

Registre de Commerce et des Sociétés

Numéro RCS : B150284

Référence de dépôt : L220202434

Déposé et enregistré le 08/09/2022

NUWGSRX20220610T17521601_001

RCSL Nr. : B150284

Matricule : 2009 2227 740

eCDF entry date : 13/06/2022

BALANCE SHEET**Financial year from** ⁰¹ 01/01/2021 **to** ⁰² 31/12/2021 (in ⁰³ EUR)

Boralex Europe S.à r.l.

39, AVENUE JOHN F. KENNEDY

L-1855 Luxembourg

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101 _____	101 _____ 0,00	102 _____ 0,00
I. Subscribed capital not called	1103 _____	103 _____	104 _____
II. Subscribed capital called but unpaid	1105 _____	105 _____	106 _____
B. Formation expenses	1107 _____	107 _____	108 _____
C. Fixed assets	1109 _____	109 _____ 400.264.417,14	110 _____ 410.220.318,65
I. Intangible assets	1111 _____	111 _____ 0,00	112 _____ 0,00
1. Costs of development	1113 _____	113 _____	114 _____
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115 _____	115 _____ 0,00	116 _____ 0,00
a) acquired for valuable consideration and need not be shown under C.I.3	1117 _____	117 _____	118 _____
b) created by the undertaking itself	1119 _____	119 _____	120 _____
3. Goodwill, to the extent that it was acquired for valuable consideration	1121 _____	121 _____	122 _____
4. Payments on account and intangible assets under development	1123 _____	123 _____	124 _____
II. Tangible assets	1125 _____	125 _____ 0,00	126 _____ 0,00
1. Land and buildings	1127 _____	127 _____	128 _____
2. Plant and machinery	1129 _____	129 _____	130 _____

The notes in the annex form an integral part of the annual accounts

	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131	131	132
4. Payments on account and tangible assets in the course of construction	1133	133	134
III. Financial assets	1135	400.264.417,14	410.220.318,65
1. Shares in affiliated undertakings	1137 <u>3.1</u>	137 <u>280.063.900,58</u>	138 <u>273.099.939,89</u>
2. Loans to affiliated undertakings	1139 <u>3.2</u>	139 <u>120.200.516,56</u>	140 <u>137.120.378,76</u>
3. Participating interests	1141	141	142
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143	143	144
5. Investments held as fixed assets	1145	145	146
6. Other loans	1147	147	148
D. Current assets	1151	66.090.261,04	16.758.455,07
I. Stocks	1153	0,00	0,00
1. Raw materials and consumables	1155	155	156
2. Work in progress	1157	157	158
3. Finished goods and goods for resale	1159	159	160
4. Payments on account	1161	161	162
II. Debtors	1163 <u>4</u>	66.086.368,73	16.756.449,72
1. Trade debtors	1165	165 <u>0,00</u>	166 <u>0,00</u>
a) becoming due and payable within one year	1167	167	168
b) becoming due and payable after more than one year	1169	169	170
2. Amounts owed by affiliated undertakings	1171	171 <u>65.950.244,96</u>	172 <u>16.651.972,27</u>
a) becoming due and payable within one year	1173	173 <u>65.950.244,96</u>	174 <u>16.651.972,27</u>
b) becoming due and payable after more than one year	1175	175	176
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177	177 <u>0,00</u>	178 <u>0,00</u>
a) becoming due and payable within one year	1179	179	180
b) becoming due and payable after more than one year	1181	181	182
4. Other debtors	1183	183 <u>136.123,77</u>	184 <u>104.477,45</u>
a) becoming due and payable within one year	1185	185 <u>136.123,77</u>	186 <u>104.477,45</u>
b) becoming due and payable after more than one year	1187	187	188

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	Reference(s)	Current year	Previous year
III. Investments	1189 _____	189 <u>0,00</u>	190 <u>0,00</u>
1. Shares in affiliated undertakings	1191 _____	191 _____	192 _____
2. Own shares	1209 _____	209 _____	210 _____
3. Other investments	1195 _____	195 _____	196 _____
IV. Cash at bank and in hand	1197 _____	197 <u>3.892,31</u>	198 <u>2.005,35</u>
E. Prepayments	1199 _____	199 _____	200 _____
TOTAL (ASSETS)		201 <u>466.354.678,18</u>	202 <u>426.978.773,72</u>

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves	1301 <u>5</u>	301 <u>295.720.085,76</u>	302 <u>274.563.661,99</u>
I. Subscribed capital	1303 _____	303 <u>20.288.464,00</u>	304 <u>20.288.464,00</u>
II. Share premium account	1305 _____	305 <u>239.999.707,03</u>	306 <u>239.999.707,03</u>
III. Revaluation reserve	1307 _____	307 _____	308 _____
IV. Reserves	1309 _____	309 <u>2.028.546,40</u>	310 <u>1.865.148,24</u>
1. Legal reserve	1311 _____	311 <u>2.028.546,40</u>	312 <u>1.865.148,24</u>
2. Reserve for own shares	1313 _____	313 _____	314 _____
3. Reserves provided for by the articles of association	1315 _____	315 _____	316 _____
4. Other reserves, including the fair value reserve	1429 _____	429 <u>0,00</u>	430 <u>0,00</u>
a) other available reserves	1431 _____	431 _____	432 _____
b) other non available reserves	1433 _____	433 _____	434 _____
V. Profit or loss brought forward	1319 _____	319 <u>12.246.944,56</u>	320 _____
VI. Profit or loss for the financial year	1321 _____	321 <u>21.156.423,77</u>	322 <u>12.410.342,72</u>
VII. Interim dividends	1323 _____	323 _____	324 _____
VIII. Capital investment subsidies	1325 _____	325 _____	326 _____
B. Provisions	1331 _____	331 <u>0,00</u>	332 <u>0,00</u>
1. Provisions for pensions and similar obligations	1333 _____	333 _____	334 _____
2. Provisions for taxation	1335 _____	335 _____	336 _____
3. Other provisions	1337 _____	337 _____	338 _____
C. Creditors	1435 _____	435 <u>170.634.592,42</u>	436 <u>152.415.111,73</u>
1. Debenture loans	1437 _____	437 <u>0,00</u>	438 <u>0,00</u>
a) Convertible loans	1439 _____	439 <u>0,00</u>	440 <u>0,00</u>
i) becoming due and payable within one year	1441 _____	441 _____	442 _____
ii) becoming due and payable after more than one year	1443 _____	443 _____	444 _____
b) Non convertible loans	1445 _____	445 <u>0,00</u>	446 <u>0,00</u>
i) becoming due and payable within one year	1447 _____	447 _____	448 _____
ii) becoming due and payable after more than one year	1449 _____	449 _____	450 _____
2. Amounts owed to credit institutions	1355 _____	355 <u>0,00</u>	356 <u>0,00</u>
a) becoming due and payable within one year	1357 _____	357 _____	358 _____
b) becoming due and payable after more than one year	1359 _____	359 _____	360 _____

	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361 _____	361 _____ 0,00	362 _____ 0,00
a) becoming due and payable within one year	1363 _____	363 _____	364 _____
b) becoming due and payable after more than one year	1365 _____	365 _____	366 _____
4. Trade creditors	1367 _____	367 _____ 1.885.638,49	368 _____ 196.149,06
a) becoming due and payable within one year	1369 _____	369 _____ 1.885.638,49	370 _____ 196.149,06
b) becoming due and payable after more than one year	1371 _____	371 _____	372 _____
5. Bills of exchange payable	1373 _____	373 _____ 0,00	374 _____ 0,00
a) becoming due and payable within one year	1375 _____	375 _____	376 _____
b) becoming due and payable after more than one year	1377 _____	377 _____	378 _____
6. Amounts owed to affiliated undertakings	1379 _____	379 _____ 128.711.342,83	380 _____ 112.161.555,37
a) becoming due and payable within one year	1381 _____ 6.1	381 _____ 1.586.705,74	382 _____ 19.436.948,45
b) becoming due and payable after more than one year	1383 _____ 6.2	383 _____ 127.124.637,09	384 _____ 92.724.606,92
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385 _____	385 _____ 0,00	386 _____ 0,00
a) becoming due and payable within one year	1387 _____	387 _____	388 _____
b) becoming due and payable after more than one year	1389 _____	389 _____	390 _____
8. Other creditors	1451 _____	451 _____ 40.037.611,10	452 _____ 40.057.407,30
a) Tax authorities	1393 _____	393 _____ 35.127,28	394 _____ 54.921,98
b) Social security authorities	1395 _____	395 _____ 981,08	396 _____ 982,58
c) Other creditors	1397 _____	397 _____ 40.001.502,74	398 _____ 40.001.502,74
i) becoming due and payable within one year	1399 _____	399 _____	400 _____
ii) becoming due and payable after more than one year	1401 _____ 7	401 _____ 40.001.502,74	402 _____ 40.001.502,74
D. Deferred income	1403 _____	403 _____	404 _____
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		405 _____ 466.354.678,18	406 _____ 426.978.773,72

Registre de Commerce et des Sociétés

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PROFIT AND LOSS ACCOUNT**Financial year from** ⁰¹ 01/01/2021 **to** ⁰² 31/12/2021 (in ⁰³ EUR)

Boralex Europe S.à r.l.

39, AVENUE JOHN F. KENNEDY

L-1855 Luxembourg

	Reference(s)	Current year	Previous year
1. Net turnover	1701 _____	701 _____	702 _____ 365.500,46
2. Variation in stocks of finished goods and in work in progress	1703 _____	703 _____	704 _____
3. Work performed by the undertaking for its own purposes and capitalised	1705 _____	705 _____	706 _____
4. Other operating income	1713 _____	713 _____	714 _____
5. Raw materials and consumables and other external expenses	1671 _____	671 _____ -2.044.399,69	672 _____ -278.072,95
a) Raw materials and consumables	1601 _____	601 _____	602 _____
b) Other external expenses	1603 _____ 8	603 _____ -2.044.399,69	604 _____ -278.072,95
6. Staff costs	1605 _____	605 _____ -7.341,09	606 _____ -7.400,28
a) Wages and salaries	1607 _____	607 _____ -6.501,51	608 _____ -6.461,16
b) Social security costs	1609 _____	609 _____ -839,58	610 _____ -939,12
i) relating to pensions	1653 _____	653 _____ -520,08	654 _____ -516,84
ii) other social security costs	1655 _____	655 _____ -319,50	656 _____ -422,28
c) Other staff costs	1613 _____	613 _____	614 _____
7. Value adjustments	1657 _____	657 _____ 2.202.981,33	658 _____ 2.130.560,00
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____	659 _____	660 _____
b) in respect of current assets	1661 _____ 10	661 _____ 2.202.981,33	662 _____ 2.130.560,00
8. Other operating expenses	1621 _____	621 _____ -52.212,34	622 _____ -89.893,59

The notes in the annex form an integral part of the annual accounts

	Reference(s)	Current year	Previous year
9. Income from participating interests	1715	715 <u>0,00</u>	716 <u>8.568.530,51</u>
a) derived from affiliated undertakings	1717	717	718 <u>8.568.530,51</u>
b) other income from participating interests	1719	719	720
10. Income from other investments and loans forming part of the fixed assets	1721	721 <u>4.287.591,88</u>	722 <u>3.648.021,97</u>
a) derived from affiliated undertakings	1723 <u>11</u>	723 <u>4.287.591,88</u>	724 <u>3.648.021,97</u>
b) other income not included under a)	1725	725	726
11. Other interest receivable and similar income	1727	727 <u>1.797.343,59</u>	728 <u>1.117.710,31</u>
a) derived from affiliated undertakings	1729 <u>12</u>	729 <u>1.797.343,59</u>	730 <u>1.117.710,31</u>
b) other interest and similar income	1731	731	732
12. Share of profit or loss of undertakings accounted for under the equity method	1663	663	664
13. Value adjustments in respect of financial assets and of investments held as current assets	1665 <u>13</u>	665 <u>19.472.123,09</u>	666 <u>1.348.823,39</u>
14. Interest payable and similar expenses	1627	627 <u>-4.492.398,00</u>	628 <u>-4.388.600,20</u>
a) concerning affiliated undertakings	1629 <u>14.1</u>	629 <u>-2.872.398,00</u>	630 <u>-2.770.670,76</u>
b) other interest and similar expenses	1631 <u>14.2</u>	631 <u>-1.620.000,00</u>	632 <u>-1.617.929,44</u>
15. Tax on profit or loss	1635	635	636
16. Profit or loss after taxation	1667	667 <u>21.163.688,77</u>	668 <u>12.415.179,62</u>
17. Other taxes not shown under items 1 to 16	1637	637 <u>-7.265,00</u>	638 <u>-4.836,90</u>
18. Profit or loss for the financial year	1669	669 <u>21.156.423,77</u>	670 <u>12.410.342,72</u>

Boralex Europe

Notes to the annual accounts
for the financial year ended
December 31, 2021

1 General

1.1 General information

Boralex Europe (formerly successively “Boralex Europe S.A.” and “Boralex Europe S.à r.l.”) (the “Company”) is a Luxembourg company incorporated on December 9, 2009 as a “Société Anonyme”, and subject to the general company law of Luxembourg. On December 10, 2015, the Company changed its form from “Société Anonyme” to “Société à responsabilité limitée”. On March 20, 2017, the Company changed its name from “Boralex Europe S.à r.l.” to “Boralex Europe”.

The Company is established for an unlimited period.

The registered office of the Company is at 39, Avenue John F. Kennedy, L-1855 Luxembourg.

The Company is registered with the Register of Commerce and Companies of Luxembourg under the section B number 150284.

The object of the Company is the acquisition, holding, management, or disposal, in any form whatsoever, directly or indirectly, of participations or interests in any nature in every companies or entities, commercial, civil or other active in energy industry in a broad sense or related to.

The Company may participate by every possible means, to every companies or incorporated companies or to set up, being able to link to the Company’s object, in particular, by creation of new companies, contributions, mergers, alliances, group of economic interest, or joint-venture companies.

The Company may carry out furthermore every financing transactions, credit, management, treasury, loans, advances necessary in every participations, as well as related transactions, and more generally, without limitation, every industrial, commercial, or financial, personal and real estate transactions, being able to link directly or indirectly to the Company’s object and to every similar or related objects.

In particular, the Company may especially issue, to the needs of its activity, every kind of securities.

The Company may take every action to protect its rights and will do every operations, which are related to its object or which promote it.

The financial year of the Company begins on the first day of January of each year and terminates on the last day of December of the same year.

Based on the criteria defined by Luxembourg law, the Company is exempt from the obligation to draw up consolidated accounts and a consolidated management report for the financial year ended December 31, 2021. Therefore, in accordance with the legal provisions, these annual accounts were presented on a non-consolidated basis for the approval of the shareholders during the Annual General Meeting.

The Company is included in the consolidated accounts of Boralex Inc. forming the smallest and also the largest body of undertakings of which the Company forms a part as a subsidiary entity. The consolidated accounts of Boralex Inc. are available at its registered office located 36, rue Lajeunesse, Kingsey Falls (Québec), Canada, J0A 1B0.

Boralex Europe

Notes to the annual accounts
for the financial year ended
December 31, 2021

2 Significant accounting policies

2.1 Basis of presentation

The annual accounts of the Company are prepared in accordance with current Luxembourg legal and regulatory requirements under the historical cost convention. Accounting methods applied to prepare these annual accounts comply with the going concern principle.

Accounting policies and valuation rules are, besides the ones laid down by current Luxembourg legal and regulatory requirements determined and applied by the Management of the Company.

The preparation of the annual accounts requires the use of certain critical accounting estimates. It also requires the Management of the Company to exercise its judgment in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. The Management of the Company believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Management of the Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgments 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 annual accounts have been prepared in accordance with the valuation rules and accounting policies described below.

2.2 Basis of conversion for items originally expressed in foreign currency

The Company maintains its accounting records in Euro (“EUR”) and the balance sheet and the profit and loss account are expressed in this currency.

Initial measurement of items originally expressed in foreign currency

Income and charges denominated in foreign currencies are translated at the exchange rates ruling at the date of transaction.

Measurement of fixed assets at balance sheet date

Fixed assets, which are expressed in currencies other than EUR, are translated into EUR at the exchange rate effective at the date of the transaction. At balance sheet date, these assets remain translated at historical exchange rates.

Measurement of cash at balance sheet date

At balance sheet date, cash denominated in a currency other than EUR is converted at the exchange rate effective at balance sheet date.

Boralex Europe

Notes to the annual accounts
for the financial year ended
December 31, 2021

2 Significant accounting policies (continued)

2.2 Basis of conversion for items originally expressed in foreign currency

Measurement of cash at balance sheet date (Continued)

Exchange losses and gains resulting from this conversion are recorded in the profit and loss account of the year.

Measurement of other assets at balance sheet date

All other assets expressed in currencies other than EUR are valued individually at the lower of their value translated into EUR at historical exchange rates or at exchange rates prevailing at balance sheet date. Unrealized exchange losses resulting from this conversion are recorded in the profit and loss account of the year.

Measurement of other liabilities at balance sheet date

All other liabilities expressed in currencies other than EUR are valued individually at the higher of their value translated into EUR at historical exchange rates or at the exchange rates prevailing at balance sheet date.

Unrealized exchange losses resulting from this conversion are recorded in the profit and loss account of the year.

Measurement of assets and liabilities under an economic link at balance sheet date

For assets, including certain long-term loans disclosed under fixed assets, and liabilities expressed in currencies other than EUR where there is an economic link between an asset and a liability, these are converted in total according to the method described above and the net unrealised losses are recorded in the profit and loss accounts and the net unrealised exchange gains are not recognized

Recognition of realized exchange gains and losses

Realized exchange gains and losses are reflected in the profit and loss account of the year.

2.3 Financial fixed assets

Shares in affiliated undertakings are initially valued at purchase price including the expenses incidental thereto.

Loans to affiliated undertakings are initially valued at nominal value.

In the case of durable depreciation in value according to the opinion of the Management, value adjustments are made in respect of fixed assets, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Boralex Europe

Notes to the annual accounts
for the financial year ended
December 31, 2021

2 Significant accounting policies (continued)

2.4 Debtors

Debtors are initially valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not maintained if the reasons for which the value adjustments were made have ceased to apply.

2.5 Provisions

Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Provisions may also be created in order to cover charges which have their origin in the financial year under review or in a previous financial year, the nature of which is clearly defined and which, at the balance sheet date, are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

2.6 Creditors

Creditors are recorded at their reimbursement value.

2.7 Net turnover

The net turnover comprises the amounts derived from the provision of services falling within the Company's ordinary activities, after deductions of value added tax and other taxes directly linked to the turnover.

Boralex Europe

Notes to the annual accounts
for the financial year ended
December 31, 2021

3 Financial assets

3.1 Shares in affiliated undertakings

Affiliated undertakings are entities controlled either by the Company directly or indirectly or by the group of undertakings in which the Company forms a part as a subsidiary undertaking. Control is usually presumed when the Company or the group has more than 50 % of voting rights in the entity. The movements of the financial year are as:

	Boralex S.A.S.	Boralex GmbH	Boralex Energie France S.A.S.	HEX S.A.S.	Boralex Service Company Ltd	Ressources Forestières S.A.S.	Boralex Development (S cotland) Limited
Gross book value - opening balance	(EUR)	(EUR)	(EUR)	(EUR)	(EUR)	(EUR)	(EUR)
Additions for the financial year	222.702.627,95	27.300,00	553.862,00	430.982,00	11.786,32	22.503.200,91	8.568.699,01
Disposals for the financial year	(15.108.259,40)	-	-	2.600.097,00	-	-	-
Transfers for the financial year	-	-	-	-	-	-	-
Gross book value - closing balance	207.594.368,55	27.300,00	553.862,00	3.031.079,00	11.786,32	22.503.200,91	8.568.699,01
Accumulated value adjus ments at the beginning of the financial year	-	-	-	-	-	-	-
Allocations for the financial year	-	-	-	-	(11.785,14)	(22.503.200,91)	-
Reversals for the financial year	-	-	-	(3.031.079,00)	-	-	-
Transfers for the financial year	-	-	-	-	-	22.503.200,91	-
Accumulated value adjus ments at the end of the financial year	-	-	-	(3.031.079,00)	(11.785,14)	-	-
Net book value at the end of the financial year	207.594.368,55	27.300,00	553.862,00	1,18	22.503.200,91	8.568.699,01	
	Boralex GP Limited	Boralex Production S.A.S.	Boralex Damery S.C.I.	Total			
	(EUR)	(EUR)	(EUR)	(EUR)			
Gross book value - opening balance	2,93	40.815.616,00	850,00	295.614.927,12			
Additions for the financial year	-	-	-	2.600.097,00			
Disposals for the financial year	-	-	-	(15.108.259,40)			
Transfers for the financial year	-	-	-	-			
Gross book value - closing balance	2,93	40.815.616,00	850,00	283.106.764,72			
Accumulated value adjus ments at the beginning of the financial year	-	-	-	(22.514.986,05)			
Allocations for the financial year	-	-	-	(3.031.079,00)			
Reversals for the financial year	-	-	-	22.503.200,91			
Transfers for the financial year	-	-	-	-			
Accumulated value adjus ments at the end of the financial year	-	-	-	(3.042.864,14)			
Net book value at the end of the financial year	2,93	40.815.616,00	850,00	280.063.900,58			

Borex Europe

Notes to the annual accounts
for the financial year ended
December 31, 2021

3 Financial assets (continued)

3.1 Shares in affiliated undertakings (continued)

During the financial year ended on December 31, 2021, Borex S.A.S. made several share premium repayments to the Company being its sole shareholder for a global amount of EUR 15,108,259.40.

Impairments:

In anticipation of its sale in April 2022, the Management decided to fully depreciate the value of the shares for the participation in HEX S.A.S for an amount of EUR 3,031,079.00.

The Management considered, after analysis of the financial assets, to fully reverse in 2021 all the impairments on shares held in Ressources Forestières S.A.S. for an amount of EUR 22,503,200.91.

The Management of the Company did not consider that any other value adjustment was necessary in respect of the valuation of the shares held in its different affiliated undertakings taking into account that there is no other durable reduction in their value as at December 31, 2021.

Details relating to the undertakings in which the Company holds at least 20% in its share capital, are as follows:

Name	Registered office	Percentage of ownership	Balance sheet date	Net equity (EUR) (*)	Result for the last financial year (EUR) (*)	Net book value as at December 31, 2021 (EUR)
Borex S.A.S.	France	100%	December 31, 2021	126.884.669,00	(5.422.518,00)	207.594.368,55
Borex GmbH	Germany	100%	June 30, 2021	(910.168,93)	(110.824,15)	27.300,00
HEX S.A.S.	France	100%	December 31, 2021	(195.571,00)	(607.665,00)	-
Borex Service Company Ltd	U.K.	100%	December 31, 2021	(809.847,91)	(120.754,99)	1,18
Ressources Forestières S.A.S.	France	100%	December 31, 2021	11.948.678,00	13.656.905,00	22.503.200,91
Borex Development (Scotland) Limited	Scotland	100%	December 31, 2021	7.027.643,17	(501.011,57)	8.568.699,01
Borex GP Limited	U.K.	100%	December 31, 2021	2,38	-	2,93
Borex Production S.A.S.	France	55,15%	December 31, 2021	71.998.601,00	(763.110,00)	40.815.616,00
Borex Damery SCI	France	50%	December 31, 2021	(47.714,00)	(15.046,00)	850,00

(*) The figures are based on the audited annual accounts which are available at the date of approval of these annual accounts. The figures related to the companies registered in the UK that were originally expressed in a currency different from the EUR have been translated into EUR based on the foreign exchange rate published by the European Central Bank applicable on December 31, 2021 (EUR 1 = GBP 0.84028). The net equity includes the result for the year.

Borex Europe

Notes to the annual accounts
for the financial year ended
December 31, 2021

3 Financial assets (continued)

3.2 Loans to affiliated undertakings

This caption is composed as follows:

	interest rate	December 31, 2021 (EUR)	December 31, 2020 (EUR)
Loan to Borex Development (Scotland) Ltd due on October 10, 2042	3,475%	13.730.583,63	10.944.413,32
Loan to Borex S.A.S. due on June 20, 2028	3,475%	69.513.437,68	71.899.589,12
Loan to Borex Production S.A.S. due on January 20, 2031	3,475%	25.576.362,60	33.644.838,01
Loan to Borex Energie France S.A.S. due on January 20, 2037	3,475%	11.380.132,65	20.631.538,31
Total		120.200.516,56	137.120.378,76

4 Amounts owed by affiliated undertakings

This caption is mainly composed as at December 31, 2021 of cash advances granted to affiliated entities for a global amount of EUR 59,227,060.37 (2020: EUR 14,855,979.36) bearing interests for an amount of EUR 2,311,513.48 (2020: 1,208,027.40) and miscellaneous receivables related to the re-invoicing of costs to affiliated undertaking for a global amount of EUR: 1,917,857.72 (2020: 1,421,488.41).

In parallel to the reversal of impairment on shares held in Ressources Forestières S.A.S. (Note 3), the existing value adjustment on December 31, 2020 of EUR 1,709,440.00 on advances towards Ressources Forestières S.A.S. were fully reversed during the year. The other existing value adjustment on December 31, 2020 amounting to EUR 493,541.33 on advances towards Borex Service Company Ltd were also fully reversed during the financial year as those advances have been sold for their full value in April 2022 (Note 17).

5 Capital and reserves

5.1 Changes in capital and reserves

	Subscribed capital (EUR)	Share premium account (EUR)	Legal Reserve (EUR)	Profit or loss brought forward (EUR)	Profit or loss for the financial year (EUR)	Total capital and reserves (EUR)
Opening balance as at January 1, 2021	20,288,464.00	239,999,707.03	1,865,148.24	-	12,410,342.72	274,563,661.99
Allocation of the profit of previous financial year	-	-	163,398.16	12,246,944.56	(12,410,342.72)	-
Profit for the financial year	-	-	-	-	21,156,423.77	21,156,423.77
Closing balance as at December 31, 2021	20,288,464.00	239,999,707.03	2,028,546.40	12,246,944.56	21,156,423.77	295,720,085.76

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5 Capital and reserves

5.2 Subscribed capital and share premium account

As at December 31, 2020 and December 31, 2021, the Company's corporate capital amounts to EUR 20,288,464.00 represented by 20,288,464.00 ordinary shares having a par value of EUR 1.00 each and a share premium account attached to the ordinary shares amounting to EUR 239,999,707.03.

5.3 Legal reserve

Under Luxembourg law, 5% of the net profit of the financial year, net of any accumulated losses brought forward, must be allocated to a legal reserve until such reserve equals 10% of the issued subscribed capital. This reserve is not available for dividend distribution.

6 Amounts owed to affiliated undertakings

6.1 Becoming due and payable within one year

As at December 31, 2021, this caption is mainly made of unpaid accrued interest on credit revolving (Note 6.2) of EUR 1,550,189.76 due to the Company's sole shareholder (2020: EUR 2,594,525.92).

6.2 Becoming due and payable after more than one year

This caption is mainly made of a credit revolving facility amounting to EUR 127,124,637.09 (2020: EUR 92,724,606.92) granted by the sole shareholder on December 31, 2021.

The credit revolving facility granted by the sole shareholder cannot exceed EUR 150,000,000.00 (2020: EUR 120,000,000.00) and it shall bear interest of 3% per year. The revolving loan may be repaid in full or in part at any time without prior notice to the option of the Company and can be converted into shares at nominal value following the decision of the Lender at nominal value and without repayment terms.

7 Other creditors

Other creditors are mainly composed by a borrowing loan amounting to EUR 40,000,000.00 from a credit convention signed with CDPQ REVENU FIXE Inc on April 25, 2019 to be reimbursed on April 25, 2024. The loan is bearing an interest of 4.05% which is to be paid on a quarterly basis.

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8 Other external expenses

Details of this caption are as follows:

	Financial year ending at December 31, 2021 (EUR)	Financial year ending at December 31, 2020 (EUR)
Office and equipment rental	11.400,00	10.540,00
Bank fees	6.081,99	5.707,02
Legal fees	632.817,58	82.725,16
Notary fees	3.650,00	935,66
Accounting fees	37.363,75	44.653,75
Audit fees	220.174,58	54.625,00
Tax consultancy fees	318.688,03	44.162,99
Advisory consultancy fees	638.960,00	0,00
Corporate secretarial services fees	24.660,41	14.228,25
Payroll preparation fees	890,95	727,25
Management fees	8.000,00	4.000,00
Consulting fees	16.500,00	0,00
Other fees	125.212,40	15.767,87
Total	2.044.399,69	278.072,95

9 Staff costs

The Company is occupying a part time employee since December 2015.

10 Value adjustments in respect of current assets

In 2021, this caption corresponds to reversals of the value adjustment on cash advances towards Ressources Forestières S.A.S. for EUR 1,709,440.00 and Borex Service Company Limited for EUR 493,541.33 in anticipation of its sale in April 2022 (see note 4).

11 Income from other investments and loans forming part of the fixed assets derived from affiliated undertakings

This caption corresponds mainly to the interest on loans granted to Borex S.A.S. for a global amount of EUR 2,244,120.76 (2020: EUR 1,153,552.48), interest on loans granted to Borex Energie France S.A.S. for an amount of EUR 552,640.46 (2020: EUR 895,605.74), interest on loan granted to Borex Production S.A.S. for an amount of EUR 1,029,344.35 (2020: EUR: 1,460,025.01) and interest on loan granted to Borex Scotland Ltd for an amount of EUR 461,486.31 (2020: EUR: 64,104.43).

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12 Other interest receivable and similar income derived from affiliated undertakings

This caption corresponds mainly to fees for financial guarantee granted to affiliated entities for a global amount of EUR 984,659.14 (2020: 618,688.81), the interest on short term loans granted to Ressources Forestières S.A.S. for an amount of EUR 641,788.69 (2020: EUR 226,721.04) and to Borex GmbH for an amount of EUR 86,320.77 (2020: EUR 174,072.29).

13 Value adjustments in respect of financial assets and of investments held as current assets

This caption corresponds to reversals of the impairments on shares of Borex Development (Scotland) Ltd and Ressources Forestières S.A.S. for respectively EUR 1.18 and EUR 22,503,200.91, and an impairment on shares of HEX S.A.S for an amount of (EUR 3,031,079.00) (Note 3.1).

14 Interest payable and similar expenses

14.1 concerning affiliated undertakings

In the current financial year, this caption is mainly composed of interest charges in relation to the credit revolving facility with the Company's sole shareholder for an amount of EUR 2,872,398.00 (2020: EUR 2,594,525.92).

14.2 other interest and similar expenses

This caption is mainly composed of interest in relation to the loan of CDPQ REVENU FIXE Inc. for an amount of EUR 1,620,000.00 (2020: EUR 1,617,929.44).

15 Related parties

The investments in affiliated undertakings, loans and borrowings are detailed in the notes 3, 4, 6, 10, 11, 12, 13 and 14.

Some short-term loans and cash advances towards affiliated undertakings classified under amounts owed by affiliated undertakings becoming due and payable within one year are given to affiliated undertakings and bear 3.475% of interest p.a. (3.475% p.a. in 2020).

The Company is providing financial guarantees to several of its affiliated undertakings at a rate going from 0.35% to 0.5% p.a. of the amount to be guaranteed. The Company did not grant any advance or loan to its board members.

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16 Off-balance sheet items

Commitments:

The Company is guaranteeing the financing of the supplementary purchase price in respect of some projects conducted by Borex Energie France S.A.S. which is currently being under an arbitration proceeding. The guaranteed amount shall not exceed EUR 6,500,000.00 and based on most recent information should approximate EUR 4,250,000.00.

The Company together with Borex S.A.S is also committed to financially support its indirect subsidiary Borex Sainte Christine on financing operations up to a maximum amount of EUR 3,000,000.00.

The shareholder loan towards Borex Energie France S.A.S. as well as the shares held by the Company and those held by Borex GmbH in this subsidiary are pledged to secure the Intercreditor Agreement between Borex Energie France S.A.S. and financial institutions signed on November 25, 2019.

The shareholder loan towards Borex Production S.A.S. as well as the shares held by the Company and those held by Borex Energy Investment S.A.S. (a subsidiary held by Borex S.A.S.) in Borex Production S.A.S. are pledged to secure the Intercreditor Agreement between Borex Production S.A.S. and financial institutions signed on November 25, 2019.

The loans towards Borex S.A.S, Borex GmbH, HEX S.A.S. Sett Wind Development Limited and Ressources Forestières S.A.S. are pledged in favour of CDPQ REVENU FIXE Inc to secure the borrowing loans described in note 7. The covenants attached to this credit agreement were fulfilled. On April 13, 2022, the pledge in favour of CDPQ REVENU FIXE Inc. was released.

On September 15, 2021, the Company is acting as guarantor in favour of HEX S.A.S. for a maximum amount of EUR 700,000.00 until December 31, 2022 towards ENGIE.

The Company is also providing several financial guarantees to guarantee the execution or financing of operations of some affiliated undertakings for a global amount of EUR 245,094,801.63 (2020: EUR 139,202,920.03).

17 Subsequent events

On January 14, 2022, Borex Europe merged with Borex GmbH, a 100% owned company.

The situation in Ukraine and the sanctions against Russia in 2022 had no negative identified and measured impact at the date of approval of these annual accounts.

As mentioned in note 3.1, shares and loans in the subsidiaries HEX S.A.S., Borex Service Company Ltd, Borex Development (Scotland) Limited, Borex GP Limited were sold for a global amount of EUR 25,170,610.00 during April 2022 to Borex New Markets S.à r.l. as consequence, the Management decided to fully depreciate the value of the shares for the participation in HEX S.A.S for an amount of EUR 3,031,079.00.

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17 Subsequent events (Continued)

At the level of the Company's subsidiary Ressources Forestières S.A.S., there have been some updates regarding the "Moulin du Lohan wind project" which generated the reversal of value adjustments at the level of the shares held in affiliated undertakings (Note 3.1).

As a reminder, on September 16, 2016, the subsidiary completed the acquisition of a portfolio of wind power projects of about 200 MW in France and Scotland, including the 51 MW Moulins du Lohan project in Brittany, France. The building permits had been obtained in 2014 from the Morbihan department administrative authorities (the "Administration") and construction had already begun before the acquisition by the subsidiary.

Project opponents had filed an interim application against the project on April 14, 2017 seeking to halt construction pending a decision of the courts regarding a petition for cancellation of the permits issued by the Préfet of Morbihan. Since then, construction has ceased amidst proceedings on the merits of the case.

On July 7, 2017, the Administrative Tribunal of Rennes cancelled the authorizations for the Moulins du Lohan project based on its subjective risk assessment of landscape damage to the interests protected under the Environmental Code. The subsidiary appealed the decision. The Administrative Court of Nantes ruled in favour of the subsidiary on March 5, 2019. In May 2019, the Société pour la protection des paysages et de l'esthétique de la France filed an appeal in cassation of these rulings of the Administrative Appeal Court of Nantes. In its judgment issued on April 15, 2021, the Conseil d'Etat made the decision, which is final and without appeal, to validate all the authorizations required for the project and whose validity were initially challenged by the plaintiffs. The project had been selected under an RFP issued by the French Energy and Regulation Commission and is covered by a 20-year Feed-in Premium agreement. The 65 MW project has been included in the Projects under construction or ready-to-build phase of the Growth Path following approval from the Board of Directors. Its commissioning is scheduled for the first half of 2023.

On February 10, 2022 the sole shareholder increased the capital by EUR 1 via the creation of new category of traceable shares as determined and approved by the Board of Managers of the Company.

On April 29, 2022 the subscribed capital was increased by EGM for an amount of EUR 8,695,056 by the sole shareholder by the issuance of 8,695,056 preferred shares with a nominal value of EUR 1. Those capital operations generated new distributable share premium for an amount of EUR 491,190,946.

There are no other significant subsequent events to mention.

Borex Europe
Société à responsabilité limitée
39, Avenue John F. Kennedy, L-1855 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg: B150284
(the “**Company**”)

ALLOCATION OF RESULT

By decisions taken on 29 July 2022, the shareholders of the Company followed the recommendation of the board of managers of the Company and approved to allocate the results for the financial year ended 31 December 2021 (the “**Financial Year**”), as follows:

Result brought forward from the previous financial years	EUR 12,410,342.72
Result for the Financial Year	EUR 21,156,423.77
Result to be carried forward to the next financial year	EUR 33,403,368.33

LIST OF MANAGERS OF THE COMPANY

- M. Julien Dugenetay, residing at 18 rue du Général Mouton Duverne Sky 56 43858-69487 Lyon Cedex 03, France, class A manager of the Company;
- M. Fernand Ernest Thomas Grulms, residing at 2 rue Nicolas Flehner, 8228 Mamer, Luxembourg, class B manager of the Company;
- M. Yann Romain Guy Masset, residing at 5 Paradeplatz, 8001 Zurich, Switzerland, class B manager of the Company;
- M. Emmanuel Réveillaud, residing at 20 avenue Marie-Thérèse, 2132, Luxembourg, Luxembourg, class A manager of the Company;
- M. Nicolas Wolff, residing at 21, avenue Georges Pompidou, 69486 Lyon, France, class A manager of the Company; and
- M. Luc Leroi, residing at 37, rue de l'Ecole, 8128 Bridel, Luxembourg, class A manager of the Company.