



Better Energy Cofoco Solpark ApS

Gammel Kongevej 60
1850 Frederiksberg C
CVR No. 37342289

Annual report 2019

The Annual General Meeting adopted the
annual report on 12.05.2020

Peter Munck S e-Jensen
Chairman of the General Meeting

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Entity details

Entity

Better Energy Cofoco Solpark ApS

Gammel Kongevej 60

1850 Frederiksberg C

CVR No.: 37342289

Registered office: Frederiksberg

Financial year: 01.01.2019 - 31.12.2019

Executive Board

Rasmus Lildholdt Kjær

Mark Augustenborg Ødum

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Egtved Allé 4

6000 Kolding

Statement by Management

The Board of Directors have today considered and approved the annual report of Better Energy Cofoco Solpark 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 our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

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.

Frederiksberg, 07.05.2020

Executive Board

Rasmus Lildholdt Kjær

Mark Augustenborg Ødum

Independent auditor's report

To the shareholders of Better Energy Cofoco Solpark ApS

Opinion

We have audited the financial statements of Better Energy Cofoco Solpark 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. 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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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:

- 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.

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, 07.05.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Lars Ørum Nielsen

State Authorised Public Accountant
Identification No (MNE) mne26771

Management commentary

Primary activities

The company's activity consists in acquiring and operating a land-based solar cell system plant in Denmark.

Development in activities and finances

The income statement of the Company for 2019 shows a profit of DKK 585,704 and at 31 December 2019 the balance sheet of the Company shows equity of DKK 5,977,485

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		2,544,520	2,509,940
Depreciation, amortisation and impairment losses		(1,239,665)	(1,239,665)
Operating profit/loss		1,304,855	1,270,275
Other financial income		47,607	988
Other financial expenses	1	(601,560)	(626,179)
Profit/loss before tax		750,902	645,084
Tax on profit/loss for the year	2	(165,198)	(141,723)
Profit/loss for the year		585,704	503,361
Proposed distribution of profit and loss			
Extraordinary dividend distributed in the financial year		650,000	0
Retained earnings		(64,296)	503,361
Proposed distribution of profit and loss		585,704	503,361

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Plant and machinery		28,480,642	29,720,307
Property, plant and equipment	3	28,480,642	29,720,307
Fixed assets		28,480,642	29,720,307
Trade receivables		35,069	19,900
Receivables from group enterprises		1,520,882	888,922
Other receivables		43,127	26,848
Joint taxation contribution receivable		394,104	584,353
Receivables		1,993,182	1,520,023
Cash		1,953,324	2,080,479
Current assets		3,946,506	3,600,502
Assets		32,427,148	33,320,809

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		50,000	50,000
Revaluation reserve		1,801,317	1,879,530
Retained earnings		4,126,168	4,112,251
Equity		5,977,485	6,041,781
Deferred tax		2,711,516	2,152,214
Provisions		2,711,516	2,152,214
Debt to other credit institutions		21,845,239	23,092,812
Non-current liabilities other than provisions	4	21,845,239	23,092,812
Current portion of non-current liabilities other than provisions	4	1,663,424	1,663,424
Trade payables		85,917	137,856
Payables to shareholders and management		0	232,722
Other payables	5	143,567	0
Current liabilities other than provisions		1,892,908	2,034,002
Liabilities other than provisions		23,738,147	25,126,814
Equity and liabilities		32,427,148	33,320,809
Unrecognised rental and lease commitments	6		
Contingent liabilities	7		
Assets charged and collateral	8		
Group relations	9		

Statement of changes in equity for 2019

	Contributed capital DKK	Revaluation reserve DKK	Retained earnings DKK	Proposed extraordinary dividend DKK	Total DKK
Equity beginning of year	50,000	1,879,530	4,112,251	0	6,041,781
Extraordinary dividend paid	0	0	0	(650,000)	(650,000)
Dissolution of reserves	0	(78,213)	78,213	0	0
Profit/loss for the year	0	0	(64,296)	650,000	585,704
Equity end of year	50,000	1,801,317	4,126,168	0	5,977,485

Notes

1 Other financial expenses

	2019 DKK	2018 DKK
Other interest expenses	601,462	622,430
Exchange rate adjustments	98	1
Other financial expenses	0	3,748
	601,560	626,179

2 Tax on profit/loss for the year

	2019 DKK	2018 DKK
Current tax	(394,104)	(584,353)
Change in deferred tax	559,302	1,614,010
Adjustment concerning previous years	0	(887,934)
	165,198	141,723

3 Property, plant and equipment

	Plant and machinery DKK
Cost beginning of year	28,481,562
Cost end of year	28,481,562
Revaluations beginning of year	2,510,057
Revaluations end of year	2,510,057
Depreciation and impairment losses beginning of year	(1,271,312)
Depreciation for the year	(1,239,665)
Depreciation and impairment losses end of year	(2,510,977)
Carrying amount end of year	28,480,642

Carrying amount if the asset was not revaluated, 26.171.389 DKK.

4 Non-current liabilities other than provisions

	Due within 12 months 2019 DKK	Due within 12 months 2018 DKK	Due after more than 12 months 2019 DKK	Outstanding after 5 years 2019 DKK
Debt to other credit institutions	1,663,424	1,663,424	21,845,239	15,877,463
	1,663,424	1,663,424	21,845,239	15,877,463

5 Other payables

	2019 DKK	2018 DKK
Accrued interest	143,567	0
	143,567	0

6 Unrecognised rental and lease commitments

	2019 DKK	2018 DKK
Liabilities under rental or lease agreements until maturity in total	1,225,255	1,281,355

7 Contingent liabilities

The Entity is obliged to reestablish the leased land when the land lease expires in 2038. The entity is entitled to prolong the land lease for 5 + 5 years.

The Entity has signed an O&M-agreement which can be terminated with 6 months notice.

The Entity participates in a Danish joint taxation arrangement where Better Energy 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, 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.

8 Assets charged and collateral

The Entity has pledged receivables and insurance payouts as collateral for debt (23,511k DKK) to other credit institutions. Furthermore there is registered a negative pledge regarding the plant and machinery.

Cash 730k DKK is pledged as security for debt (23,511k DKK) to other credit institutions.

9 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group: Better Energy A/S, Frederiksberg.

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.

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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue from the sale of electricity 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.

Other external expenses

Other external expenses include expenses relating to operation of the solar cell system as well as administration expenses.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial income

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

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, and 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 all Danish group enterprises. 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**

Plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost with addition of revaluation 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	25 years
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Estimated useful lives and residual values are reassessed annually. Currently the solar cell system is included with the scrap value of 0 DKK.

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.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

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 liability.

Other financial liabilities

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