



Tel.: +45 39 15 52 00  
koebenhavn@bdo.dk  
www.bdo.dk

BDO Statsautoriseret revisionsaktieselskab  
Havneholmen 29  
DK-1561 København V  
CVR no. 20 22 26 70

**KINECT ENERGY DENMARK A/S**  
**STRØMMEN 6, 9400 NØRRESUNDBY**  
**ANNUAL REPORT**  
**1 JANUARY - 31 DECEMBER 2020**

**The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 12 July 2021**

---

**Terence Patrick Cogan**

**CONTENTS**

	<b>Page</b>
<b>Company Details</b>	
Company Details.....	3
<b>Statement and Report</b>	
Statement by the Board of Directors and Board of Executives.....	4
Independent Auditor's Report.....	5-6
<b>Management's Review</b>	
Management's Review .....	7
<b>Financial Statements 1 January - 31 December</b>	
Income Statement.....	8
Balance Sheet.....	9-10
Equity.....	11
Notes.....	12
Accounting Policies.....	13-14

**COMPANY DETAILS**

<b>Company</b>	Kinect Energy Denmark A/S Strømmen 6 9400 Nørresundby  CVR No.: 25 14 57 04 Established: 5 December 1999 Registered Office: Aalborg Financial Year: 1 January - 31 December
<b>Board of Directors</b>	Paul Thomas Vian, chairman Terence Patrick Cogan Michael Joseph Crosby
<b>Executive Board</b>	Terence Patrick Cogan
<b>Auditor</b>	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V

## STATEMENT BY THE BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Kinect Energy Denmark A/S for the financial year 1 January - 31 December 2020.

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

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020.

Management's Review includes, in our opinion, a fair presentation of the matters dealt with in the Review.

We recommend the Annual Report be approved at the Annual General Meeting.

Aalborg, 12 July 2021

Executive Board

---

Terence Patrick Cogan

Board of Directors

---

Paul Thomas Vian  
Chairman

---

Terence Patrick Cogan

---

Michael Joseph Crosby

## INDEPENDENT AUDITOR'S REPORT

### To the Shareholders of Kinect Energy Denmark A/S

#### Opinion

We have audited the Financial Statements of Kinect Energy Denmark A/S for the financial year 1 January - 31 December 2020, which comprise income statement, Balance Sheet, statement of changes in equity, notes and a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at **31 December 2020** and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

#### Management's Responsibilities for the Financial Statements

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

In preparing the Financial Statements, Management is responsible for assessing the 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 in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

## INDEPENDENT AUDITOR'S REPORT

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

### Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 12 July 2021

BDO Statsautoriseret revisionsaktieselskab  
CVR no. 20 22 26 70

Iben Larsen  
State Authorised Public Accountant  
MNE no. mne34474

## **MANAGEMENT'S REVIEW**

### **Principal activities**

The objectives of the Company are to provide consultancy services within the energy sector regarding physical supplies, market analysis, renewable energy and related activities.

### **Significant events after the end of the financial year**

No significant events after year end.

## INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2020 DKK	2019 DKK
<b>GROSS PROFIT</b> .....		<b>3.923.485</b>	<b>2.423.086</b>
Staff costs.....	1	-2.116.746	-2.347.294
<b>OPERATING PROFIT</b> .....		<b>1.806.739</b>	<b>75.792</b>
Other financial income.....		2.779	496
Other financial expenses.....	2	-541.408	-81.986
<b>PROFIT BEFORE TAX</b> .....		<b>1.268.110</b>	<b>-5.698</b>
Tax on profit/loss for the year.....	3	-279.472	124.921
<b>PROFIT FOR THE YEAR</b> .....		<b>988.638</b>	<b>119.223</b>
<b>PROFIT ATTRIBUTED TO THE OWNERS OF THE COMPANY</b>			
Retained earnings.....		988.638	119.223
<b>TOTAL</b> .....		<b>988.638</b>	<b>119.223</b>



## BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2020 DKK	2019 DKK
Rent deposit and other receivables.....		67.790	66.684
<b>Financial non-current assets.....</b>		<b>67.790</b>	<b>66.684</b>
<b>NON-CURRENT ASSETS.....</b>		<b>67.790</b>	<b>66.684</b>
Trade receivables.....		8.361.879	11.966.129
Deferred tax assets.....		0	68.474
Other receivables.....	4	32.153.810	13.458.200
Joint tax contribution receivable.....		0	22.949
Prepayments and accrued income.....		41.692	2.099
<b>Receivables.....</b>		<b>40.557.381</b>	<b>25.517.851</b>
<b>Cash and cash equivalents.....</b>		<b>22.012.984</b>	<b>6.789.149</b>
<b>CURRENT ASSETS.....</b>		<b>62.570.365</b>	<b>32.307.000</b>
<b>ASSETS.....</b>		<b>62.638.155</b>	<b>32.373.684</b>

## BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2020 DKK	2019 DKK
Share capital.....		502.000	502.000
Retained earnings.....		6.556.214	5.567.576
<b>EQUITY.....</b>		<b>7.058.214</b>	<b>6.069.576</b>
Other liabilities.....		249.499	75.247
<b>Non-current liabilities.....</b>	<b>5</b>	<b>249.499</b>	<b>75.247</b>
Prepayments received from customers.....		17.631.209	8.025.072
Trade payables.....		390.700	1.120.439
Payables to group enterprises.....		35.630.549	13.311.786
Corporation tax.....		61.720	0
Other liabilities.....		1.616.264	3.771.564
<b>Current liabilities.....</b>		<b>55.330.442</b>	<b>26.228.861</b>
<b>LIABILITIES.....</b>		<b>55.579.941</b>	<b>26.304.108</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>62.638.155</b>	<b>32.373.684</b>
 Contingencies etc.	 6		

## EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2020.....	502.000	5.567.576	6.069.576
Proposed profit allocation.....		988.638	988.638
Equity at 31 December 2020.....	502.000	6.556.214	7.058.214

## NOTES

	2020 DKK	2019 DKK	Note	
<b>Staff costs</b>			<b>1</b>	
Average number of employees	3	3		
Wages and salaries.....	1.764.557	2.002.665		
Pensions.....	332.400	331.000		
Social security costs.....	19.789	13.629		
	<b>2.116.746</b>	<b>2.347.294</b>		
<b>Other financial expenses</b>			<b>2</b>	
Group enterprises.....	400.318	0		
Other financial expenses.....	141.090	81.986		
	<b>541.408</b>	<b>81.986</b>		
<b>Tax on profit/loss for the year</b>			<b>3</b>	
Calculated tax on taxable loss for the year.....	210.998	-22.949		
Adjustment of tax in previous years.....	0	-124.969		
Adjustment of deferred tax.....	68.474	22.997		
	<b>279.472</b>	<b>-124.921</b>		
<b>Other receivables</b>			<b>4</b>	
Included in other receivables of kr. 32,154k, a total of kr. 13,244k transferred as collateral to creditors, is expected to mature greater than one year after the balance sheet date, with the amount being released only in accordance with the specific contractual agreements with the individual business partners.				
<b>Long-term liabilities</b>			<b>5</b>	
	31/12 2020 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2019 total liabilities
Other liabilities.....	249.499	0	0	75.247
	<b>249.499</b>	<b>0</b>	<b>0</b>	<b>75.247</b>
<b>Contingencies etc.</b>				<b>6</b>
<b>Joint liabilities</b>	The Company is jointly and severally liable together with WFS's Group's and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.			
Tax payable on the Group's joint taxable income is stated in the annual report of WFS DANISH HOLDING COMPANY I ApS, which serves as management company for the joint taxation.				

## ACCOUNTING POLICIES

The Annual Report of Kinect Energy Denmark A/S for 2020 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting policies applied last year.

## INCOME STATEMENT

### Net revenue

Net revenue from the sale of services is recognised in the income statement when the significant risks and rewards of ownership have transferred to the purchaser and the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

### Cost of sales

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security for the Company's employees.

### Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operating lease expenses, etc.

### Staff costs

Staff costs comprise wages and salaries, including holiday pay, pensions, and other costs for social security, etc., for the Company's employees. Repayments from public authorities are deducted from staff costs.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year.

### Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the results for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

## ACCOUNTING POLICIES

### BALANCE SHEET

#### **Fixed asset investments**

Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

#### **Receivables**

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

#### **Accruals, assets**

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash and short term securities, which are readily convertible into cash and subject to only minor risks of changes in value.

#### **Tax payable and deferred tax**

Current tax liabilities and receivables are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years, and taxes paid on account.

The Company is jointly taxed with Danish subsidiaries where ownership is above 50 % in the Group. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the balance sheet under current assets and liabilities, respectively.

Deferred income tax is measured using the balance sheet liability method in respect to temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

#### **Liabilities**

Current liabilities are measured at net realisable value.