

## **Better Energy Invest A/S**

Axeltorv 2 F  
1609 København V  
Business Registration No  
34721416

## **Annual report 2017**

The Annual General Meeting adopted the annual report on 14.05.2018

### **Chairman of the General Meeting**

---

Name: Rasmus Lildholdt Kjær

## Contents

	<b><u>Page</u></b>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's report	3
Management commentary	6
Income statement for 2017	7
Balance sheet at 31.12.2017	8
Statement of changes in equity for 2017	10
Notes	11
Accounting policies	14

## Entity details

### Entity

Better Energy Invest A/S  
Axeltorv 2 F  
1609 København V

Central Business Registration No (CVR): 34721416  
Registered in: København  
Financial year: 01.01.2017 - 31.12.2017

### Board of Directors

Rasmus Lildholdt Kjær, chairman  
Anders Knokgaard Nielsen  
Mikkel Dau Jacobsen  
Mark Augustenborg Ødum  
Michael Vater

### Executive Board

Mark Augustenborg Ødum, CEO

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Egtved Allé 4  
6000 Kolding

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Better Energy Invest A/S for the financial year 01.01.2017 - 31.12.2017.

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 Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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

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

Copenhagen, 14.05.2018

### Executive Board

Mark Augustenborg Ødum  
CEO

### Board of Directors

Rasmus Lildholdt Kjær  
chairman

Anders Knokgaard Nielsen

Mikkel Dau Jacobsen

Mark Augustenborg Ødum

Michael Vater

# Independent auditor's report

## To the shareholders of Better Energy Invest A/S

### Opinion

We have audited the financial statements of Better Energy Invest A/S for the financial year 01.01.2017 - 31.12.2017, which comprise the income statement, balance sheet, statement of changes in equity and notes, including 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 Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity 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 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 Entity'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 financial statements unless Management either intends to liquidate the Entity 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 judgement and maintain professional scepticism throughout the audit. We also:

## Independent auditor's report

- 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 the management commentary

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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.

## Independent auditor's report

Based on the work we have performed, we conclude that the management commentary 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 the management commentary.

Kolding, 14.05.2018

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No (CVR)  
33963556

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

Morten Aamand Lund  
State Authorised Public Accountant  
Identification No (MNE) mne41365

## Management commentary

### Primary activities

The company's activity comprises to conduct business with sourcing, offer and asset management of renewable assets such as solar, wind & biomass and related activities.

### Development in activities and finances

The income statement of the entity for 2017 shows a loss of DKK 4.682.149. The Entity considers the result for the year unsatisfactory.

### Events after the balance sheet date

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

## Income statement for 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
<b>Gross profit/loss</b>		<b>(3.276.310)</b>	<b>7.750.183</b>
Staff costs	1	(2.643.027)	(9.380.573)
Depreciation, amortisation and impairment losses		<u>(239.247)</u>	<u>(221.854)</u>
<b>Operating profit/loss</b>		<b>(6.158.584)</b>	<b>(1.852.244)</b>
Other financial income	2	425.785	292.890
Other financial expenses	3	<u>(186.654)</u>	<u>(333.911)</u>
<b>Profit/loss before tax</b>		<b>(5.919.453)</b>	<b>(1.893.265)</b>
Tax on profit/loss for the year	4	<u>1.237.304</u>	<u>349.815</u>
<b>Profit/loss for the year</b>		<b><u>(4.682.149)</u></b>	<b><u>(1.543.450)</u></b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>(4.682.149)</u>	<u>(1.543.450)</u>
		<b><u>(4.682.149)</u></b>	<b><u>(1.543.450)</u></b>

## Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Other fixtures and fittings, tools and equipment		1.364.217	1.557.135
Leasehold improvements		52.903	99.232
<b>Property, plant and equipment</b>	5	<b><u>1.417.120</u></b>	<b><u>1.656.367</u></b>
Deposits		0	131.596
Other receivables		1.749.654	5.997.582
<b>Fixed asset investments</b>	6	<b><u>1.749.654</u></b>	<b><u>6.129.178</u></b>
<b>Fixed assets</b>		<b><u>3.166.774</u></b>	<b><u>7.785.545</u></b>
Trade receivables		500.000	2.302.000
Contract work in progress		0	3.076.550
Receivables from group enterprises		1.301.539	2.211.186
Other receivables		5.423.686	4.378.513
Prepayments		17.279	164.199
<b>Receivables</b>		<b><u>7.242.504</u></b>	<b><u>12.132.448</u></b>
Other investments		500.000	4.500.000
<b>Other investments</b>		<b><u>500.000</u></b>	<b><u>4.500.000</u></b>
<b>Cash</b>		<b><u>30.787</u></b>	<b><u>425.136</u></b>
<b>Current assets</b>		<b><u>7.773.291</u></b>	<b><u>17.057.584</u></b>
<b>Assets</b>		<b><u>10.940.065</u></b>	<b><u>24.843.129</u></b>

## Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017</u> <u>DKK</u>	<u>2016</u> <u>DKK</u>
Contributed capital		500.000	500.000
Retained earnings		326.805	5.008.954
<b>Equity</b>		<b>826.805</b>	<b>5.508.954</b>
Deferred tax		137.873	629.732
<b>Provisions</b>		<b>137.873</b>	<b>629.732</b>
Bank loans		899.260	1.063.700
<b>Non-current liabilities other than provisions</b>	7	<b>899.260</b>	<b>1.063.700</b>
Current portion of long-term liabilities other than provisions	7	164.442	160.466
Bank loans		0	59.604
Trade payables		534.428	3.782.290
Payables to group enterprises		5.854.507	6.484.635
Income tax payable		2.147.785	1.039.852
Other payables		374.965	6.113.896
<b>Current liabilities other than provisions</b>		<b>9.076.127</b>	<b>17.640.743</b>
<b>Liabilities other than provisions</b>		<b>9.975.387</b>	<b>18.704.443</b>
<b>Equity and liabilities</b>		<b>10.940.065</b>	<b>24.843.129</b>
Unrecognised rental and lease commitments	8		
Contingent liabilities	9		
Assets charged and collateral	10		
Group relations	11		

## Statement of changes in equity for 2017

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
	<u>          </u>	<u>          </u>	<u>          </u>
Equity beginning of year	500.000	5.008.954	5.508.954
Profit/loss for the year	<u>          0</u>	<u>     (4.682.149)</u>	<u>     (4.682.149)</u>
<b>Equity end of year</b>	<b><u>     500.000</u></b>	<b><u>     326.805</u></b>	<b><u>     826.805</u></b>

## Notes

	<b>2017</b>	<b>2016</b>
	<b>DKK</b>	<b>DKK</b>
<b>1. Staff costs</b>		
Wages and salaries	2.436.514	9.180.297
Other social security costs	76.207	67.119
Other staff costs	130.306	133.157
	<b>2.643.027</b>	<b>9.380.573</b>
Average number of employees	<b>8</b>	<b>10</b>
	<b>2017</b>	<b>2016</b>
	<b>DKK</b>	<b>DKK</b>
<b>2. Other financial income</b>		
Financial income arising from group enterprises	43.574	90.794
Other interest income	380.344	202.096
Interest regarding tax paid on account	1.867	0
	<b>425.785</b>	<b>292.890</b>
	<b>2017</b>	<b>2016</b>
	<b>DKK</b>	<b>DKK</b>
<b>3. Other financial expenses</b>		
Financial expenses from group enterprises	95.918	15.912
Other interest expenses	90.305	117.574
Exchange rate adjustments	431	167.215
Other financial expenses	0	33.210
	<b>186.654</b>	<b>333.911</b>
	<b>2017</b>	<b>2016</b>
	<b>DKK</b>	<b>DKK</b>
<b>4. Tax on profit/loss for the year</b>		
Current tax	2.160.923	1.077.702
Change in deferred tax	(3.374.966)	(1.427.517)
Adjustment concerning previous years	(23.261)	0
	<b>(1.237.304)</b>	<b>(349.815)</b>

## Notes

	<b>Other fixtures and fittings, tools and equipment DKK</b>	<b>Leasehold improve- ments DKK</b>
<b>5. Property, plant and equipment</b>		
Cost beginning of year	1.746.564	231.642
<b>Cost end of year</b>	<b>1.746.564</b>	<b>231.642</b>
Depreciation and impairment losses beginning of year	(189.429)	(132.410)
Depreciation for the year	(192.918)	(46.329)
<b>Depreciation and impairment losses end of year</b>	<b>(382.347)</b>	<b>(178.739)</b>
<b>Carrying amount end of year</b>	<b>1.364.217</b>	<b>52.903</b>
	<b>Deposits DKK</b>	<b>Other receivables DKK</b>
<b>6. Fixed asset investments</b>		
Cost beginning of year	131.596	6.097.582
Additions	0	3.831.838
Disposals	(131.596)	(8.179.766)
<b>Cost end of year</b>	<b>0</b>	<b>1.749.654</b>
Impairment losses beginning of year	0	(100.000)
Reversal regarding disposals	0	100.000
<b>Impairment losses end of year</b>	<b>0</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>0</b>	<b>1.749.654</b>

## Notes

	<b>Due within 12 months 2017 DKK</b>	<b>Due within 12 months 2016 DKK</b>	<b>Due after more than 12 months 2017 DKK</b>	<b>Outstanding after 5 years DKK</b>
<b>7. Liabilities other than provisions</b>				
Bank loans	164.442	160.466	899.260	199.726
	<b>164.442</b>	<b>160.466</b>	<b>899.260</b>	<b>199.726</b>

	<b>2017 DKK</b>	<b>2016 DKK</b>
<b>8. Unrecognised rental and lease commitments</b>		
Liabilities under rental or lease agreements until maturity in total	<b>0</b>	<b>187.761</b>

### 9. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Better Energy World A/S serves as the administration company. 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 for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

### 10. Assets charged and collateral

Bank loans are secured by certain items of other fixtures with a carrying amount of DKK 1.321k.

A letter of indemnity worth DKK 500k has been issued towards a financial institute to secure bank debt. The letter of indemnity is secured by way of pledge in property, plant and equipment, inventories and trade receivables (company pledge). Carrying amount is DKK 1.917k.

### 11. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Better Energy World A/S, Copenhagen.

## 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 financial statements are consistent with those applied last year.

### Income statement

#### Gross profit or loss

Gross profit or loss comprises revenue, changes in work in progress, own work capitalised, cost of raw materials and consumables and external expenses.

#### Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. 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.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

#### Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year.

#### 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. This item also includes writedowns of receivables recognised in current assets.

#### Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

#### Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation 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 property, plant and equipment.

#### Other financial income

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

## Accounting policies

### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange 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.

The Entity is jointly taxed with its parent and all the parents' Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

### Balance sheet

#### Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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:

Other fixtures and fittings, tools and equipment	3 years
Leasehold improvements	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.

### Receivables

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

### Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. The stage of completion is measured as the amount of subscribed shares in relation to the total shares offered.

## Accounting policies

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts as well as finance costs are recognised in the income statement as incurred.

### Prepayments

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

### Other investments

Other current asset investments comprise unlisted investments measured at the lower of cost and net realisable value. The unlisted investments in project companies are expected to be sold within 12 months.

### Cash

Cash comprises cash in hand and bank deposits.

### Deferred tax

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

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 financial liabilities

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

### Income tax receivable or payable

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