

**MFT Energy Holding ApS**  
**Margrethepladsen 3 4., 8000 Aarhus**

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**Annual report**

**2019**

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**Company reg. no. 38 17 42 07**

The annual report was submitted and approved by the general meeting on the 29 April 2020.

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Lars Kristensen  
Chairman of the meeting

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#### Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## **Management's report**

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Today, the board of directors and the managing director have presented the annual report of MFT Energy Holding ApS for the financial year 2019 of MFT Energy Holding ApS.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the company's results of activities and cash flows in the financial year 1 January - 31 December 2019.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Aarhus, 23 April 2020

### **Managing Director**

Cagdas Ozan Ates

### **Board of directors**

Torben Nordal Clausen

Lars Kristensen

Cagdas Ozan Ates

Simon Fisker Rathjen

## **Independent auditor's report**

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### **To the shareholders of MFT Energy Holding ApS**

#### **Opinion**

We have audited the financial statements of MFT Energy Holding ApS for the financial year 1 January - 31 December 2019, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity, statement of cash flows and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the results of the company's activities and cash flows 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 and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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.

#### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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.

## **Independent auditor's report**

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As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

## **Independent auditor's report**

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In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 23 April 2020

### **Martinsen**

State Authorised Public Accountants  
Company reg. no. 32 28 52 01

Leif Tomasson  
State Authorised Public Accountant  
mne25346

## Company information

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<b>The company</b>	MFT Energy Holding ApS Margrethepladsen 3 4. 8000 Aarhus
	Company reg. no. 38 17 42 07
	Established: 9 November 2016
	Domicile:
	Financial year: 1 January 2019 - 31 December 2019 3rd financial year
<b>Board of directors</b>	Torben Nordal Clausen Lars Kristensen Cagdas Ozan Ates Simon Fisker Rathjen
<b>Managing Director</b>	Cagdas Ozan Ates
<b>Auditors</b>	Martinsen Statsautoriseret Revisionspartnerselskab Øster Allé 42 2100 København Ø
<b>Parent company</b>	ARK Holding ApS
<b>Subsidiary</b>	MFT Energy A/S, Aarhus

## Financial highlights

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DKK in thousands.	2019	2018	2017
<b>Income statement:</b>			
Gross profit	-6	-72	-6
Profit from ordinary operating activities	-9	-72	-6
Net financials	10.774	11.830	4.394
Net profit or loss for the year	10.766	10.675	3.399
<b>Statement of financial position:</b>			
Balance sheet total	27.974	18.247	5.645
Equity	26.716	15.950	3.449
<b>Cash flows:</b>			
Operating activities	-1	-11	-892
Investing activities	30	-1.837	876
Financing activities	0	1.826	50
Total cash flows	29	-22	0
<b>Key figures in %:</b>			
Acid test ratio	3,4	46,0	96,9
Solvency ratio	95,5	87,4	61,1
Return on equity	50,5	110,1	197,1

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

<b>Acid test ratio</b>	$\frac{\text{Current assets} \times 100}{\text{Short term liabilities other than provisions}}$
<b>Solvency ratio</b>	$\frac{\text{Equity, closing balance} \times 100}{\text{Total assets, closing balance}}$
<b>Return on equity</b>	$\frac{\text{Net profit or loss for the year} \times 100}{\text{Average equity}}$



## **Management commentary**

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**The principal activities of the company is to hold shares.**

The principal activities are to hold shares.

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

The gross loss for the year totals DKK -6.250 against DKK -71.517 last year. Income or loss from ordinary activities after tax totals DKK 10.766.307 against DKK 10.674.649 last year. Management considers the net profit or loss for the year satisfactory.

### **Expected developments**

The income from equity investments is expected to increase next year due to the expansion of MFT Energy A/S.

## Accounting policies

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The annual report for MFT Energy Holding ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

### Income statement

#### Gross loss

Gross loss comprises external costs.

Other external costs comprise costs incurred for administration.

#### Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

#### Financial income and expenses

Financial income and expenses comprise interest, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Interest and other costs concerning loans to finance the production of intangible assets and property, plant, and equipment, and relating to production periods are not recognised in the cost of non-current assets.

#### Results from equity investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual group enterprises are recognised in the income statement as a proportional share of the group enterprises' post-tax profit or loss.

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

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

## Accounting policies

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### Statement of financial position

#### Investments

##### Equity in group enterprises

Equity in group enterprises recognised in the statement of financial position as a proportional share of the enterprise's equity value. This is calculated on the basis of the accounting policies of the parent less/plus unrealised intercompany profits and losses, and less/plus residual value of positive or negative goodwill measured by applying the purchase method.

Group enterprises with negative equity are recognised at no value and, to the extent they are considered irrevocable, amounts owed by these companies are made subject to impairment by the parent's share of the equity. If the negative equity exceeds the receivables, the residual amount is recognised under liability provisions to the extent that the parent has a legal or actual liability to cover the negative equity of these subsidiaries.

Profit or loss in connection with the disposal of group enterprises are measured as the difference between the sales amount and the carrying amount of net assets at the time of sale, inclusive of remaining consolidated goodwill and expected costs of sale or liquidation. Profit and loss are recognised in the income statement under net financials.

#### Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

#### Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

#### Equity

##### Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries and associates proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

#### Income tax and deferred tax

Current tax receivables and tax liabilities are recognised in the statement of financial position with the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

## Accounting policies

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According to the rules of joint taxation, MFT Energy Holding ApS is proportionally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

Deferred tax assets, including the tax value of tax losses eligible for carryforward, are recognised at their expected realisable value, either by settlement against tax of future earnings or by setoff in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisation value.

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

### Liabilities other than provisions

Other liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

## Statement of cash flows

The statement of cash flows shows company cash flows for the year divided into cash flows derived from operating activities, investment activities, and financing activities, respectively, changes in cash and cash equivalents, and cash and cash equivalents at the beginning and end of the year, respectively.

The effect on cash flows derived from the acquisition and sale of enterprises appears separately under cash flows from investment activities. In the statement of cash flows, cash flows derived from acquirees are recognised as of the date of acquisition, and cash flows derived from sold enterprises are recognised until the date of sale.

### Cash flows from operating activities

Cash flows from operating activities are calculated as the profit or loss for the year adjusted for noncash operating items, changes in the working capital, and income tax paid.

### Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

### Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the share capital and associated costs. Furthermore, cash flows comprise borrowings, repayments of interest-bearing payables, and payments of dividend to the shareholders.

## **Accounting policies**

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### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits less shortterm bank loans and shortterm financial instruments with a term of less than 3 months which can easily be converted into cash and cash equivalents and are associated with an insignificant risk of value change.

## Income statement 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Gross loss</b>	<b>-6.250</b>	<b>-71.517</b>
Other operating costs	<u>-2.628</u>	<u>0</u>
<b>Operating profit</b>	<b>-8.878</b>	<b>-71.517</b>
Income from equity investments in group enterprises	10.773.810	11.835.050
1 Other financial costs	<u>0</u>	<u>-5.493</u>
<b>Pre-tax net profit or loss</b>	<b>10.764.932</b>	<b>11.758.040</b>
Tax on net profit or loss for the year	<u>1.375</u>	<u>-1.083.391</u>
<b>2 Net profit or loss for the year</b>	<b><u>10.766.307</u></b>	<b><u>10.674.649</u></b>

## Statement of financial position at 31 December

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All amounts in DKK.

<b>Assets</b>		2019	2018
<u>Note</u>		<u>                    </u>	<u>                    </u>
<b>Non-current assets</b>			
3	Equity investments in group enterprises	27.931.672	17.190.433
	Total investments	<u>27.931.672</u>	<u>17.190.433</u>
	<b>Total non-current assets</b>	<u><b>27.931.672</b></u>	<u><b>17.190.433</b></u>
<b>Current assets</b>			
	Receivables from group enterprises	0	1.045.000
	Income tax receivables	1.375	0
	Total receivables	<u>1.375</u>	<u>1.045.000</u>
	Cash on hand and demand deposits	<u>40.917</u>	<u>11.940</u>
	<b>Total current assets</b>	<u><b>42.292</b></u>	<u><b>1.056.940</b></u>
	<b>Total assets</b>	<u><b>27.973.964</b></u>	<u><b>18.247.373</b></u>

**Statement of financial position at 31 December**

All amounts in DKK.

<b>Equity and liabilities</b>		
<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Equity</b>		
Contributed capital	65.000	65.000
Reserve for net revaluation according to the equity method	24.030.153	13.246.414
Retained earnings	<u>2.621.269</u>	<u>2.638.701</u>
<b>Total equity</b>	<b><u>26.716.422</u></b>	<b><u>15.950.115</u></b>
<b>Liabilities other than provisions</b>		
Trade payables	6.250	6.250
Payables to group enterprises	1.251.292	1.208.388
Income tax payable	<u>0</u>	<u>1.082.620</u>
Total short term liabilities other than provisions	<u>1.257.542</u>	<u>2.297.258</u>
<b>Total liabilities other than provisions</b>	<b><u>1.257.542</u></b>	<b><u>2.297.258</u></b>
<b>Total equity and liabilities</b>	<b><u>27.973.964</u></b>	<b><u>18.247.373</u></b>

- 4 Contingencies
- 5 Related parties



## Statement of changes in equity

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All amounts in DKK.

	Contributed capital	Reserve for net revalua-tion according to the eq-uity method	Retained earnings	Total
Equity 1 January 2018	50.000	3.402.257	-2.863	3.449.394
Cash capital increase	11.050	0	1.815.022	1.826.072
Share of results	0	9.844.157	830.492	10.674.649
Transferred from distributed reserves	3.950	0	-3.950	0
Equity 1 January 2019	65.000	13.246.414	2.638.701	15.950.115
Share of results	0	10.783.739	-17.432	10.766.307
	<b>65.000</b>	<b>24.030.153</b>	<b>2.621.269</b>	<b>26.716.422</b>

## Statement of cash flows 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Net profit or loss for the year	10.766.307	10.674.649
6 Adjustments	-10.772.557	-10.746.030
7 Change in working capital	1.087.904	1.055.584
Cash flows from operating activities before net financials	1.081.654	984.203
Interest paid, etc.	0	-5.493
Cash flows from ordinary activities	1.081.654	978.710
Income tax paid	-1.082.620	-989.573
<b>Cash flows from operating activities</b>	<b>-966</b>	<b>-10.863</b>
Purchase of fixed asset investments	0	-3.829.019
Sale of fixed asset investments	29.943	0
Dividends received	0	1.992.000
<b>Cash flows from investment activities</b>	<b>29.943</b>	<b>-1.837.019</b>
Cash capital increase	0	1.826.072
<b>Cash flows from investment activities</b>	<b>0</b>	<b>1.826.072</b>
<b>Change in cash and cash equivalents</b>	<b>28.977</b>	<b>-21.810</b>
Cash and cash equivalents at opening balance	11.940	33.750
<b>Cash and cash equivalents at end of period</b>	<b>40.917</b>	<b>11.940</b>
<b>Cash and cash equivalents</b>		
Cash on hand and demand deposits	40.917	11.940
<b>Cash and cash equivalents at end of period</b>	<b>40.917</b>	<b>11.940</b>

## Notes

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All amounts in DKK.

	<u>2019</u>	<u>2018</u>
<b>1. Other financial costs</b>		
Other financial costs	0	5.493
	<u>0</u>	<u>5.493</u>
<b>2. Proposed appropriation of net profit</b>		
Reserves for net revaluation according to the equity method	10.783.739	9.844.157
Transferred to retained earnings	0	830.492
Allocated from retained earnings	-17.432	0
<b>Total allocations and transfers</b>	<u>10.766.307</u>	<u>10.674.649</u>
<b>3. Equity investments in group enterprises</b>		
Acquisition sum, opening balance opening balance	3.944.019	115.000
Additions during the year	0	3.829.019
Disposals during the year	-42.500	0
<b>Cost end of period</b>	<u>3.901.519</u>	<u>3.944.019</u>
Revaluations, opening balance opening balance	13.246.414	3.403.500
Adjustment of previous revaluations	0	-136
Results for the year before goodwill amortisation	10.773.810	11.684.578
Reversals for the year concerning disposals	9.929	0
Dividend	0	-1.992.000
Adjustments to additions	0	150.472
<b>Revaluation end of period</b>	<u>24.030.153</u>	<u>13.246.414</u>
<b>Carrying amount, end of period</b>	<u>27.931.672</u>	<u>17.190.433</u>
<b>Group enterprises:</b>		
	<b>Domicile</b>	<b>Equity interest</b>
MFT Energy A/S	Aarhus	100 %

## Notes

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All amounts in DKK.

### 4. Contingencies

#### Joint taxation

With ARK Holding ApS, company reg. no 39632462 as administration company, the company is subject to the Danish scheme of joint taxation and is proportionally liable for tax claims within the joint taxation scheme.

The liabilities amount to a maximum amount corresponding to the share of the company capital, which is owned directly or indirectly by the ultimate parent company.

The total tax payable under the joint taxation scheme totals 3.636 TDKK.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

### 5. Related parties

#### Controlling interest

ARK Holding ApS, Margrethepladsen 4, 3., Aarhus, Denmark

Majority shareholder

#### Transactions

In accordance with Section 98C, seventh paragraph of the Danish Financial Statement Act, the Company only reports on transactions with related parties not completed on an arm's length basis.

#### Consolidated financial statements

The company is included in the consolidated financial statements of ARK Holding ApS located Margrethepladsen 4, 3., Aarhus, Denmark.

**Notes**

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All amounts in DKK.

	<u>2019</u>	<u>2018</u>
<b>6. Adjustments</b>		
Loss from disposal of non-current assets	2.628	0
Income from equity investments in group enterprises	-10.773.810	-11.834.914
Other financial costs	0	5.493
Tax on net profit or loss for the year	<u>-1.375</u>	<u>1.083.391</u>
	<u><b>-10.772.557</b></u>	<u><b>-10.746.030</b></u>
<b>7. Change in working capital</b>		
Change in receivables	1.045.000	1.047.196
Change in trade payables and other payables	<u>42.904</u>	<u>8.388</u>
	<u><b>1.087.904</b></u>	<u><b>1.055.584</b></u>