, and any adjustment to tax payable in respect of previous years.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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.

SCH PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2.4 Taxation (continued)

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2.5 Financial assets

Financial assets are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of a financial instrument. All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned. All financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

2.6 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

2.7 Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

SCH PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2.8 Contingent assets

The Company recognises contingent assets where under the terms of the acquisition there is a deferred consideration based upon certain milestones being achieved by the project. The value is calculated using a probability-weighted present value of the most likely consideration payable. Any calculation prepared is reviewed at each balance sheet date.

2.9 Financial liabilities and equity (including contingent consideration)

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. Contingent consideration relating to the acquisition of businesses is recognised at fair value.

2.10 Equity

Ordinary shares issued by the Company are recorded at the proceeds received, net of direct issue costs.

2.11 Financial liabilities

The Company does not hold any financial liabilities classified as held at fair value through profit or loss. Consequently, all financial liabilities are initially measured at fair value minus transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a short period, to the net carrying amount on initial recognition.

2.12 Derecognition of financial liabilities

The Company derecognises a financial liability when, and only when, the Company's obligations are discharged, cancelled or they expire.

2.13 Investments in subsidiaries

Investments in subsidiaries and joint ventures are equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured. Therefore, they are stated at cost less impairment in accordance with IAS 27.

On disposal of an investment any subsequent gain on or loss on the sale is disclosed in the statement of profit and loss.

2.14 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of the end of the month of recognition.

SCH PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

3. Financial risk management

The Company's activities expose it to a variety of financial risks, such as foreign exchange, capital and liquidity risk.

(a) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from currency exposures, primarily with respect to Euros. However, a relatively small amount of the Company's transactions are denominated in foreign currencies and the Company does not therefore use any derivative instruments to manage this risk.

(b) Capital risk

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through optimisation of its debt to equity balance. The capital structure of the Company consists of cash and equity attributable to the shareholders of the Company; comprising issued capital and retained earnings disclosed in the Statement of Changes in Equity.

(c) Liquidity risk

Liquidity risk is the risk that the Company are unable to meet their payment obligations when due, or are unable, on an ongoing basis, to borrow funds in the market on an unsecured or secured basis at an acceptable price to fund actual or proposed commitments.

While the minimum internal liquidity threshold is adjusted from time to time in response to changes in market conditions, this minimum internal liquidity target may be breached due to circumstances outside the Company's control, such as general market disruptions, sharp movements in commodity prices or an operational problem that affects suppliers, customers or the Company itself.

A lack of liquidity may mean that the Company will not have funds available to maintain or increase marketing and industrial activities, both of which employ substantial amounts of capital. If the Company does not have funds available to sustain or develop its marketing and industrial activities then these activities will decrease.

4. Critical accounting judgements and key sources of estimation uncertainty

4.1 Critical judgements in applying the entity's accounting policies

Judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.2 Key sources of estimation uncertainty

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. These estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Investments

Investment in subsidiaries and joint ventures are tested for possible impairment where there are indicators of impairment. Where indicators are identified, Management are required to determine the recoverable amount. The test of impairment is based on assessing the underlying net assets of each subsidiary to the investment carrying value.

SCH PROJECTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

The carrying value is presented in note 8.

5. Employee information

The Company had no employees during the current year (2021: nil).

6. Gain on disposal of subsidiaries

	2022	2021
	£000	£000
Net gain on disposal of investments	<u>5,852</u>	<u>-</u>

The gain on disposal of subsidiaries arose on the disposal of the Company's 100% ownership of Consortium Solar Power System (£382k), Solarcentury Projects Holding Italia S.r.l (£5,499m) and Tikka Solar S. de R.L (£191k) offset by the loss on sale of Solarcentury OIE d.o.o. .

7. Taxation

	2022	2021
	£000	£000
Reconciliation of tax charge/(credit)		
Profit/(loss) before tax	<u>6,698</u>	<u>(546)</u>
Tax at the UK corporation tax rate of 19% (2021: 19%)	1,273	(104)
Effects of:		
Expenses not deductible for tax	(1,212)	2
Total tax charge/(credit) for the year	<u>61</u>	<u>(101)</u>

As per current UK tax legislation, carried forward pre-trading expenses can be treated as trading tax losses on the date of trade starting (COD in the Company's case) if they occurred in the 7 years prior to commencement of the trade. Once they are treated as trading tax losses, they can be carried forward for utilisation indefinitely.

There is no impact from the Finance Act 2022 being enacted within the year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8. Investments in subsidiaries

	2022	2021
Shares in Solar Century Holding Espana SL	18,975	2
Shares in Solar Century Benelux Holdco BV	26,543	-
Shares in Consortium Solar Power Systems	-	5,323
Shares Solarcentury France Holdings	-	1
Shares in Solarcentury Projects Italia S.r.l.	-	11
Shares in other subsidiaries	1	2
	<u>45,519</u>	<u>5,339</u>

The Company sold the following investments in the period, Consortium Solar Power Systems with a gain of £381,538, Solarcentury Projects Italia S.r.l. which resulted in a gain amounting to £5,498,898 as disclosed in the profit and loss along with other investments in Tikka Solar S. de R.L de C.V at a gain of £191,423 and a loss on sale of Solarcentury OIE d.o.o. amounting to £219,661.

The Company's significant investments in subsidiaries are as follows:

Name	Country of incorporation	Proportion of ownership interest %
Solar Century Holdings Espana SL	Spain	100
SC Benelux Holdco B.V.	Netherlands	100
Solarcentury Projects Panama S.A.	Panama	100
Solarcentury Projects Latin America S.A.	Panama	100
Zoneneapark Bollenndonk B.V.	Netherlands	100
Zoneneapark Budel Dorplein B.V.	Netherlands	100
Zoneneapark Wilbertoord Noordstraat B.V.	Netherlands	100
Zoneneapark Winterswijk Arrasveldweg B.V.	Netherlands	100
Zoneneapark Winterswijk Masterveldweg B.V.	Netherlands	100
Arada Solar S.L.U	Spain	100
El Refugio Fotovoltaico S.L.U.	Spain	100
Fotovoltaico El Casar S.A.S	Spain	100
Guadalsolar Cuatro S.L.U.	Spain	100
Guadalsolar Dos S.L.U.	Spain	100
Guadalsolar Tres S.L.U.	Spain	100
Guadalsolar Uno S.L.U.	Spain	100
Maragato HoldCo S.L.U	Spain	100
Maragato Solar Cinco S.L.U.	Spain	100
Maragato Solar Cuatro S.L.U.	Spain	100
Maragato Solar Dos S.L.U.	Spain	100
Maragato Solar Tres S.L.U.	Spain	100
Maragato Solar Uno S.L.U.	Spain	100
Oroneta Solar S.L.U.	Spain	100
Parpadeo Solar S.L.U	Spain	100
PFV Albufera S.L.U.	Spain	100
PFV La Barraca S.L.U.	Spain	100
PFV Los Hierros S.L.	Spain	100
PFV Los Predios S.L.	Spain	100
PFV Pla de Llum S.L.	Spain	100
PEV Prado Gris S.L.	Spain	100
Proyecto Fotovoltaico Tendetes S.L.U.	Spain	100

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9. Trade and other receivables

	2022	2021
	£000	£000
Amounts receivable from Parent Company	59	3,539
Other receivables	109	-
	<u>168</u>	<u>3,539</u>

Amounts owed by Parent Company are unsecured, interest free, have no fixed rate of repayment and are repayable on demand. The reduction in the amounts receivable from the parent company reflects repayment following the sale of some of the Company's investments.

10. Cash and cash equivalents

	2022	2021
	£000	£000
Cash and cash equivalents	<u>12,352</u>	<u>-</u>

Cash and cash equivalents comprise cash held by the Company in current bank accounts. The carrying amount of these assets equates to their fair value.

11. Trade and other payables

	2022	2021
	£000	£000
Accruals	21	11
Payable to Parent Company	52	1,350
Payable to Subsidiary undertakings	-	290
	<u>73</u>	<u>1,651</u>

Amounts owed by Parent Company are unsecured, interest free, have no fixed rate of repayment and are repayable on demand. No interest is charged.

The Directors consider that the carrying amount of trade and other payables approximately equals their fair value.

SCH PROJECTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. Contingent consideration payable

	2022	2021
	£000	£000
Contingent consideration payable	-	<u>4,693</u>

The company previously acquired a 100% stake in Consortium Solar Power Systems. During May 2022 the Company sold this investment.

13. Related party transactions

The company is a wholly own subsidiary of Statkraft SF and has taken advantage of the exemption contained in IAS 24 'Related Party Disclosures'. It has therefore not disclosed transactions or balances with other entities within the Statkraft group which are also wholly owned or with key management personnel.

There are no other related party transactions or balances to be disclosed.

14. Share capital

	2022	2021	2022	2021
	Shares	Shares	£000	£000
Ordinary shares – fully paid – nominal value £1	48,794,612	2	48,795	-

During the year, 48,794,610 Ordinary shares were issued for a total consideration of £48,794,610 and 100% owned by Solar Century Holdings Ltd.

15. Controlling party

The immediate parent undertaking of SCH Projects Limited is Solar Century Holdings Limited, a company incorporated in the United Kingdom. The address of the Company's registered office is 19th Floor, 22 Bishopsgate, London, EC2N 4BQ.

Solar Century Holdings Limited is owned by Statkraft AS, a company incorporated in Norway, which is the smallest group consolidating these financial statements.

The largest group to consolidate these financial statements is Statkraft SF, a company incorporated in Norway.

Statkraft SF owns Statkraft AS and is the ultimate controlling party of SCH Projects Limited.

Both of the group financial statements can be obtained from their registered offices which are at Lilleakerveien 6, Postboks 200, Lilleaker 0216, Oslo, Norway or www.statkraft.com.

SCH PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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16. Post balance sheet events

Following the year end SolarCentury Mexico S.de R.L de C.V. has entered liquidation which has resulted in the write off of the loans. The write off is disclosed in administration expenses and amounts to £761,006.

In June 2022 the investment in Solarcentury OIE d.o.o. was divested and has been accounted for within these accounts.

