

**Momentum Gruppen A/S**  
**Københavnsvej 81, 4000 Roskilde**

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**Annual report**  
**2021**

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**Company reg. no. 28 88 84 30**

The annual report was submitted and approved by the general meeting on the 29 June 2022.

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**Kim Madsen**  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## **Management's statement**

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Today, the Board of Directors and the Managing Director have approved the annual report of Momentum Gruppen A/S for the financial year 2021.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Roskilde, 29 June 2022

### **Managing Director**

Kim Madsen

### **Board of directors**

Michael Shalmi

Annemette Heller

Kim Madsen

## Independent auditor's report

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### To the Shareholders of Momentum Gruppen A/S

#### Opinion

We have audited the financial statements of Momentum Gruppen A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021, and of the results of the Company's operations for the financial year 1 January - 31 December 2021 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

Without modifying our opinion, we draw attention to note 2 to the Financial Statements describing the uncertainty relating to measurement of receivables from group enterprises and work in progress.

#### 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.

## Independent auditor's report

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### 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.
- 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.

## Independent auditor's report

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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 Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 29 June 2022

### Martinsen

State Authorised Public Accountants  
Company reg. no. 32 28 52 01

Leif Tomasson  
State Authorised Public Accountant  
mne25346

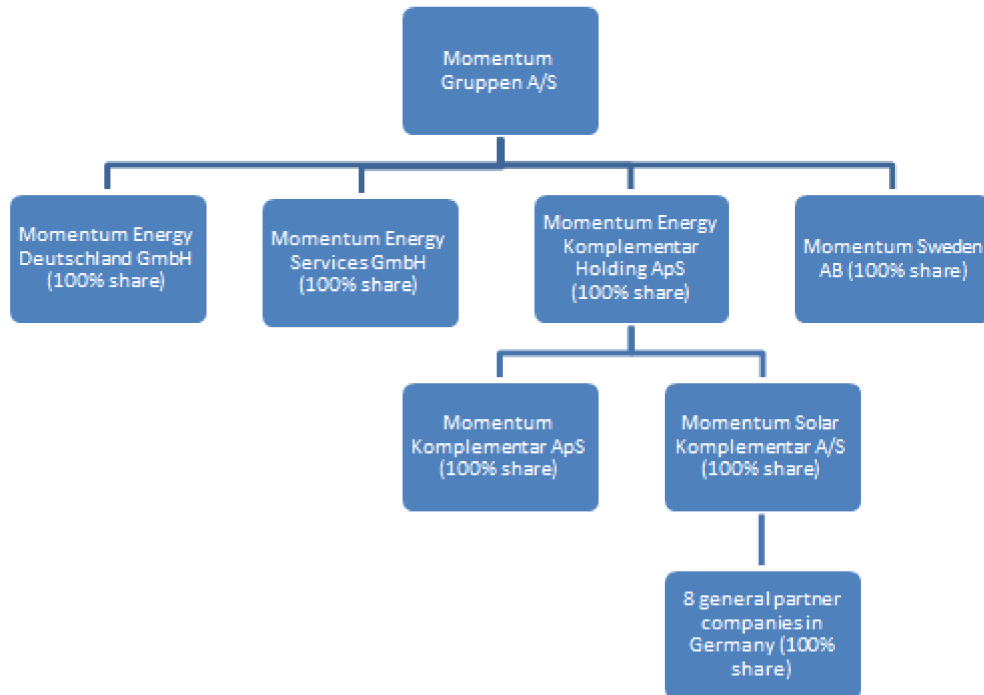
Lars Greve Jensen  
State Authorised Public Accountant  
mne32199

## Company information

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<b>The company</b>	Momentum Gruppen A/S Københavnsvej 81 4000 Roskilde
	Company reg. no. 28 88 84 30 Established: 7 July 2005 Domicile: Roskilde Financial year: 1 January - 31 December 16th financial year
<b>Board of directors</b>	Michael Shalmi Annemette Heller Kim Madsen
<b>Managing Director</b>	Kim Madsen
<b>Auditors</b>	Martinsen Statsautoriseret Revisionspartnerselskab Øster Allé 42 2100 København Ø
<b>Parent company</b>	Momentum Energy Group A/S
<b>Subsidiaries</b>	Momentum Energy Deutschland GmbH, Berlin, Tyskland Momentum Energy Services GmbH, Berlin, Tyskland Momentum Energy Komplementar Holding ApS, Roskilde Momentum Energy Sweden AB, Sverige

## Financial highlights



### Key figures in DKK

	2021	2020	2019
Gross profit	13.592.291	21.924.209	17.340.426
EBITDA	-1.667.580	5.851.315	4.019.136
Pre-tax net profit or loss	-5.692.142	1.976.492	3.293.790
Net profit or loss for the year	-3.460.842	1.131.420	2.848.326
Cash flows from operating activities	2.224.519	-6.501.999	13.023.897
Total current assets	15.956.180	19.661.110	13.019.961
Total liabilities	16.527.185	16.538.842	19.344.261
Equity	3.264.238	7.601.492	8.195.176
Average number of employees	22	23	20
Value of assets under management	7.440.000.000	6.779.500.000	6.669.000.000



## Management´s review

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### The principal activities of the company

Development, dissemination and administration of activities within green energy - primarily within solar and wind energy.

### Going concern

The financial statements show a loss of DKK 3,460,842 and an equity of DKK 3,264,238.

The Parent Company Momentum Energy Group A/S has in 2022 granted a group subsidy of DKK 5,000,000, whereafter the company's continued operations are secured.

On this basis the annual report has been prepared on the assumption of going concern, as stated in note 1.

### Uncertainties as to recognition or measurement

Regarding the subsidiaries the result in 2021 is a loss. As it is assessment that the subsidiaries will have a profit in 2022, the loss from 2021 have not been offset against the recevables.

The receivables from group enterprises has been recognized as an current asset. Based on the financial status of the subsidiaries, there is uncertainty as to whether payments will be received within the next 12 months.

Regarding the project "SEC Companies", there is uncertainty about payment of the due fees from the clients, as this is depending on successful sale of the clients assets. The clients have received a non-binding offer in May 2022. Closing is expected to be later in 2022.

As stated in note 2, it is the management anticipation that the project will be completed and fully remunerated.

### Development in activities and financial matters

The gross profit for the year totals DKK 13,6m against DKK 21,9m last year. Income or loss from ordinary activities after tax totals DKK -3,5m against DKK 1,1m last year. Management considers the net profit or loss for the year satisfactory.

### Own shares

The enterprise' holding of own shares as per. January 1, 2021 was 5,828 shares of DKK 10 each, corresponding to 1,1 % of the contributed capital.

During the year, the enterprise acquired 3,930 own shares of DKK 10 each. The purchase price represents DKK 500,000. The reason for the purchase was that the previous owner of the shares is no longer employed by the company.

## **Management´s review**

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During the year, the enterprise has disposed of 9,758 own shares of DKK 10 each. The selling price were DKK 1,623,589.

The enterprise's holding of own shares is therefore 0 shares as per. 31 December 2021.

## Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Gross profit</b>	<b>13.592.291</b>	<b>21.924.209</b>
3 Staff costs	-15.259.871	-16.072.894
Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	<u>-2.497.223</u>	<u>-1.727.096</u>
<b>Operating profit</b>	<b>-4.164.803</b>	<b>4.124.219</b>
4 Income from investments in subsidiaries	-1.695.215	-1.836.060
Other financial income from subsidiaries	473.511	223.968
5 Other financial income	190.181	33.150
6 Other financial expenses	<u>-495.816</u>	<u>-568.785</u>
<b>Pre-tax net profit or loss</b>	<b>-5.692.142</b>	<b>1.976.492</b>
7 Tax on ordinary results	<u>2.231.300</u>	<u>-845.072</u>
<b>Net profit or loss for the year</b>	<b><u>-3.460.842</u></b>	<b><u>1.131.420</u></b>
<b>Proposed appropriation of net profit:</b>		
Reserves for net revaluation according to the equity method	0	-947.669
Dividend for the financial year	0	2.000.000
Transferred to retained earnings	0	79.089
Allocated from retained earnings	<u>-3.460.842</u>	<u>0</u>
<b>Total allocations and transfers</b>	<b><u>-3.460.842</u></b>	<b><u>1.131.420</u></b>

**Balance sheet at 31 December**

All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Non-current assets</b>		
8 Software	625.598	0
9 Rights to administration agreements	2.486.979	5.251.173
Total intangible assets	<u>3.112.577</u>	<u>5.251.173</u>
10 Other fixtures and fittings, tools and equipment	562.518	691.146
Total property, plant, and equipment	<u>562.518</u>	<u>691.146</u>
11 Equity investments in group enterprises	137.126	38.009
12 Deposits	23.022	22.719
Total investments	<u>160.148</u>	<u>60.728</u>
<b>Total non-current assets</b>	<b><u>3.835.243</u></b>	<b><u>6.003.047</u></b>
<b>Current assets</b>		
Trade receivables	3.167.798	2.148.197
13 Contract work in progress	2.166.075	5.274.942
Receivables from group enterprises	8.528.584	10.649.813
Deferred tax	262.000	0
Tax receivables from subsidiaries	1.609.300	0
Other debtors	52.580	104.244
Prepayments	76.125	214.724
Total receivables	<u>15.862.462</u>	<u>18.391.920</u>
Cash and cash equivalents	<u>93.718</u>	<u>1.269.190</u>
<b>Total current assets</b>	<b><u>15.956.180</u></b>	<b><u>19.661.110</u></b>
<b>Total assets</b>	<b><u>19.791.423</u></b>	<b><u>25.664.157</u></b>

**Balance sheet at 31 December**

All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Contributed capital	5.500.000	5.500.000
Results brought forward	-2.235.762	101.492
Proposed dividend for the financial year	0	2.000.000
<b>Total equity</b>	<b><u>3.264.238</u></b>	<b><u>7.601.492</u></b>
<b>Provisions</b>		
Provisions for deferred tax	0	360.000
<b>Total provisions</b>	<b><u>0</u></b>	<b><u>360.000</u></b>
<b>Liabilities other than provisions</b>		
Bank debts	0	298.499
14 Other payables	1.164.771	1.163.823
Total long term liabilities other than provisions	<u>1.164.771</u>	<u>1.462.322</u>
Current portion of long term liabilities	0	540.000
Bank debts	7.704.280	8.911.423
Prepayments received from customers	0	132.877
13 Prepayments received from customers concerning work in progress for the account of others	75.943	0
Trade creditors	378.944	620.364
Payables to group enterprises	128.944	896.606
Income tax payable to subsidiaries	0	575.072
Other debts	7.074.303	4.105.761
Deferred income	0	458.240
Total short term liabilities other than provisions	<u>15.362.414</u>	<u>16.240.343</u>
<b>Total liabilities other than provisions</b>	<b><u>16.527.185</u></b>	<b><u>17.702.665</u></b>
<b>Total equity and liabilities</b>	<b><u>19.791.423</u></b>	<b><u>25.664.157</u></b>

**Balance sheet 31 December**

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All amounts in DKK.

<b>Equity and liabilities</b>		
<u>Note</u>	<u>2021</u>	<u>2020</u>
1		
2		
15		
16		
17		

## Statement of changes in equity

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All amounts in DKK.

	Contributed capital	Reserve for net revalua-tion according to the eq-uity method	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2020	5.500.000	947.669	47.507	1.700.000	8.195.176
Distributed dividend	0	0	0	-1.700.000	-1.700.000
Share of results	0	-947.669	79.089	2.000.000	1.131.420
Purchase of own shares	0	0	-1.125.000	0	-1.125.000
Sale of own shares	0	0	1.099.896	0	1.099.896
Equity 1 January 2021	5.500.000	0	101.492	2.000.000	7.601.492
Distributed dividend	0	0	0	-2.000.000	-2.000.000
Share of results	0	0	-3.460.842	0	-3.460.842
Purchase of own shares	0	0	-500.000	0	-500.000
Sale of own shares	0	0	1.623.588	0	1.623.588
	<b>5.500.000</b>	<b>0</b>	<b>-2.235.762</b>	<b>0</b>	<b>3.264.238</b>

## Notes

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All amounts in DKK.

### 1. Uncertainties concerning the enterprise's ability to continue as a going concern

The financial statements show a loss of DKK 3,460,842 and an equity of DKK 3,264,238.

The Parent Company Momentum Energy Group A/S has in 2022 granted a group subsidy of DKK 5,000,000, whereafter the company's continued operations are secured.

On this basis the annual report has been prepared on the assumption of going concern.

### 2. Uncertainties concerning recognition and measurement

Regarding the project "SEC Companies", there is uncertainty about payment of the due fees from the clients, as this is depending on successful sale of the clients assets. The clients have received a non-binding offer in May 2022. Closing is expected to be later in 2022 and it is the management anticipation that the project will be completed and fully remunerated.

Regarding the subsidiaries the result in 2021 is a loss. As it is assessment that the subsidiaries will have a profit in 2022, the loss from 2021 have not been offset against the receivables.

The receivables from group enterprises has been recognized as an current asset. Based on the financial status of the subsidiaries, there is uncertainty as to whether payment will be received within the next 12 months.

	<u>2021</u>	<u>2020</u>
<b>3. Staff costs</b>		
Salaries and wages	13.973.701	14.877.586
Pension costs	1.085.600	1.021.193
Other costs for social security	<u>200.570</u>	<u>174.115</u>
	<b><u>15.259.871</u></b>	<b><u>16.072.894</u></b>
Average number of employees	<u>22</u>	<u>23</u>



## Notes

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All amounts in DKK.

	<u>2021</u>	<u>2020</u>
<b>4. Income from investments in subsidiaries</b>		
Momentum Energy Services GmbH	-751.659	0
Momentum Administration ApS	0	75.812
Momentum Komplementar ApS	0	25.147
Momentum Komplementär GmbH	0	-185.911
Momentum Energy Sweden AB	-948.569	-967.480
Momentum Solar Komplementar A/S	0	-19.523
Momentum Energy Komplementar Holding ApS	5.013	-764.105
	<u>-1.695.215</u>	<u>-1.836.060</u>
<b>5. Other financial income</b>		
Proceeds from liquidation, Momentum Komplementär GmbH	79.262	0
Exchange differences	75.436	0
Dividend, treasury shares	35.483	33.150
	<u>190.181</u>	<u>33.150</u>
<b>6. Other financial expenses</b>		
Financial costs, group enterprises	0	15.531
Other financial costs	495.816	553.254
	<u>495.816</u>	<u>568.785</u>
<b>7. Tax on ordinary results</b>		
Tax of the results for the year	-1.609.300	575.072
Adjustment for the year of deferred tax	-622.000	270.000
	<u>-2.231.300</u>	<u>845.072</u>

## Notes

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All amounts in DKK.

### 8. Software

Additions during the year	230.000	0
Transfers	523.248	0
<b>Cost 31 December</b>	<b>753.248</b>	<b>0</b>
Amortisation for the year	-127.650	0
<b>Amortisation and writedown 31 December</b>	<b>-127.650</b>	<b>0</b>
<b>Carrying amount, 31 December</b>	<b>625.598</b>	<b>0</b>

### 9. Rights to administration agreements

Cost 1 January	12.443.153	11.919.906
Additions during the year	0	523.248
Disposals during the year	-1.320.950	0
Transfers	-523.248	0
<b>Cost 31 December</b>	<b>10.598.955</b>	<b>12.443.154</b>
Amortisation and writedown 1 January	-7.191.981	-5.593.511
Amortisation for the year	-1.598.470	-1.598.470
Reversal of depreciation, amortisation and writedown, assets disposed of	678.475	0
<b>Amortisation and writedown 31 December</b>	<b>-8.111.976</b>	<b>-7.191.981</b>
<b>Carrying amount, 31 December</b>	<b>2.486.979</b>	<b>5.251.173</b>

### 10. Other fixtures and fittings, tools and equipment

Cost 1 January	843.128	843.128
<b>Cost 31 December</b>	<b>843.128</b>	<b>843.128</b>
Depreciation and writedown 1 January	-151.982	-23.356
Depreciation for the year	-128.628	-128.626
<b>Depreciation and writedown 31 December</b>	<b>-280.610</b>	<b>-151.982</b>
<b>Carrying amount, 31 December</b>	<b>562.518</b>	<b>691.146</b>

## Notes

All amounts in DKK.

	<u>31/12 2021</u>	<u>31/12 2020</u>
<b>11. Equity investments in group enterprises</b>		
Acquisition sum, opening balance 1 January	1.058.248	6.867.485
Additions during the year	1.799.345	168.594
Disposals during the year	<u>-230.458</u>	<u>-5.977.831</u>
<b>Cost 31 December</b>	<b><u>2.627.135</u></b>	<b><u>1.058.248</u></b>
Revaluations, opening balance 1 January	-1.615.750	947.669
Results for the year before goodwill amortisation	-1.695.215	-1.836.061
Reversals for the year concerning disposals	230.458	3.500.267
Dividend	<u>0</u>	<u>-4.227.625</u>
<b>Revaluation 31 December</b>	<b><u>-3.080.507</u></b>	<b><u>-1.615.750</u></b>
Offsetting against receivables	<u>590.498</u>	<u>595.511</u>
<b>Set off against receivables</b>	<b><u>590.498</u></b>	<b><u>595.511</u></b>
<b>Carrying amount, 31 December</b>	<b><u>137.126</u></b>	<b><u>38.009</u></b>

### Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	Equity	Results for the year	Carrying amount, Momentum Gruppen A/S
Momentum Energy Deutschland GmbH, Berlin, Tyskland	100 %	-2.493.670	77.048	0
Momentum Energy Services GmbH, Berlin, Tyskland	100 %	-3.727.875	-2.755.694	0
Momentum Energy Komplementar Holding ApS, Roskilde	100 %	-590.498	5.013	0
Momentum Energy Sweden AB, Sverige	100 %	<u>137.124</u>	<u>-948.569</u>	<u>137.124</u>
		<b><u>-6.674.919</u></b>	<b><u>-3.622.202</u></b>	<b><u>137.124</u></b>

## Notes

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All amounts in DKK.

	<u>31/12 2021</u>	<u>31/12 2020</u>
<b>12. Deposits</b>		
Cost 1 January	22.719	22.719
Additions during the year	<u>303</u>	<u>0</u>
<b>Cost 31 December</b>	<u><b>23.022</b></u>	<u><b>22.719</b></u>
<b>Book value 31 December</b>	<u><b>23.022</b></u>	<u><b>22.719</b></u>
<b>13. Contract work in progress</b>		
Sales value of the production of the period	<u>2.090.132</u>	<u>5.274.942</u>
<b>Contract work in progress, net</b>	<u><b>2.090.132</b></u>	<u><b>5.274.942</b></u>
The following is recognised:		
Work in progress for the account of others (current assets)	2.166.075	5.274.942
Work in progress for the account of others (prepayments received)	<u>-75.943</u>	<u>0</u>
	<u><b>2.090.132</b></u>	<u><b>5.274.942</b></u>
<b>14. Other payables</b>		
Frozen holiday pay obligation, salaried staff	<u>1.164.771</u>	<u>1.163.823</u>
	<u><b>1.164.771</b></u>	<u><b>1.163.823</b></u>
Share of liabilities due after 5 years	<u>1.164.771</u>	<u>1.163.823</u>

## Notes

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All amounts in DKK.

### 15. Charges and security

For bank debts, DKK 7,704k, the company has provided security (priority 1) in company assets representing a nominal value of DKK 5,000k. This security comprises the below assets, stating the book values:

Intangible assets	DKK 3.112.577
Receivable from sales and services	DKK 3.167.798
Inventory	DKK 0

### 16. Contingencies

#### Contingent liabilities

Recourse guarantee commitments

The company has provided guarantees for the bank debts of the group enterprises. On 31 December 2021 the total bank debts of the group enterprises were DKK 22,775k.

In case the group enterprise Momentum Energy Komplementar Holding ApS suspends its payment, is in liquidation, or in any other way is incapable of managing its own affairs, the company has issued a letter of subordination vis-a-vis other creditors of Momentum Energy Komplementar Holding ApS and guaranteed that the receivable shall at no time be brought below an amount corresponding to any negative equity in Momentum Energy Komplementar Holding ApS.

#### Joint taxation

AEIF2 DK HoldCo ApS, company reg. no 42 85 59 28 being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

The jointly taxed enterprises' total, known net liability to the Danish tax authorities appears from the annual accounts of the administration company.

### 17. Related parties

#### Consolidated financial statements

The company is included in the consolidated financial statements of Momentum Energy Group A/S, Københavnvej 81, 4000 Roskilde.

## Accounting policies

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The annual report for Momentum Gruppen A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

### Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

## Income statement

### Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

## Accounting policies

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This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

### Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

### Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

### Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

### Results from investments in subsidiaries

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the investment in the individual subsidiaries are recognised in the income statement as a proportional share of the subsidiaries' post-tax profit or loss.

### Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

## Accounting policies

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### The balance sheet

#### Intangible assets

##### Rights to administration agreements

Activated rights to administration agreements are measured at cost less accumulated depreciation or at recoverable amount, whichever is lower. The depreciation period does not exceed 20 years.

##### Software

Software is measured at cost less accumulated amortization and impairment losses. Software is depreciated on a straight-line basis over 5 years.

##### Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

Acquired art is not depreciated as the scrap value is expected to correspond to the cost price.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.



## Accounting policies

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### Financial fixed assets

#### Investments in subsidiaries

Investments in subsidiaries are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in subsidiaries are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Investments in subsidiaries with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover a negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in subsidiaries transferred to the reserve under equity for net revaluation according to the equity method. Dividends from subsidiaries expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in subsidiaries.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

#### Deposits

Deposits are measured at amortised cost and represent rent deposits, etc.

#### Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

## Accounting policies

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### Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual work in progress. The stage of completion is calculated as the share of costs incurred in proportion to the estimated total costs of the individual work in progress.

When the selling price of the individual work in progress can not be determined reliably, the selling price is measured at the costs incurred or at net realisable value, if this is lower.

The individual work in progress is recognised in the statement of financial position under accounts receivables or liabilities. Net assets consist of the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the work in progress, where invoicing on account exceeds the selling price.

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

### Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

### Equity

#### Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

### Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

## **Accounting policies**

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According to the rules of joint taxation, Momentum Gruppen A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

### **Liabilities other than provisions**

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

### **Accrued expenses and deferred income**

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.