

Better Energy Fårvang Estate A/S

Axeltorv 2 F
1609 København V
Business Registration No
37619078

Annual report 2017

The Annual General Meeting adopted the annual report on 14.05.2018

Chairman of the General Meeting

Name: Rasmus Lildholdt Kjær

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Entity details

Entity

Better Energy Fårvang Estate A/S
Axeltorv 2 F
1609 København V

Central Business Registration No (CVR): 37619078
Registered in: København
Financial year: 01.01.2017 - 31.12.2017

Board of Directors

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

Executive Board

Rasmus Lildholdt Kjær, 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 Fårvang Estate 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 to the Annual General Meeting that the financial statements for the next financial year not be audited.

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

Copenhagen, 14.05.2018

Executive Board

Rasmus Lildholdt Kjær
CEO

Board of Directors

Mark Augustenborg Ødum
chairman

Rasmus Lildholdt Kjær

Mikkel Dau Jacobsen

Michael Vater

Independent auditor's report

To the shareholders of Better Energy Fårvang Estate A/S

Opinion

We have audited the financial statements of Better Energy Fårvang Estate 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 activities comprises to own and lease land, which are used for solar parks.

Development in activities and finances

The loss after tax for the year, amounts to DKK 223. Management consider the result as expected.

Management refer to the description in note 1 regarding going concern.

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>
Gross profit		10.062	30.712
Other financial income	3	960	3.570
Other financial expenses	4	<u>(296.362)</u>	<u>(75.824)</u>
Profit/loss before tax		(285.340)	(41.542)
Tax on profit/loss for the year	5	<u>62.775</u>	<u>9.139</u>
Profit/loss for the year		<u>(222.565)</u>	<u>(32.403)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(222.565)</u>	<u>(32.403)</u>
		<u>(222.565)</u>	<u>(32.403)</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Land and buildings		8.421.180	8.360.000
Property, plant and equipment	6	8.421.180	8.360.000
Fixed assets		8.421.180	8.360.000
Trade receivables		413.561	35.882
Receivables from group enterprises		0	127.900
Deferred tax		0	9.139
Joint taxation contribution receivable		71.889	0
Receivables		485.450	172.921
Cash		52.650	50.000
Current assets		538.100	222.921
Assets		8.959.280	8.582.921

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Contributed capital		500.000	500.000
Unpaid contributed capital		(375.000)	(375.000)
Reserve for non-paid contributed capital		375.000	375.000
Retained earnings		<u>(629.968)</u>	<u>(407.403)</u>
Equity		<u>(129.968)</u>	<u>92.597</u>
Bank loans		<u>7.847.086</u>	<u>8.337.581</u>
Non-current liabilities other than provisions	7	<u>7.847.086</u>	<u>8.337.581</u>
Current portion of long-term liabilities other than provisions	7	377.438	148.243
Trade payables		8.000	4.500
Payables to group enterprises		779.797	0
Other payables		<u>76.927</u>	<u>0</u>
Current liabilities other than provisions		<u>1.242.162</u>	<u>152.743</u>
Liabilities other than provisions		<u>9.089.248</u>	<u>8.490.324</u>
Equity and liabilities		<u>8.959.280</u>	<u>8.582.921</u>
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Statement of changes in equity for 2017

	Contributed capital DKK	Unpaid contributed capital DKK	Reserve for non-paid contributed capital DKK	Retained earnings DKK
	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>
Equity beginning of year	500.000	(375.000)	375.000	(407.403)
Profit/loss for the year	0	0	0	(222.565)
Equity end of year	500.000	(375.000)	375.000	(629.968)
				Total DKK
Equity beginning of year				92.597
Profit/loss for the year				(222.565)
Equity end of year				(129.968)

Notes

1. Going concern

The entity are financial supported by Group entities and the liquidity to meet the financial liabilities in 2018 are secured. The annual report are therefore prepared according to the going concern principle.

	<u>2017</u>	<u>2016</u>
2. Staff costs		
Average number of employees	<u>0</u>	<u>0</u>

	<u>2017</u>	<u>2016</u>
	<u>DKK</u>	<u>DKK</u>
3. Other financial income		
Financial income arising from group enterprises	<u>960</u>	<u>3.570</u>
	<u>960</u>	<u>3.570</u>

	<u>2017</u>	<u>2016</u>
	<u>DKK</u>	<u>DKK</u>
4. Other financial expenses		
Financial expenses from group enterprises	11.501	0
Other interest expenses	258.722	75.824
Other financial expenses	<u>26.139</u>	<u>0</u>
	<u>296.362</u>	<u>75.824</u>

	<u>2017</u>	<u>2016</u>
	<u>DKK</u>	<u>DKK</u>
5. Tax on profit/loss for the year		
Change in deferred tax	<u>(62.775)</u>	<u>(9.139)</u>
	<u>(62.775)</u>	<u>(9.139)</u>

	<u>Land and buildings</u>
	<u>DKK</u>
6. Property, plant and equipment	
Cost beginning of year	8.360.000
Additions	<u>61.180</u>
Cost end of year	<u>8.421.180</u>
Carrying amount end of year	<u>8.421.180</u>

Notes

	Due within 12 months 2017 DKK	Due within 12 months 2016 DKK	Due after more than 12 months 2017 DKK	Outstanding after 5 years DKK
7. Liabilities other than provisions				
Bank loans	377.438	148.243	7.847.086	6.314.964
	377.438	148.243	7.847.086	6.314.964

8. Contingent liabilities

Entity participated until 31.05.2017 in a Danish joint taxation arrangement where Better Energy Holding ApS served 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 state-ments.

Entity participates from 01.06.2017 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.

9. Assets charged and collateral

Bank debt is secured by way of mortgage on properties.

The carrying amount of mortgaged properties is DKK 8.421k.

Further the Entity has transferred future rental income to the entity's bank. The security amounts to DKK 10.000k.

10. 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.

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 regarding rental income is recognised in the income statement when delivery is made and risk has passed 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 the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

Property costs

Property costs include costs incurred to operate the Entity's properties in the financial year, including repair and maintenance costs, property tax and electricity, water and heating, which are not charged directly from the lessee.

Accounting policies

Other financial income

Other financial income comprises, interest income, including interest income on receivables from group enterprises, of financial assets as well as tax relief.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises and amortisation of financial liabilities.

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 the parent company and all other 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

Land and buildings 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.

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.

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.

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.

Accounting policies

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 bank deposits.

Other financial liabilities

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