

NPP Komplementar ApS

**Gyngemose Parkvej 50
2860 Søborg**

CVR no. 34 73 78 00

Annual report for 2019

(7th Financial year)

Adopted at the annual general
meeting on 9 June 2020

Knud Erik Andersen
chairman

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Statement by management on the annual report

The supervisory and executive boards have today discussed and approved the annual report of NPP Komplementar ApS for the financial year 1 January - 31 December 2019.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January - 31 December 2019.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Søborg, 28 May 2020

Executive board

Jens-Peter Zink

Supervisory board

Knud Erik Andersen
chairman

Reik Haahr Müller

Jens-Peter Zink

Independent auditor's report

To the shareholders of NPP Komplementar ApS

Opinion

We have audited the financial statements of NPP Komplementar ApS for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. 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 company's financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the 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 the 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

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

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

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

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

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

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

Copenhagen, 28 May 2020

KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Martin Eiler
statsaut. revisor
MNE no. mne32271

Company details

The company

NPP Komplementar ApS
Gyngemose Parkvej 50
2860 Søborg

CVR no.: 34 73 78 00

Reporting period: 1 January - 31 December 2019

Incorporated: 19. November 2012

Domicile: Gladsaxe

Supervisory board

Knud Erik Andersen, chairman
Reik Haahr Müller
Jens-Peter Zink

Executive board

Jens-Peter Zink

Auditors

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø

Consolidated financial statements

The Company is part of the consolidated financial statements of European Energy A/S, Gyngemose Parkvej 50, 2860 Søborg, which is the smallest group in which the Company is included as an associate.

The group report of European Energy A/S can be obtained at the following address:

www.europeanenergy.dk

or

European Energy A/S
Gyngemose Parkvej 50
2860 Søborg
Denmark

Management's review

Business review

The objective of the company is to act as general partner in Nordic Power Partners P/S, NPP Brazil I K/S and NPP Brazil II K/S.

Financial review

The company's income statement for the year ended 31 December 2019 shows a loss of EUR 534, and the balance sheet at 31 December 2019 shows equity of EUR 9.609.

The currency in the underlying investments in NPP Brazil I K/S and NPP Brazil II K/S has decreased more than 20% in Q1 2020, which has resulted in significant write-downs in these companies. The owners of NPP Brazil I K / S and NPP Brazil II K / S have issued a letter of subordination for their receivable. Therefore, there is no immediate risk that the company, as a fully liable participant, will be met with demands from NPP Brazil I K/S and NPP Brazil II K/S.

Significant events occurring after the end of the financial year

After the end of the financial year, the society is generally affected by the COVID-19 crisis. Currently, the company's activities are not affected by this event.

The company's operations depend on a number of conditions but going forward, if any unforeseen circumstances may arise, e.g. Government actions, this may have an impact on revenue and the company's profit as well as the financial position.

No other events have occurred since the end of financial year that could materially affect the company's financial position.

Accounting policies

The annual report of NPP Komplementar ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B entities as well as selected provisions as regards larger entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2019 is presented in EUR

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Non-monetary items are translated at the exchange rates at the date of acquisition or at the date of subsequent revaluations of the asset. Income statement items are translated at the exchange rates at the transaction date, whereas items derived from non-monetary items are translated at historical exchange rates for the non-monetary items.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Accounting policies

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Revenue

Revenue is recognized when services have been performed. Revenue is measured at fair value of the agreed consideration ex. VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, etc.

Financial income and expenses

Financial income and expenses include interest income and expenses, gains and losses on receivables, payables and transactions denominated in foreign currencies.

Tax on result of the year

The company is subject to the Danish rules on compulsory joint taxation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Receivables

Receivables are measured at amortised cost.

Accounting policies

Income tax and deferred tax

In accordance with the joint taxation rules, the administration company assumes the liability for payment to the tax authorities of the Group's corporation taxes as the joint taxation contributions are received.

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

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Liabilities

Liabilities are measured at net realisable value.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2019</u> EUR	<u>2018</u> EUR
Revenue		1.610	1.524
Other external expenses		<u>-2.168</u>	<u>-1.550</u>
Gross profit		-558	-26
Financial income		1	1
Financial costs		<u>-16</u>	<u>-2</u>
Profit/loss before tax		-573	-27
Tax on result of the year	1	<u>39</u>	<u>6</u>
Profit/loss for the year		<u>-534</u>	<u>-21</u>
 Recommended appropriation of profit/loss			
Retained earnings		<u>-534</u>	<u>-21</u>
		<u>-534</u>	<u>-21</u>

Balance sheet 31 December

	<u>Note</u>	<u>2019</u> EUR	<u>2018</u> EUR
Assets			
Receivables from Affiliated		26	15
Other receivables		0	2
Deferred tax asset		99	70
Receivables		<u>125</u>	<u>87</u>
Cash at bank and in hand		<u>10.984</u>	<u>11.554</u>
Total current assets		<u>11.109</u>	<u>11.641</u>
Total assets		<u><u>11.109</u></u>	<u><u>11.641</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2019</u> EUR	<u>2018</u> EUR
Equity and liabilities			
Share capital		10.724	10.724
Retained earnings		<u>-1.115</u>	<u>-581</u>
Equity	2	<u>9.609</u>	<u>10.143</u>
Trade payables		1.500	1.410
Other payables		<u>0</u>	<u>88</u>
Total current liabilities		<u>1.500</u>	<u>1.498</u>
Total liabilities		<u>1.500</u>	<u>1.498</u>
Total equity and liabilities		<u><u>11.109</u></u>	<u><u>11.641</u></u>
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Equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2019	10.724	-581	10.143
Net profit/loss for the year	0	-534	-534
Equity at 31 December 2019	<u>10.724</u>	<u>-1.115</u>	<u>9.609</u>

Notes to the annual report

	2019	2018
	EUR	EUR
1 Tax on result of the year		
Deferred tax for the year	-29	5
Adjustment of deferred tax concerning previous years	-10	-11
	<u><u>-39</u></u>	<u><u>-6</u></u>

2 Equity

The share capital consists of 80.000 shares of a nominal value of DKK 1. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

3 Contingent liabilities

The Company functions as general partner in Nordic Power Partners P/S, NPP Brazil I K/S and NPP Brazil II K/S, and is thereby fully liable for the liabilities in these companies. As per 31 December 2019, the total assets in the 3 companies amounts to EUR 63.229k and the total equity amounts to EUR 1.324k.

The currency in the underlying investments in NPP Brazil I K/S and NPP Brazil II K/S has decreased more than 20% in Q1 2020, which has resulted in significant write-downs in these companies. The owners of NPP Brazil I K / S and NPP Brazil II K / S have issued a letter of subordination for their receivable. Therefore, there is no immediate risk that the company, as a fully liable participant, will be met with demands from NPP Brazil I K/S and NPP Brazil II K/S.

4 Related parties and ownership structure

Consolidated financial statements

The Company is part of the consolidated financial statements of European Energy A/S, Gyngemose Parkvej 50, 2860 Søborg, which is the smallest group in which the Company is included as an associate.

Notes to the annual report

4 Related parties and ownership structure (continued)

The group report of European Energy A/S can be obtained at the following address:

www.europeanenergy.dk

or

European Energy A/S
Gyngemose Parkvej 50
2860 Søborg
Denmark