

# **GNP Energy Danmark A/S**

Lottenborgvej 24

2800 Kongens Lyngby

CVR No. 37783838

## **Annual Report 2020**

5. financial year

The annual report was presented and  
adopted at the annual general meeting of  
the Company on 16 July 2021

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Ole Kristian Gran Haga  
Chairman

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## **Management's Statement**

Today, Management has considered and adopted the Annual Report of GNP Energy Danmark A/S for the financial year 1 January 2020 - 31 December 2020.

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 assets, liabilities and financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January 2020 - 31 December 2020.

Further, In our opinion, the Management's Review gives a fair review of the matters discussed in the Management's review.

We recommend that the Annual Report be adopted at the annual general meeting.

Copenhagen, 16 July 2021

### **Executive Board**

August Christian Johan Baumann  
CEO

### **Supervisory Board**

Ole Kristian Gran Haga  
Chairman

Sigrun Eggen  
Member

August Christian Johan Baumann  
Member

## **GNP Energy Danmark A/S**

### **Independent auditor's extended review report on the financial statements**

#### **To the shareholders of GNP Energy Danmark A/S**

##### **Conclusion**

We have performed an extended review of the financial statements of GNP Energy Danmark A/S for the financial year 1 January – 31 December 2020 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, it is our opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020 in accordance with the Danish Financial Statements Act.

##### **Basis for opinion**

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibility for the extended review 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 rules and requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Management's responsibility 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 that 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 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.

##### **Auditor's responsibilities for the extended review of the financial statements**

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures in order to obtain further assurance for our conclusion.

An extended review comprises procedures primarily consisting of making enquiries of Management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on these financial statements.

**GNP Energy Danmark A/S**

**Independent auditor's extended review report on the financial statements**

**Statement on Management's review**

Management is responsible for the Management's review.

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

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

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

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

Copenhagen, 16 July 2021

**KPMG**

**Statsautoriseret Revisionspartnerselskab**

CVR-no. 25578198

Christian Engelbrecht Friis

State Authorised

Public Accountant

mne44180

## **GNP Energy Danmark A/S**

### **Company details**

<b>Company</b>	GNP Energy Danmark A/S Lottenborgvej 24 2800 Kongens Lyngby
CVR No.	37783838
Date of formation	1 June 2016
Financial year	1 January 2020 - 31 December 2020
<b>Supervisory Board</b>	Ole Kristian Gran Haga Sigrun Eggen August Christian Johan Baumann, CEO
<b>Executive Board</b>	August Christian Johan Baumann, CEO
<b>Auditors</b>	KPMG Statsautoriseret Revisionspartnerselskab Dampfærgevej 28 2100 København Ø CVR-no.: 25578198

## Management's review

### **The Company's principal activities**

The Company's principal activities consist in trade of electricity, including participation in other companies with similar operations, and the purchase and sale of shares or otherwise make an interest in other companies.

### **Development in activities and financial matters**

The Company's Income Statement of the financial year 1 January 2020 - 31 December 2020 shows a result of DKK -944.486 and the Balance Sheet at 31 December 2020 a balance sheet total of DKK 6.804.416 and an equity of DKK -4.868.988.

The ultimate parent company has issued a letter of support providing assurance that the necessary funds will be provided to the Company, and consequently, the financial statements are presented under the going concern assumption, as per note 1.

### **Covid-19**

The Covid-19 situation is still confusing, but it will have an impact on GNP Energy Danmark A / S's activities on an equal footing with the rest of society.

The company's business is distribution of electricity, primarily aimed at the Danish electricity market. There are no indications that this is a market that is negatively impacted.

The Board of Directors believes that there are several cost-saving alternatives that ensure the operation of GNP Energy Danmark A / S, if necessary.

The Board of Directors has assessed that the company has taken sufficient measures to ensure operations through the pandemic.

### **Post financial year events**

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

GNP Energy Danmark A/S

Income statement

	Note	2020 kr.	2019 kr.
<b>Gross profit</b>		<b>373.501</b>	<b>1.085.714</b>
Staff costs	2	-903.546	-266.616
Amortisation and impairment losses		-151.997	-229.501
<b>Profit from ordinary operating activities</b>		<b>-682.042</b>	<b>589.597</b>
Finance income		311.691	5.145
Financial expenses	3	-302.347	-257.371
<b>Profit from ordinary activities before tax</b>		<b>-672.698</b>	<b>337.371</b>
Tax expense on ordinary activities	4	-271.788	0
<b>Profit</b>		<b>-944.486</b>	<b>337.371</b>
<b>Proposed distribution of results</b>			
Retained earnings		-944.486	337.371
<b>Distribution of profit</b>		<b>-944.486</b>	<b>337.371</b>



## Balance sheet as of 31 December

	Note	2020 kr.	2019 kr.
<b>Assets</b>			
Software	5	150.671	302.668
<b>Intangible assets</b>		<b>150.671</b>	<b>302.668</b>
Deposits		48.000	48.000
<b>Investments</b>		<b>48.000</b>	<b>48.000</b>
<b>Fixed assets</b>		<b>198.671</b>	<b>350.668</b>
Trade receivables		2.918.040	1.446.143
Deferred tax asset		0	271.788
Tax receivables		66.000	0
Other receivables		591	1.054.636
Prepayments		2.766.561	796.054
<b>Receivables</b>		<b>5.751.192</b>	<b>3.568.621</b>
<b>Cash and cash equivalents</b>		<b>854.553</b>	<b>88.197</b>
<b>Current assets</b>		<b>6.605.745</b>	<b>3.656.818</b>
<b>Assets</b>		<b>6.804.416</b>	<b>4.007.486</b>

## Balance sheet as of 31 December

	Note	2020 kr.	2019 kr.
<b>Liabilities and equity</b>			
Contributed capital		500.000	500.000
Retained earnings		-5.368.988	-4.424.503
<b>Equity</b>		<b>-4.868.988</b>	<b>-3.924.503</b>
Other provisions		52.287	0
<b>Provisions</b>		<b>52.287</b>	<b>0</b>
Trade payables		4.875.318	3.384.772
Payables to group enterprises		4.742.188	3.047.077
Other payables		1.273.854	136.364
Deferred income, liabilities		729.757	1.363.776
<b>Liabilities other than provisions</b>		<b>11.621.117</b>	<b>7.931.989</b>
<b>Liabilities other than provisions within the business</b>		<b>11.621.117</b>	<b>7.931.989</b>
<b>Liabilities and equity</b>		<b>6.804.416</b>	<b>4.007.486</b>
Contingent liabilities	6		
Related parties	7		

## Notes

### 1. Capital resources relating to going concern

The ultimate parent company, GNP Energy AS, has issued a letter of support providing assurance that the necessary funds will be provided to the Company, and consequently, the financial statements are presented under the going concern assumption.

	<b>2020</b>	<b>2019</b>
<b>2. Personalemkostninger</b>		
Wages and salaries	800.004	179.307
Pension	24.000	51.985
Other social security costs	7.036	23.087
Other staff costs	72.506	12.237
	<b>903.546</b>	<b>266.616</b>
Average number of employees	<u>1</u>	<u>2</u>

### 3. Finance costs

	<b>2020</b>	<b>2019</b>
Interest expenses, payables to group enterprises	241.796	171.757
Other financial costs	60.551	85.614
	<b>302.347</b>	<b>257.371</b>

### 4. Tax expense

	<b>2020</b>	<b>2019</b>
Tax for the year	0	214.610
Adjustment deferred tax	271.788	-214.610
	<b>271.788</b>	<b>0</b>

## Notes

### 5. Software

	<b>2020</b>	<b>2019</b>
Cost at the beginning of the year	726.613	280.000
Addition during the year	0	446.613
<b>Cost at the end of the year</b>	<b>726.613</b>	<b>726.613</b>
Amortisation at the beginning of the year	-423.945	-194.444
Amortisation for the year	-151.997	-229.501
<b>Amortisation at the end of the year</b>	<b>-575.942</b>	<b>-423.945</b>
<b>Carrying amount at the end of the year</b>	<b>150.671</b>	<b>302.668</b>

### 6. Contingent liabilities

The company have signed a contract for shared officespace i Copenhagen. Said contract have a monthly obligation of DKK 8.000, and a termination period of 3 months. Total liability is DKK 24.000.

### 7. Related parties

The following shareholders are registered in the Company's register of shareholders, who owns 100% of the share capital:

GNP Energy AS  
Raveien 422, 3239 Sandefjord, Norway

The company is included in the consolidated financial statements for European Energy Group AS. The consolidated financial statements are available at:  
GNP Energy AS  
Raveien 422, 3239 Sandefjord, Norway

## Accounting policies

### Reporting Class

The Annual Report of GNP Energy Danmark A/S for 2020 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

### Changed accounting policies, estimates and errors

Accounting policies has been changed as follows:

- Development costs have been reclassified to Software, without any changes to the numbers. Comparative figures have been reclassified too, and said change have had no effect on the operating result.

Apart from this, accounting policies remain unchanged from last year.

Comparative figures have been adapted to the changed accounting policies.

### Reporting currency

The annual report is presented in Danish kroner.

### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, 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.

## Accounting policies

### General information

#### Basis of recognition and measurement

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the annual report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

### Income statement

#### Gross profit/loss

Gross profit/loss comprises revenue, cost of sales and other external expenses. The Company has decided to aggregate these items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

#### Revenue

Income consists of revenue relates to sales of electricity. Income from delivery of services is recognised as revenue as the service is delivered. The Company collects payments from customers on behalf of grid companies. In that respect, the Company regards itself as an agent, and recognises these transactions on a net basis.

#### Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for purchased electricity for resale and commission to sales agents.

#### Other external expenses

Other external expenses comprise expenses regarding sale and administration.

#### Staff expenses

Staff expenses comprise wages and salaries, pensions and social security costs.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts that concern the financial year. Financial income and expenses include interest income and expenses, realised and unrealised capital gains and losses regarding securities, debt and foreign currency transactions, amortisation of financial assets and liabilities as well as surcharges and allowances under the tax repayment scheme.

## Accounting policies

### Tax on net profit/loss for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

## Balance sheet

### Intangible assets

Clearly defined and identifiable development projects where the technical rate of utilisation, sufficient resources and a potential future market or development potential in the Company are provable and where the intention is to manufacture, market or use the product or process are recognised as intangible assets if the value in use can be determined reliably and it is sufficiently certain that future earnings can cover production, sales and administration costs as well as total development costs.

Other development costs are recognised as costs in the Income Statement as they incur.

Development costs are calculated at the costs directly incurred and a share of the costs attributable to the individual development projects.

An impairment test of acquired intangible assets is performed in the event of indications of a decrease in value. Furthermore, annual impairment tests are performed for ongoing and activated development projects, if any. The impairment test is performed for each individual asset and group of assets, respectively. The assets are written down to the higher of the asset's or asset group's value in use and the net selling price (recoverable amount) in the event that this one is lower than the carrying amount.

### Intangible assets

Software is measured at cost less accumulated amortisation and impairment losses.

The basis of amortisation is cost less any projected residual value after the end of the useful life. Amortisation is provided on a straight-line basis over the estimated useful life. The estimated useful lives 3 years.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

### Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

### Prepayments

Prepayments recognised in assets comprises prepaid costs regarding subsequent financial years.

### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

### Financial liabilities

Liabilities are measured at amortised cost which usually corresponds to the nominal value.

## Accounting policies

### Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

### Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.