Deloitte.

Deloitte
Statsautoriseret
Revisionspartnerselskab
CVR-nr. 33963556
Egtved Allé 4
6000 Kolding

Phone 75 53 00 00
Fax 75 53 00 38
www.deloitte.dk

Kaiserwetter Solar Invest ApS

Kronprinsensgade 1, 3.
1114 Copenhagen K
Central Business Registration No 29936595

Annual report 2019

The Annual General Meeting adopted the annual report on 08.07.2020

Chairman of the General Meeting

Name: Hanno Emmanuel Schoklitsch

Contents

Entity details

Entity
Kaiserwetter Solar Invest ApS
Kronprinsensgade 1, 3.
1114 Copenhagen K

Central Business Registration No (CVR): 29936595
Registered in: Copenhagen
Financial year: 01.01.2019 - 31.12.2019

Executive Board
Hanno Emmanuel Schoklitsch

Auditors
Deloitte Statsautoriseret Revisionspartnerselskab
Egtved Allé 4
6000 Kolding

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of Kaiserwetter Solar Invest ApS for the financial year 01.01.2019 - 31.12.2019.

The annual report is presented in accordance with the Danish Financial Statements Act.

In my opinion, the consolidated financial statements and parent financial statements give a true and fair view of the Group’s and the Parent’s financial position at 31.12.2019 and of the results of their operations as well as the consolidated cash flows for the financial year 01.01.2019 - 31.12.2019.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 08.07.2020

Executive Board

Hanno Emmanuel Schoklitsch

Independent auditor's report

To the shareholders of Kaiserwetter Solar Invest ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Kaiserwetter Solar Invest ApS for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2018, and of the results of their operations and the consolidated cash flows for the financial year 01.01.2018 - 31.12.2018 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 consolidated financial statements and the parent financial statements section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board of 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the parent's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Parent or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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

Independent auditor's report

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 consolidated financial statements and parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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 Group’s and the Parent’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 consolidated financial statements and the parent 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 Group's and the Parent’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 consolidated financial statements and the parent 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 Group and the Parent to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Independent auditor's report

Statement on the management commentary
Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent 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 the management commentary.

Kolding, 08.07.2020

Deloitte
Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Lars Ørum Nielsen
State Authorised Public Accountant
Identification No (MNE) mne26771

Management commentary

Primary activities

The Group’s primary activities is to develop, sell and own solar parks. In 2019, the activity has included the operation of 3 company-owned solar parks in Germany and one company-owned solar park in Spain - solar park Andujar- which has been sold in October 2019.

Development in activities and finances

Kaiserwetter Solar Invest ApS has realized a profit in 2019 of EUR 10.321k for the group and a profit of EUR 8.813k for the parent. As at 31.12.2019 the equity amounts to EUR 12.965k for the group and EUR 10.021 for the parent. The result of the year meets the expectations of Management considering the following extraordinary impact:

- The parent company has divested 2 spanish subsidiaries (Solar Park Andujar) in 2019, which positively affects the gross profit by 6.263k EUR.
- Profit from associates is positively impacted by 5.038k EUR, due to the partial reversal of previous depreciations, following the sale of solar plants in the company in early 2020.

The management expects that the outbreak of COVID-19 in 2020 will not have any material negative effect on the Groups financial performance in 2020.

Events after the balance sheet date

No events have occurred to this date, which would influence the evaluation of this annual report.

Consolidated income statement for 2019

	Notes	2019 EUR	2018 EUR
Gross profit		**8.683.896**	**3.581.631**
Depreciation, amortisation and impairment losses	1	(1.714.358)	(2.234.712)
Operating profit/loss		**6.969.538**	**1.346.919**
Income from investments in associates		5.049.877	30.481
Other financial income	2	10.539	5.033
Other financial expenses	3	(1.265.650)	(919.074)
Profit/loss before tax		**10.764.304**	**463.359**
Tax on profit/loss for the year	4	(443.457)	(226.373)
Profit/loss for the year		**10.320.847**	**236.986**
Proposed distribution of profit/loss			
Ordinary dividend for the financial year		4.500.000	250.000
Extraordinary dividend distributed in the financial year		4.000.000	800.000
Retained earnings		1.636.177	(1.018.531)
Minority interests' share of profit/loss		184.670	205.517
		10.320.847	**236.986**

Consolidated balance sheet at 31.12.2019

	Notes	2019 EUR	2018 EUR
Goodwill		0	0
Intangible assets	5	**0**	**0**
Land and buildings		1.236.000	1.236.000
Plant and machinery		11.327.655	23.598.341
Property, plant and equipment	6	**12.563.655**	**24.834.341**
Receivables from group enterprises		0	327.808
Investments in associates		5.012.994	70.286
Deposits		7.124	0
Fixed asset investments	7	**5.020.118**	**398.094**
Fixed assets		**17.583.773**	**25.232.435**
Trade receivables		87.300	458.809
Receivables from group enterprises		321.700	678
Receivables from associates		96.895	0
Other receivables		79.756	171.219
Income tax receivable		5.793	135
Prepayments	9	114.670	133.715
Receivables		**706.114**	**764.556**
Cash		**4.029.504**	**4.277.108**
Current assets		**4.735.618**	**5.041.664**
Assets		**22.319.391**	**30.274.099**

Consolidated balance sheet at 31.12.2019

	Notes	2019 EUR	2018 EUR
Contributed capital		78.700	78.700
Retained earnings		6.667.652	5.031.475
Proposed dividend		4.500.000	250.000
Equity attributable to the Parent's owners		**11.246.352**	**5.360.175**
Share of equity attributable to minority interests		**1.718.655**	**1.764.987**
Equity		**12.965.007**	**7.125.162**
Deferred tax	10	15.000	0
Other provisions	11	289.385	313.504
Provisions		**304.385**	**313.504**
Bank loans		5.562.668	19.094.354
Non-current liabilities other than provisions	12	**5.562.668**	**19.094.354**
Current portion of long-term liabilities other than provisions	12	1.720.164	2.445.586
Trade payables		791.108	444.242
Payables to group enterprises		36	82.044
Income tax payable		277.875	178.782
Other payables		698.148	590.425
Current liabilities other than provisions		**3.487.331**	**3.741.079**
Liabilities other than provisions		**9.049.999**	**22.835.433**
Equity and liabilities		**22.319.391**	**30.274.099**
Associates	8		
Unrecognised rental and lease commitments	14		
Assets charged and collateral	15		
Subsidiaries	16		

Consolidated statement of changes in equity for 2019

	Contributed capital EUR	**Retained earnings EUR**	**Proposed dividend EUR**
Equity beginning of year	78.700	5.031.475	250.000
Ordinary dividend paid	0	0	(250.000)
Extraordinary dividend paid	0	(4.000.000)	0
Dividends from group enterprises	0	0	0
Profit/loss for the year	0	5.636.177	4.500.000
Equity end of year	**78.700**	**6.667.652**	**4.500.000**

	Share of equity attributable to minority interests EUR	**Total EUR**
Equity beginning of year	1.764.985	7.125.160
Ordinary dividend paid	0	(250.000)
Extraordinary dividend paid	0	(4.000.000)
Dividends from group enterprises	(231.000)	(231.000)
Profit/loss for the year	184.670	10.320.847
Equity end of year	**1.718.655**	**12.965.007**

Consolidated cash flow statement for 2019

	Notes	2019 EUR	2018 EUR
Operating profit/loss		6.969.538	1.346.919
Amortisation, depreciation and impairment losses		1.714.358	2.234.712
Other provisions		(54.119)	34.185
Working capital changes	13	1.491.331	805.886
Reversal, profit from divestment of assets		(6.317.523)	0
Cash flow from ordinary operating activities		**3.803.585**	**4.421.702**
Financial income received		10.539	5.033
Financial expenses paid		(1.265.650)	(919.074)
Income taxes refunded/(paid)		(335.022)	(225.078)
Cash flows from operating activities		**2.213.452**	**3.282.583**
Dividends received from associates		14.000	13.500
Proceeds from divestment of assets		16.910.000	0
Cash flows from investing activities		**16.924.000**	**13.500**
Repayments of loans etc		(14.244.492)	(2.313.834)
Dividend paid		(4.250.000)	(902.984)
Purchase of shares		(3.000)	0
Paid dividends to minority shareholders		(231.000)	(230.000)
Cash in divested enterprises at time of sale		(656.564)	0
Cash flows from financing activities		**(19.385.056)**	**(3.446.818)**
Increase/decrease in cash and cash equivalents		**(247.604)**	**(150.735)**
Cash and cash equivalents beginning of year		4.277.108	4.427.843
Cash and cash equivalents end of year		**4.029.504**	**4.277.108**

Notes to consolidated financial statements

	2019 EUR	2018 EUR
1. Depreciation, amortisation and impairment losses		
Impairment losses on intangible assets	7.856	0
Depreciation of property, plant and equipment	1.706.502	2.234.712
	1.714.358	**2.234.712**

	2019 EUR	2018 EUR
2. Other financial income		
Financial income arising from group enterprises	6.699	7.107
Financial income from associates	3.727	3.583
Other financial income	113	(5.657)
	10.539	**5.033**

	2019 EUR	2018 EUR
3. Other financial expenses		
Other financial expenses	1.265.650	919.074
	1.265.650	**919.074**

	2019 EUR	2018 EUR
4. Tax on profit/loss for the year		
Current tax	434.829	296.951
Change in deferred tax	15.000	0
Adjustment concerning previous years	(6.372)	(70.578)
	443.457	**226.373**

	Goodwill EUR
5. Intangible assets	
Additions	7.856
Disposals	(7.856)
Cost end of year	**0**
Impairment losses for the year	(7.856)
Reversal regarding disposals	7.856
Amortisation and impairment losses end of year	**0**
Carrying amount end of year	**0**

Notes to consolidated financial statements

	Land and buildings EUR	Plant and machinery EUR
6. Property, plant and equipment		
Cost beginning of year	1.266.778	53.378.417
Disposals on divestments etc	0	(23.378.177)
Cost end of year	**1.266.778**	**30.000.240**
Depreciation and impairment losses beginning of year	(30.778)	(29.780.076)
Depreciation for the year	0	(1.706.502)
Reversal regarding disposals	0	12.813.993
Depreciation and impairment losses end of year	**(30.778)**	**(18.672.585)**
Carrying amount end of year	**1.236.000**	**11.327.655**

	Receivables from group enterprises EUR	Investments in associates EUR	Deposits EUR
7. Fixed asset investments			
Cost beginning of year	327.808	5.594.475	0
Additions	0	0	7.124
Disposals	(327.808)	0	0
Cost end of year	**0**	**5.594.475**	**7.124**
Impairment losses beginning of year	0	(5.524.189)	0
Share of profit/loss for the year	0	5.049.876	0
Dividend	0	(14.000)	0
Investments with negative equity value depreciated over receivables	0	(93.168)	0
Impairment losses end of year	**0**	**(581.481)**	**0**
Carrying amount end of year	**0**	**5.012.994**	**7.124**

	Registered in	Equity inte-rest %
8. Associates		
SCE Solar Don Benito ApS	Aarhus	46,0
K/S SCE Solar Kappel-Grafenhausen 2007	Viby	5,0
SCE Solar Kappel-Grafenhausen Komplementaranpartsselskab	Viby	5,0

Notes to consolidated financial statements

9. Prepayments

	2019 EUR	2018 EUR
Prepaid land lease	101.364	118.763
Other prepaid expenses	13.306	14.952
	114.670	**133.715**

	2019 EUR
10. Deferred tax	
Changes during the year	
Recognised in the income statement	15.000
End of year	**15.000**

11. Other provisions

	2019 EUR	2018 EUR
Provision, relating to the restructuring process	92.095	62.095
Provision, relating to dismantling costs for solar parks	197.290	251.409
	289.385	**313.504**

	Due within 12 months 2019 EUR	Due within 12 months 2018 EUR	Due after more than 12 months 2019 EUR	Outstanding after 5 years EUR
12. Liabilities other than provisions				
Bank loans	1.720.164	2.445.586	5.562.668	426.384
	1.720.164	**2.445.586**	**5.562.668**	**426.384**

	2019 EUR	2018 EUR
13. Change in working capital		
Increase/decrease in receivables	748.945	1.258.435
Increase/decrease in trade payables etc	742.386	(452.549)
	1.491.331	**805.886**

Notes to consolidated financial statements

	2019 EUR	2018 EUR
14. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	**319.410**	**1.037.434**

15. Assets charged and collateral

Plant, property and equipment has been pledged to secure bank debt. Book value of assets pledged amounts to EUR 11.328k (2018, EUR 24.834k).

As a limited partner, the Group is liable for the Group's share of non-paid capital in limited partnerships. Non-paid equity in non-consolidated limited partnerships amounts to EUR 14k (2018, EUR 14k).

A part of the cash deposits in subsidiaries is pledged to secure bank debt. The value of cash amounts pledged is EUR 1.956k (2018, EUR 2.675k).

Notes to consolidated financial statements

	Registered in	Corpo-rate form	Equity inte-rest %
16. Subsidiaries			
ETC Sol ApS	Copenhagen	ApS	100,0
K/S SCE Solar Borna 2007	Copenhagen	K/S	75,0
SCE Solar Borna 2007 Komplementaranpartsselskab	Copenhagen	ApS	75,0
K/S SCE Solar Hegnenbach	Copenhagen	K/S	60,0
SCE Solar Hegnenbach Komplementaranpartsselskab	Copenhagen	ApS	60,0
K/S SCE Solar Hettenkofen	Copenhagen	K/S	76,4
SCE Solar Hettenkofen Komplementaranpartsselskab	Copenhagen	ApS	76,4
SCE Solar Ventanas 2007 Nr. 13 ApS	Copenhagen	ApS	100,0
SCE Solar Ventanas 2007 Nr. 15 ApS	Copenhagen	ApS	100,0
SCE Solar Lobon 2008 ApS	Copenhagen	ApS	100,0
SCE Solar Andujar 01 ApS	Copenhagen	ApS	100,0
SCE Solar Andujar 02 ApS	Copenhagen	ApS	100,0
SCE Solar El Redondo 2008 Nr. 01 ApS	Copenhagen	ApS	100,0
SCE Solar El Redondo 2008 Nr. 02 ApS	Copenhagen	ApS	100,0
SCE Solar El Redondo 2008 Nr. 06 ApS	Copenhagen	ApS	100,0
SCE Solar El Redondo 2008 Nr. 13 ApS	Copenhagen	ApS	100,0
SCE Solar El Redondo 2008 Nr. 14 ApS	Copenhagen	ApS	100,0
SCE Solar El Redondo 2008 Nr. 15 ApS	Copenhagen	ApS	100,0
SCE Solar El Redondo 2008 Nr. 19 ApS	Copenhagen	ApS	100,0
SCE Solar Alhonoz 2008 Nr. 03 ApS	Copenhagen	ApS	100,0
SCE Solar Alhonoz 2008 Nr. 07 ApS	Copenhagen	ApS	100,0
SCE Solar Alhonoz 2008 Nr. 09 ApS	Copenhagen	ApS	100,0
SCE Solar Alhonoz 2008 Nr. 12 ApS	Copenhagen	ApS	100,0
SCE Solar Alhonoz 2008 Nr. 13 ApS	Copenhagen	ApS	100,0
SCE Solar Alhonoz 2008 Nr. 14 ApS	Copenhagen	ApS	100,0
SCE Solar Alhonoz 2008 Nr. 15 ApS	Copenhagen	ApS	100,0
SCE Solar Alhonoz 2008 Nr. 17 ApS	Copenhagen	ApS	100,0
SCE Solar Alhonoz 2008 Nr. 18 ApS	Copenhagen	ApS	100,0
SCE Solar Andujar 01 GmbH & Co. KG	Hamburg	KG	100,0
SCE Solar Andujar 01 Management GmbH	Hamburg	GmbH	100,0
SCE Solar Andujar 02 GmbH & Co. KG	Hamburg	KG	100,0

Notes to consolidated financial statements

	Registered in	Corpo-rate form	Equity inte-rest %
16. Subsidiaries (continued)			
SCE Solar Andujar 02 Management GmbH	Hamburg	GmbH	100,0
Kaiserwetter Minos Invest GmbH	Hamburg	GmbH	100,0
SCE Solar Borna GmbH & Co. KG	Hamburg	KG	75,0
SCE Solar Borna Management GmbH	Hamburg	GmbH	75,0
SCE Solar Hegnenbach GmbH & Co. KG	Hamburg	KG	60,0
SCE Solar Hegnenbach Management GmbH	Hamburg	GmbH	60,0
SCE Solar Don Benito Management GmbH	Hamburg	GmbH	100,0
Almeria Solarpark GmbH	Hamburg	GmbH	100,0
SCE Solar Hettenkofen Management GmbH	Hamburg	GmbH	76,4
SCE Solar Hettenkofen GmbH & Co. KG	Hamburg	KG	76,4
San Juan Renovables SLU	Madrid	SLU	100,0

Parent income statement for 2019

	Notes	2019 EUR	2018 EUR
Gross loss		**(278.725)**	**(413.238)**
Income from investments in group enterprises		2.548.815	(1.368.871)
Income from investments in associates		5.038.168	15.519
Other financial income	2	1.485.680	1.480.401
Impairment losses on financial assets		(30.637)	(73.214)
Other financial expenses	3	(35.352)	(37.568)
Profit/loss before tax		**8.727.949**	**(396.971)**
Tax on profit/loss for the year	4	84.600	(194.933)
Profit/loss for the year		**8.812.549**	**(591.904)**
Proposed distribution of profit/loss			
Ordinary dividend for the financial year		4.500.000	250.000
Extraordinary dividend distributed in the financial year		4.000.000	800.000
Retained earnings		312.549	(1.641.904)
		8.812.549	**(591.904)**

Parent balance sheet at 31.12.2019

	Notes	2019 EUR	2018 EUR
Investments in group enterprises		2.078.235	1.982.234
Receivables from group enterprises		0	327.808
Investments in associates		4.945.000	0
Deposits		7.124	0
Fixed asset investments	5	**7.030.359**	**2.310.042**
Fixed assets		**7.030.359**	**2.310.042**
Receivables from group enterprises		4.314.756	4.551.511
Receivables from associates		96.895	0
Receivables		**4.411.651**	**4.551.511**
Cash		**44.983**	**253.520**
Current assets		**4.456.634**	**4.805.031**
Assets		**11.486.993**	**7.115.073**

Parent balance sheet at 31.12.2019

	Notes	2019 EUR	2018 EUR
Contributed capital	6	78.700	78.700
Retained earnings		5.442.320	5.129.771
Proposed dividend		4.500.000	250.000
Equity		**10.021.020**	**5.458.471**
Other provisions	7	92.095	62.095
Provisions		**92.095**	**62.095**
Trade payables		144.581	173.936
Payables to group enterprises		661.356	714.885
Joint taxation contribution payable		272.259	406.500
Other payables		295.682	299.186
Current liabilities other than provisions		**1.373.878**	**1.594.507**
Liabilities other than provisions		**1.373.878**	**1.594.507**
Equity and liabilities		**11.486.993**	**7.115.073**
Staff costs	1		
Contingent liabilities	8		

Parent statement of changes in equity for 2019

	Contributed capital EUR	Retained earnings EUR	Proposed dividend EUR	Total EUR
Equity beginning of year	78.700	5.129.771	250.000	5.458.471
Ordinary dividend paid	0	0	(250.000)	(250.000)
Extraordinary dividend paid	0	(4.000.000)	0	(4.000.000)
Profit/loss for the year	0	4.312.549	4.500.000	8.812.549
Equity end of year	**78.700**	**5.442.320**	**4.500.000**	**10.021.020**

Notes to parent financial statements

	2019	2018
1. Staff costs		
Average number of employees	**0**	**0**

	2019 EUR	2018 EUR
2. Other financial income		
Financial income arising from group enterprises	1.481.942	1.483.008
Financial income from associates	3.727	3.583
Other financial income	11	(6.190)
	1.485.680	**1.480.401**

	2019 EUR	2018 EUR
3. Other financial expenses		
Financial expenses from group enterprises	23.612	24.081
Other financial expenses	11.740	13.487
	35.352	**37.568**

	2019 EUR	2018 EUR
4. Tax on profit/loss for the year		
Current tax	272.259	406.500
Adjustment concerning previous years	(356.859)	(211.567)
	(84.600)	**194.933**

Notes to parent financial statements

	Investments in group enterprises EUR	Receivables from group enterprises EUR	Investments in associates EUR	Deposits EUR
5. Fixed asset investments				
Cost beginning of year	2.883.819	327.808	5.514.055	0
Additions	0	0	0	7.124
Disposals	0	(327.808)	0	0
Cost end of year	**2.883.819**	**0**	**5.514.055**	**7.124**
Impairment losses beginning of year	(901.585)	0	(5.514.055)	0
Share of profit/loss for the year	2.548.815	0	5.038.168	0
Investments with negative equity value depreciated over receivables	(2.452.814)	0	(93.168)	0
Impairment losses end of year	**(805.584)**	**0**	**(569.055)**	**0**
Carrying amount end of year	**2.078.235**	**0**	**4.945.000**	**7.124**

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

	Registered in	Corporate form	Equity interest %
Investments in associates comprise:			
SCE Solar Don Benito ApS	Aarhus	ApS	46,0

	Number	Par value EUR	Nominal value EUR
6. Contributed capital			
Ordinary shares	78.700	1	78.700
	78.700		**78.700**

7. Other provisions

	2019 EUR	2018 EUR
Provision, relating to the restructuring process	92.095	62.095
	92.095	**62.095**

Notes to parent financial statements

8. Contingent liabilities

The Entity serves as an administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

The company has guaranteed that the financing of the Danish subsidiaries will be maintained at least untill 31.12.2020.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group’s accounting policies.

Subsidiaries’ financial statement items are recognised in full in the consolidated financial statements. Minority interests’ proportionate share of profit or loss is presented as a separate item in Management’s proposal for distribution of profit or loss, and their share of subsidiaries’ net assets is presented as a separate item in group equity.

Accounting policies

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Business combinations

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the consolidated income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful life is reassessed annually. Negative balances (negative goodwill) are recognised as income in the income statement.

The uniting-of-interests method is applied on acquisition of enterprises, mergers, demergers, contributions of assets and exchanges of shares, etc where the enterprises concerned are controlled by the Parent, under which method the combination is considered completed at the date of acquisition without restatement of comparative figures. Under the uniting-of-intereests method, the acquiree's assets and liabilities are recognised at their carrying amounts, adjusted for any differences in accouting policies and accounting estimates. The difference between the consideration agreed and the carrying amount of the acquiree is recognised in equity.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Accounting policies

Other operating income
Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Other external expenses
Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

Depreciation, amortisation and impairment losses
Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Income from investments in group enterprises
Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

Income from investments in associates
Income from investments in associates comprises the pro rata share of the individual associates' profit/loss after elimination of internal profits or losses.

Other financial income from group enterprises
Other financial income from group enterprises comprises interest income etc on receivables from group enterprises.

Other financial income
Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Financial expenses from group enterprises
Financial expenses from group enterprises comprise interest expenses etc from payables to group enterprises.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Accounting policies

Balance sheet

Goodwill

Goodwill is the positive difference between cost and value in use of assets and liabilities taken over as part of the acquisition. Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. If it is not possible to estimate the useful life reliably, it is set at 5 years. Useful lives are reassessed on an annual basis.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Plant and machinery (Solar assets)	20-30 years
Other fixtures and fittings, tools and equipment	5 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity are measured at EUR 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to vover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity methond under equity.

Goodwill is calculated as the difference between cost of the investments and fair value of the pro rata share of assets and liabilities acquired. Goodwill is amortised straigth-line over its estimated useful life, which is normally 5 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Accounting policies

Investments in associates
Investments in associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the associates' equity value plus unamortised goodwill and plus or minus unrealised pro rata intra-group profits and losses.

Associates with negative equity value are measured at EUR 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant associate, and it is probable that such obligation is imminent, a provision is recognised that is measured at present of the costs deemed necessary to incur to settle the obligation.

Upon distribution of profit or loss, net revaluation of investments in associates is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is calculated as the difference between cost of the investments and fair value of the pro rata share of assets and liabilities acquired. Goodwill is amortised straight-line over its estimated useful life, which is normally 5 years.

Investments in associates are written down to the lower of recoverable amount and carrying amount.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises cash in hand and bank deposits.

Dividend
Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Minority interests
Minority interests consist of non-controlling interests' share of equity in subsidiaries not 100% owned by the Parent.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each

Accounting policies

asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other provisions
Other provisions comprise anticipated costs for the dismantling of solar parks, and estimated costs for other expected losses.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Other financial liabilities
Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income tax receivable or payable
Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Cash flow statement
The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.